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## **CNNC INTERNATIONAL LIMITED**

**中核國際有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2302)**

### **PROFIT ALERT**

This announcement is made by CNNC International Limited (the “Company”, together with its subsidiaries shall be referred to as the “Group”) pursuant to Rule 13.09 (2) of the Rules Governing the Listing of Securities on the Stock Exchange and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Reference is also made to the announcements of the Company dated 29th April, 2021 and 30th April, 2021 regarding delay in publication of 2020 annual results and suspension of trading (the “Announcements”).

The board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company (“Shareholders”) and potential investors that, based on a preliminary review on the unaudited consolidated management accounts for the year ended 31st December, 2021 (the “2021 Year”) of the Group and information presently available to the Board, the Group is expected to record a significant decrease in revenue by not less than HK\$1,300 million and a decrease in gross profit by not less than HK\$3 million for the 2021 Year as compared to the corresponding period for the year ended 31st December, 2020 (the “2020 Year”) of approximately HK\$1,648 million and HK\$24 million, respectively. Despite the foregoing, the Group is expected to record a small net profit of not less than approximately HK\$1 million for the 2021 Year as compared to the net loss of approximately HK\$88 million for the 2020 Year. As disclosed in the Announcements, the Company is yet to release its audited consolidated results for the 2020 Year.

The significant decrease in revenue is mainly due to the complete cessation of the Group’s supply chain business since the second half of the 2020 Year, pursuant to the Group’s strategic

decision to focus more on its uranium product trading business, as more particularly set out in the Company's interim reports for the six months ended 30th June, 2020 and 2021 and the announcement of the Company dated 28th January, 2022 in relation to the quarterly update on status of resumption.

The turnaround from a net loss to a net profit position is mainly arising from (i) the absence of the impairment loss of inventory in the 2021 Year (the 2020 Year: HK\$52 million); (ii) a share of profit from an associate in the 2021 Year (the 2020 Year: share of loss of approximately HK\$18 million); and (iii) a reduction in finance costs in the 2021 Year (the 2020 Year: approximately HK\$16.7 million) after the Group ceased its supply chain business .

As at the date of this announcement, the Company is still in the process of finalising the Group's annual results for the 2021 Year. The above information is only a preliminary assessment by the management of the Company based on the information currently available to the Group, which has not been confirmed or reviewed by the audit committee of the Company and has not been audited by the Company's auditors, and may therefore be subject to adjustments. Shareholders and potential investors should refer to the announcement of the unaudited annual results of the Group for the 2021 Year which is expected to be released before the end of March 2022, and the subsequent publication of the Group's Annual Report 2021.

## **CONTINUED SUSPENSION OF TRADING**

Pursuant to Rule 13.50 of the Listing Rules, the Stock Exchange will normally require suspension of trading in an issuer's securities if an issuer fails to publish periodic financial information in accordance with the Listing Rules, and the suspension will normally remain in force until the issuer publishes the requisite financial information. At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 30th April, 2021, and will remain suspended until further notice.

The Company will publish further announcement(s) to keep the Company's shareholders and potential investors informed of the status and development of the Company as and when appropriate, as well as announce quarterly updates on its development pursuant to Rule 13.24A of the Listing Rules.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**CNNC International Limited**  
中核國際有限公司  
Li Philip Sau Yan

Company Secretary

Hong Kong, 30th March, 2022

*As at the date of this announcement, the Board comprises the Chairman and Non-executive Director, namely, Mr. Zhong Jie, the Chief Executive Officer and Executive Director, namely, Mr. Zhang Yi, Non-executive Director, namely, Mr. Wu Ge and Independent Non-executive Directors, namely, Mr. Cui Liguo, Mr. Zhang Lei and Mr. Chan Yee Hoi.*