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CHINA ISOTOPE & RADIATION CORPORATION

中國同輻股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1763)

CONNECTED TRANSACTION ENTERING INTO THE SHAREHOLDERS' AGREEMENT ON THE ESTABLISHMENT OF THE JOINT VENTURE COMPANY

ENTERING INTO THE SHAREHOLDERS' AGREEMENT

On 28 July 2026, the Company entered into the Shareholders' Agreement with CNNC Zhejiang Science and Technology Innovation, in respect of the establishment of the joint venture company, CNNC Fuzhi. Pursuant to the Shareholders' Agreement, the registered capital of CNNC Fuzhi is RMB50 million, among which, RMB45 million will be contributed by the Company by way of a combination of non-monetary assets and cash, comprising RMB26.60 million in cash and RMB18.40 million in the form of the net assets of the Nuclear Medicine Development Center; and RMB5 million will be contributed by CNNC Zhejiang Science and Technology Innovation in cash. Upon the establishment of CNNC Fuzhi, the Company and CNNC Zhejiang Science and Technology Innovation will hold 90% and 10% equity interests in CNNC Fuzhi, respectively, and CNNC Fuzhi will become a non-wholly-owned subsidiary of the Company.

IMPLICATIONS OF THE LISTING RULES

As at the date of this announcement, CNNC directly and indirectly holds approximately 73.83% of the Company's total issued share capital through CIAE, NPIC, CNNC Fund and 404 Company, and is the controlling Shareholder and connected person of the Company. CNNC Capital is a wholly-owned subsidiary of CNNC, CNNC Science and Technology Innovation is a wholly-owned subsidiary of CNNC Capital, and CNNC Zhejiang Science and Technology Innovation is a non-wholly-owned subsidiary of CNNC Science and Technology Innovation. Therefore, CNNC Zhejiang Science and Technology Innovation is an associate of CNNC and a connected person of the Company under Chapter 14A of the Listing Rules. The entering into the Shareholders' Agreement and the transaction contemplated thereunder thus constitute a connected transaction of the Company.

As the highest applicable percentage ratio calculated under the Listing Rules in respect of the transaction under the Shareholders' Agreement exceeds 0.1% but is less than 5%, such transaction is only subject to the reporting and announcement requirements but exempt from independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

On 28 July 2026, the Company entered into the Shareholders' Agreement with CNNC Zhejiang Science and Technology Innovation, in respect of the establishment of the joint venture company, CNNC Fuzhi. Pursuant to the Shareholders' Agreement, the registered capital of CNNC Fuzhi is RMB50 million, among which, RMB45 million will be contributed by the Company by way of a combination of non-monetary assets and cash, comprising RMB26.60 million in cash and RMB18.40 million in the form of the net assets of the Nuclear Medicine Development Center; and RMB5 million will be contributed by CNNC Zhejiang Science and Technology Innovation in cash. Upon the establishment of CNNC Fuzhi, the Company and CNNC Zhejiang Science and Technology Innovation will hold 90% and 10% equity interests in CNNC Fuzhi, respectively, and CNNC Fuzhi will become a non-wholly-owned subsidiary of the Company.

THE SHAREHOLDERS' AGREEMENT

The principal terms of the Shareholders' Agreement are summarized as follows:

Date:	28 July 2026
Parties:	The Company; and CNNC Zhejiang Science and Technology Innovation
Effective date:	The Shareholders' Agreement will become effective after being signed by the legal representatives or authorized representatives of the parties and affixed with the respective company seals.
Contributions:	The registered capital of CNNC Fuzhi is RMB50 million. The amounts of subscribed capital contributions, the form of capital contributions, the shareholding percentages and the contribution timeline are as follows:

No.	Name of Shareholder	Amounts of Subscribed Capital	Form of Capital Contributions	Shareholding Percentages	Contribution Timeline
		Contributions (in RMB10,000)			
1	The Company	2,660	Cash	90%	By 31 December 2026
		1,840	Non-monetary Assets (Net Assets of the Nuclear Medicine Development Center)		By 31 December 2027
2	CNNC Zhejiang Science and Technology Innovation	295.56	Cash	10%	By 31 December 2026
Total	-	204.44	Cash	100%	By 31 December 2027
		5,000	-		-

The paid-in capital contributions shall be made by the Shareholders in proportion to their respective shareholdings. Each Shareholder shall pay its subscribed capital contribution amount within the time periods specified herein. For capital contributions made in cash, the full amount of such cash contributions shall be deposited into the bank account opened by CNNC Fuzhi. For capital contributions made in non-monetary assets, such non-monetary assets contributed as capital shall be appraised and valued by a duly qualified appraisal institution, and the assets shall be verified; the valuation shall not be overestimated or underestimated, and the relevant procedures for the transfer of property rights shall be completed concurrently. Where laws or administrative regulations provide otherwise with respect to the appraisal and valuation, such provisions shall prevail. The portion of the appraised value of the non-monetary capital contributions that exceeds the subscribed capital contribution amount shall be credited to the capital reserve fund of CNNC Fuzhi.

Upon the establishment of CNNC Fuzhi, each contributing party shall become a shareholder of CNNC Fuzhi. CNNC Fuzhi shall issue a capital contribution certificate to each shareholder.

Valuation method
of the contributed
assets and basis of
consideration:

This valuation is conducted on the net assets of the Nuclear Medicine Development Center, which the Company intends to contribute as non-monetary capital, and the valuation results under the income approach are adopted as the final valuation conclusion. According to the Asset Valuation Report issued by the Independent Valuer, as of the Valuation Reference Date (30 September 2025), the carrying amount of the net assets of the Nuclear Medicine Development Center is RMB4.2697 million, the valuation value is RMB18.40 million, and the valuation appreciation amounts to RMB14.1303 million (with an appreciation rate of 330.95%).

A summary of the key contents of the Asset Valuation Report is set out in the section headed “Valuation of the Net Assets of the Nuclear Medicine Development Center” of this announcement.

The consideration was determined after arm’s length negotiations between the Company and CNNC Zhejiang Science and Technology Innovation, taking into account, among other things, the valuation conclusions set out in the Asset Valuation Report issued by the Independent Valuer.

Business scope:

General items: software development, software sales, big data center construction, data sales; technical services, technical development, consulting services, technical exchange, technology transfer, and technology promotion; research and development, sales, and operation and maintenance services of equipment and systems; commercialization of scientific and technological achievements; sales of radiation protection and monitoring equipment; sales of electronic products; maintenance of electronic and mechanical equipment (excluding special equipment); import and export of goods; import and export of technology; and conference and exhibition services (except for items subject to approval by law, the business activities shall be conducted independently with the business licences in accordance with the laws).

Licensed items: sales of pharmaceuticals; sales of Class II and Class III medical devices; sales of Class II and Class III radiation equipment (subject to the approval by the industry and commerce authorities).

Management
organization and
legal representative
of CNNC Fuzhi:

CNNC Fuzhi shall have a shareholders' general meeting composed of all shareholders which acts as the organ of authority of CNNC Fuzhi and exercises its functions and powers in accordance with the Company Law and relevant laws, administrative regulations and the articles of association.

CNNC Fuzhi shall not establish a board of directors, but shall have one director who manages the company's affairs. Such director shall exercise the powers and functions of the board of directors as prescribed under the Company Law. The director shall be recommended by China Isotope and elected by the shareholders' general meeting, and shall serve as the legal representative of the company. The director shall be responsible to the shareholders' general meeting and shall exercise the powers and functions as stipulated in the articles of association or as delegated by the shareholders' general meeting. The term of office of the director shall be three years, and the director may be re-elected upon expiration of such term.

CNNC Fuzhi shall have a general manager, who shall be recommended by China Isotope and shall be responsible to the director managing the company's affairs, and shall bear overall responsibility for the daily production and operation management of the company. It shall have three other senior management personnel, all of whom shall be recommended by China Isotope. The specific working mechanism shall be determined by the articles of association of CNNC Fuzhi. The appointment or dismissal of senior management personnel shall be decided by the director.

Equity transfer and
pledge:

In the event that a shareholder desires to transfer all or any part of its equity interests in CNNC Fuzhi, a written notice with respect to such equity transfer shall be given to the other shareholders.

Under the same conditions, the other shareholders of CNNC Fuzhi have a right of first refusal. The other shareholders, as the preferred transferees, shall respond within thirty days after the transferor gives a written notice of its transfer request; otherwise, the transferor shall have the right to transfer such equity interests to any party other than the shareholders.

When a shareholder of CNNC Fuzhi transfers all or part of its equity interests to any party other than the other shareholders, the transferor shall submit to the other shareholders of CNNC Fuzhi a copy of the written agreement executed with the transferee, setting forth the corresponding rights and obligations under such transfer.

Specifically, if the Company or CNNC Zhejiang Science and Technology Innovation transfers its equity in CNNC Fuzhi to a subsidiary it controls, no consent from the other shareholders of CNNC Fuzhi will be required, and those other shareholders of CNNC Fuzhi shall be deemed to have waived their right of first refusal.

Any equity transfer of CNNC Fuzhi shall not impede the operations of CNNC Fuzhi or affect its organizational structure. After the transfer is approved, CNNC Fuzhi shall file for the change of registration with the market regulation authority within 15 days.

Valuation of the Net Assets of the Nuclear Medicine Development Center

The summary of the Asset Valuation Report issued by the Independent Valuer is set out below:

Valuation Purpose

China Isotope & Radiation Corporation plans to make an outbound capital contribution, for which the market value of the net assets of the China Isotope & Radiation Corporation Nuclear Medicine Development Center as at the Benchmark Date needs to be assessed, so as to provide a reference basis for the aforesaid economic activity.

Valuation Object and Scope

The valuation object is the net asset value of the China Isotope & Radiation Corporation Nuclear Medicine Development Center; the valuation scope covers all assets and related liabilities reported as of 30 September 2025, specifically including: current assets of RMB83,500, non-current assets of RMB5,727,400, and current liabilities of RMB1,541,200.

Valuation Benchmark Date

The Benchmark Date for asset appraisal is 30 September 2025.

Valuation Methods

Selection of the Income Approach Result

The basic methods of enterprise value valuation mainly include the income approach, market approach and asset-based approach.

The appraised entity operates on a going concern basis. The selection of economic and technical parameters used in the asset-based approach is supported by sufficient data as a foundation and basis, and the financial data have been audited. There are no off-book assets that would have a material impact on the value of the valuation object and that are difficult to identify and assess; therefore, the asset-based approach can be applied.

The income approach evaluates assets from the perspective of expected profitability, which can fully reflect the overall value of an enterprise. The appraised entity is an enterprise with a certain level of profitability. Considering the relatively stable historical annual performance of the appraised entity, its future earnings can be reasonably projected and measured in monetary terms, the income period can be reasonably determined, and the risks associated with obtaining the expected future earnings can be measured. Therefore, the income approach has been selected for this valuation.

A prerequisite for applying the market approach is that comparable reference entities have an open market with active trading, as well as the necessary information regarding such transactions is accessible. Currently, among domestic listed companies in the same industry as the appraised entity, few are comparable in terms of business structure, operating model, enterprise scale, asset allocation, and future growth potential. In addition, there have been few comparable equity transactions in the property rights trading market involving entities similar to the appraised entity recently. Information such as the relevant transaction background and the operating and financial data of the transaction cases cannot be obtained through public channels, and thus the basic conditions for applying the market approach are not met.

The asset-based approach considers the re-acquisition channels of assets and reflects the replacement value of an enterprise's existing assets. The income approach evaluates profitability from the perspective of the enterprise's future earning capacity. The asset-based approach only reasonably determines the market value of the assets as at the Benchmark Date from a static perspective. In applying the income approach, consideration is given not only to the value of all tangible assets, intangible assets, and liabilities already reflected on the enterprise's balance sheet, but also to the enterprise's capital capacity, the integrated resource capability of all its assets, its comprehensive profitability, and its production capacity, which are not shown on the balance sheet of the appraised entity.

Based on the purpose of this valuation, in conjunction with the valuation object and the applicable type of value, and following comparative analysis, it is considered that the conclusion derived from the income approach can more comprehensively and reasonably reflect the net asset value of the appraised entity as at the Benchmark Date. In summary, the result of the income approach has been selected as the conclusion for this valuation.

Valuation Input Data

Valuation Model and Key Parameters:

The income approach adopted in this valuation is the discounted cash flow method, using free cash flow to the firm as the cash flow metric. The net asset value is derived indirectly through the valuation of the overall enterprise value.

The calculation model is as follows:

Net asset value = overall enterprise value – interest-bearing debt value

(1) Overall enterprise value

Overall enterprise value refers to the sum of net asset value and the value of interest-bearing debt. According to the allocation and use of the assets of the appraised entity, the overall enterprise value is calculated according to the following formula:

Overall enterprise value = value of operating assets + value of surplus assets + value of non-operating assets – value of non-operating liabilities

i. Value of operating assets

Value of operating assets is calculated as follows:

$$P = \sum_{i=1}^n \frac{F_i}{(1+r)^i} + \frac{F_{n+1}}{r \times (1+r)^n}$$

Where:

- P: the value of the enterprise's operating assets as at the Valuation Benchmark Date;
- F_i : the expected free cash flow of the enterprise in year i after the Valuation Benchmark Date;
- F_{n+1} : the expected free cash flow of the enterprise in the last year of the detailed forecast period;
- r: Discount rate (in this case the weighted average cost of capital, WACC);
- n: Detailed forecast period;
- i: Year i of the detailed forecast period (mid-year discounting).

a) Income period

Through analysis of the development prospects of the industry in which the appraised entity operates and the entity's own operating conditions, no matters that could affect the entity's going concern have been identified. For this valuation, it is assumed that the appraised entity will continue as a going concern after the Valuation Benchmark Date, and the income period is set as a perpetual period.

b) Income indicator

In accordance with the principle that the expected income metric and the discount rate are consistent in scope, the enterprise value income indicator for the valuation object is determined using free cash flow to the firm.

Free cash flow to the firm = net profit before interest and after tax + depreciation and amortization – capital expenditure – net increase in working capital

c) Discount rate

The earnings metric adopted in this valuation is free cash flow to the firm, the discount rate is determined based on the weighted average cost of capital model (WACC) under the principle that the earnings metric shall be the same as that for discount rate. The calculation formula of which is as follows:

$$WACC = K_e \times \frac{E}{E+D} + K_d \times (1-t) \times \frac{D}{E+D}$$

Where:

K_e : Cost of equity capital;
 K_d : Cost of interest-bearing debt capital;
 E : market value of equity;
 D : market value of interest-bearing debt;
 t : income tax rate.

Of which, the cost of equity capital is calculated using the Capital Asset Pricing Model (CAPM). The calculation formula is as follows:

$$K_e = R_f + MRP \times \beta_L + R_c$$

Where:

R_f : risk-free rate of return;
MRP: market risk premium;
 β_L : systematic risk factor for equity;
 R_c : Enterprise-specific risk adjustment factor.

ii. Value of surplus assets

Surplus assets refer to assets that exceed the needs of the production and operation of the enterprise as at the Valuation Benchmark Date and are not covered in the forecast of free cash flow to the firm after the Valuation Benchmark Date. The surplus assets of the appraised entity have been valued using the cost approach in this valuation.

iii. Value of non-operating assets and liabilities

Non-operating assets and liabilities refer to assets and liabilities that are unrelated to the operations of the appraised entity and are not covered in the forecast of free cash flow to the firm after the Valuation Benchmark Date. The cost approach has been adopted in this valuation.

(2) Value of interest-bearing debt

Interest-bearing debt refers to debts of the appraised entity that bear interest as at the Valuation Benchmark Date. The appraised entity had no interest-bearing debt as at the Valuation Benchmark Date.

Principal Assumptions Underlying the Valuation

Basic Assumptions

1. In the open market assumption, it is assumed that for assets to be traded or intended to be traded in the market, the parties to the asset transaction shall have equal status, and also have opportunity and time to gain sufficient market information, so as to make rational judgement on functions, purpose and trading prices of assets;
2. In the transaction assumption, it is assumed that all assets to be valued are in the process of transaction, and the Independent Valuer makes estimation in a simulated market according to the transaction conditions of assets to be valued. The transaction assumption is one of the most basic prerequisites that asset valuation can be carried out;
3. In the going concern assumption, it is assumed that the appraised entity, based on the existing assets and resources, will not stop business for various reasons in the foreseeable future, but will continue to operate legally.

General Assumptions

1. It is assumed that there are no significant changes in the current relevant laws, regulations, policies, and macroeconomic situation of the country, and that there are no significant changes in the political, economic, and social environment of the regions where the parties to the transactions are located;
2. It is assumed that the industry in which the appraised entity operates maintains a stable development trend, with no significant changes in industry policies, management systems, and relevant regulations;
3. It is assumed that there are no significant changes in interest rates, exchange rates, tax benchmarks and rates, policy-related collection fees, etc. related to the appraised entity after the Valuation Benchmark Date;
4. It is assumed that no force majeure or unforeseeable factors have a significant adverse impact on the appraised entity after the Valuation Benchmark Date.

Special Assumptions

1. It is assumed that the general information relating to the business operation, property rights documentation, policy documents and other relevant materials provided by the client and the appraised entity are true and valid;
2. It is assumed that the purchase, acquisition and construction of the assets involved in the valuation object are in accordance with the relevant laws and regulations of the PRC;
3. It is assumed that the physical assets involved in the valuation object have no major technical failures that affect their continuous use, and that their key components and materials have no potential significant quality defects;
4. It is assumed that the assets within the scope of the appraisal are genuine and complete, free from title defects, not involved in any mortgage, lien, or guarantee matters, and not subject to any other transaction restrictions;
5. It is assumed that the management of the appraised entity is responsible, stable, and capable of discharging its duties after the Valuation Benchmark Date;
6. It is assumed that the appraised entity, based on its existing management methods and levels, maintains the same business scope and methods as it currently has after the Valuation Benchmark Date;
7. All licenses, permits, consents, or other legal or administrative authorizations issued by relevant local and national government authorities and institutions required for the asset usage methods underlying the value estimates in this valuation report are assumed to be valid, compliant, and in normal use as of the Valuation Benchmark Date, and it is assumed that such documents can be renewed or reissued upon expiration;

8. It is assumed that the relevant data of listed companies sourced from iFinD Information are authentic and reliable;
9. During the forecast period, the core management and technical personnel of the appraised entity are relatively stable, and no significant changes affecting business development and profit realization will occur;
10. It is assumed that the cash inflow of the appraised entity after the Valuation Benchmark Date is even, and the cash outflow is likewise even.

Valuation Conclusion

Based on the Asset Valuation Report, having performed the aforesaid asset valuation procedures and adopted the aforesaid appraisal methodologies, the Independent Valuer determined that the appraised value of the Nuclear Medicine Development Center as at the Valuation Benchmark Date was RMB18.40 million.

INFORMATION ON THE NUCLEAR MEDICINE DEVELOPMENT CENTER

Principal Business Activities

The Nuclear Medicine Development Center was established in June 2022 as an internal business unit of China Isotope & Radiation Corporation. Its principal business is to incubate the intelligent nuclear medicine industry. It has successfully developed the intelligent nuclear medicine information system and achieved its commercialization.

Financial Information

The following is the audited financial information of the Nuclear Medicine Development Center prepared in accordance with the PRC Accounting Standards for Business Enterprises:

Pursuant to the PRC Accounting Standards for Business Enterprises, the net profits of the Nuclear Medicine Development Center for the years ended 31 December 2023 and 31 December 2024 and the nine months ended 30 September 2025 are set out below:

	For the year ended 31 December 2023 (Audited)^{Note} RMB	For the year ended 31 December 2024 (Audited)^{Note} RMB	For the nine months ended 30 September 2025 (Audited)^{Note} RMB
Net profit before tax	-9,860,890.30	-7,236,499.53	-4,278,779.67
Net profit after tax	-9,860,890.30	-7,236,499.53	-4,278,779.67

Note: As one of the Company's internal business units, the Nuclear Medicine Development Center is not a separate legal entity and therefore does not prepare separate financial information or undergo separate annual audit procedures. The financial information of the Nuclear Medicine Development Center set out in this section is extracted from the pro forma financial information specifically prepared for the purpose of the Transactions.

According to the financial information of the Nuclear Medicine Development Center prepared in accordance with the PRC Accounting Standards for Business Enterprises, the audited net asset of the Nuclear Medicine Development Center as at 31 December 2023, 31 December 2024 and 30 September 2025 were RMB373,936.01, RMB4,900,284.99 and RMB4,269,683.26, respectively.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SHAREHOLDERS' AGREEMENT TO ESTABLISH CNNC FUZHI

CNNC Fuzhi will undertake the business of the Nuclear Medicine Development Center and focus on the intelligent nuclear medicine industry, and will integrate the entire industrial chain “nuclear medicine”, and establish a synergistic development model combining “intelligent nuclear medicine, pharmaceuticals, and equipment”. This will drive the transformation of the business model from “single-product supply” to “full-value-chain integrated services”, leading the standardization and intelligent transformation of the nuclear medicine industry. It will continuously improve the full-chain ecosystem, consolidate its industry-leading position, and cultivate new profit growth drivers for the Company.

FINANCIAL IMPACT OF THE TRANSACTION

The Group anticipates an unaudited pre-tax gain, net of transaction costs and expenses, of approximately RMB0 arising from the Company's capital contribution in the form of the net assets of the Nuclear Medicine Development Center.

The actual amount of gain or loss recognized by the Group in respect of such transactions may differ from the above estimate, as it will depend on the carrying amount of the investment in the Nuclear Medicine Development Center upon completion of such transactions, and will be subject to any accounting adjustments and audit.

Upon completion of such transactions, all assets and liabilities of the Nuclear Medicine Development Center will be transferred to CNNC Fuzhi, which will in turn become a non-wholly-owned subsidiary of the Company. As a subsidiary of the Company, CNNC Fuzhi's financial performance and net assets will be consolidated, or continue to be consolidated, in the Group's financial statements.

GENERAL INFORMATION

The Company

Focusing on the two major industrial directions of nuclear healthcare and irradiation application, the Company is committed to providing integrated solutions for nuclear medicine and radiotherapy, as well as radiation technology promotion and application, forming a “6+N” industrial layout with six major businesses as the core, including nuclides, nuclear medicines, nuclear medical equipment, integrated solution for nuclear medicine, radioactive source and application, and irradiation application.

CNNC Zhejiang Science and Technology Innovation

CNNC Zhejiang Science and Technology Innovation is a non-wholly-owned subsidiary of CNNC. Positioned as a platform for the “incubation, commercialization and long-term cultivation of technological innovation achievements”, it expands avenues and channels for capital operations, focuses on key technologies in the nuclear industry and industrial chain collaboration, and aims to invest in high-quality scientific research achievement commercialization projects and industrialization projects with short project cycles, high technological maturity and favorable conditions for industrial application. It is committed to developing strategic emerging industries and future industries. CNNC Zhejiang Science and Technology Innovation is directly owned as to 51% by CNNC Science and Technology Innovation, the ultimate beneficial owner of which is the State-owned Assets Supervision and Administration Commission of the State Council, and as to 49% by Hangzhou STI Group, the ultimate beneficial owner of which is the State-owned Assets Supervision and Administration Commission of Hangzhou Municipality.

IMPLICATIONS OF THE LISTING RULES

As at the date of this announcement, CNNC directly and indirectly holds approximately 73.83% of the Company’s total issued share capital through CIAE, NPIC, CNNC Fund and 404 Company, and is the controlling Shareholder and connected person of the Company. CNNC Capital is a wholly-owned subsidiary of CNNC, CNNC Science and Technology Innovation is a wholly-owned subsidiary of CNNC Capital, and CNNC Zhejiang Science and Technology Innovation is a non-wholly-owned subsidiary of CNNC Science and Technology Innovation. Therefore, CNNC Zhejiang Science and Technology Innovation is an associate of CNNC and a connected person of the Company under Chapter 14A of the Listing Rules. The entering into the Shareholders’ Agreement and the transaction contemplated thereunder thus constitute a connected transaction of the Company.

As the highest applicable percentage ratio calculated under the Listing Rules in respect of the transaction under the Shareholders’ Agreement exceeds 0.1% but is less than 5%, such transaction is only subject to the reporting and announcement requirements but exempt from independent Shareholders’ approval requirement under Chapter 14A of the Listing Rules.

In respect of the Directors attending the Board meeting, connected Directors, Mr. Xiao Yafei, Mr. Zhang Junqi, Ms. Huo Yingying, Mr. Chen Zan and Mr. Ding Jianmin, were deemed to have material interests in entering into the Shareholders’ Agreement and the transaction contemplated thereunder by virtue of being employed by CNNC and/or its associates and had thus abstained from voting on relevant Board resolutions in respect of the entering into the Shareholders’ Agreement and the transaction contemplated thereunder.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Shareholders’ Agreement are determined through arm’s length negotiation on normal commercial terms, and the transaction contemplated thereunder is fair and reasonable and is entered into in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE EXPERTS

The qualifications of the experts who have provided conclusions or opinions in this announcement are as follows:

Name	Qualification
ShineWing Certified Public Accountants Beijing Guorong Xinghua Asset Appraisal Co., Ltd.	Certified Public Accountants Independent Professional Valuer

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of the experts is a third party independent of the Company and its connected persons. As at the date of this announcement, none of the experts has any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate person(s) to subscribe for securities in any member of the Group.

Each of the experts has provided and has not withdrawn its written consent to the publication of this announcement with the inclusion herein of its letter and references to its name in the form and context in which it appears.

ShineWing Certified Public Accountants (“**ShineWing**”) has reported on the arithmetical accuracy of the calculations of the discounted future estimated cash flows on which the valuation is based, which does not involve the adoption of any accounting policies.

The Board has reviewed the principal assumptions upon which the profit forecast is based and is of the opinion that the profit forecast has been made after due and careful enquiry. The letters issued by ShineWing and the Board are set out in Appendix I and Appendix II to this announcement, respectively.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms and expressions have the meanings set forth below:

“Asset Valuation Report”	the Asset Valuation Report issued by the Independent Valuer on 31 March 2026
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“CIAE”	China Institute of Atomic Energy
“CNNC”	China National Nuclear Corporation (中國核工業集團有限公司, previously known as “中國核工業集團公司”), a company established under the laws of the PRC on 29 June 1999, the controlling Shareholder of the Company
“CNNC Capital”	China National Nuclear Corporation Capital Holdings Co., Ltd. (中國核工業集團資本控股有限公司)
“CNNC Fund”	Beijing CNNC Industry Investment Fund (LLP)
“CNNC Fuzhi”	CNNC Fuzhi (Beijing) Technology Co., Ltd. (中核輻智(北京)科技有限公司, tentative name, subject to final approval by the Company registration authority), which is proposed to be established under the Shareholders’ Agreement
“CNNC Science and Technology Innovation”	CNNC (Beijing) Science and Technology Innovation Co., Ltd. (中核(北京)科創有限公司)
“CNNC Zhejiang Science and Technology Innovation”	CNNC (Zhejiang) Science and Technology Innovation Co., Ltd. (中核(浙江)科創有限公司)
“Company” or “China Isotope”	China Isotope & Radiation Corporation
“Company Law”	the Company Law of the PRC
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Group”	the Company and its subsidiaries
“404 Company”	CNNC 404 Company Limited
“Independent Third Parties”	independent third parties who are not connected persons of the Company and its subsidiaries, and are independent of the Company and its connected persons (as defined under the Listing Rules)

“Independent Valuer”	Beijing Guorong Xinghua Asset Appraisal Co., Ltd. (北京國融興華資產評估有限責任公司)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NPIC”	Nuclear Power Institute of China
“Nuclear Medicine Development Center”	China Isotope & Radiation Corporation Nuclear Medicine Development Center, an internal business unit of the Company, which will be dissolved upon completion of the Transactions
“PRC” or “China”	the People’s Republic of China, excluding, for the purpose of this announcement only, Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Shareholders’ Agreement”	the Shareholders’ Agreement of CNNC Fuzhi (Beijing) Technology Co., Ltd. entered into between the Company and CNNC Zhejiang Science and Technology Innovation on 28 July 2026
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“the Transactions”	the Company and CNNC Zhejiang Science and Technology Innovation shall, pursuant to the Shareholders’ Agreement, jointly subscribe for capital contributions to CNNC Fuzhi in an aggregate amount of RMB50 million, of which the Company shall contribute RMB26.60 million in cash and RMB18.40 million in the form of the net assets of the Nuclear Medicine Development Center, while CNNC Zhejiang Science and Technology Innovation shall contribute RMB5 million in cash

By Order of the Board
China Isotope & Radiation Corporation
Xiao Yafei
Chairman

Beijing, the PRC, 28 July 2026

As at the date of this announcement, the Board comprises Mr. Xiao Yafei, Mr. Zhang Junqi and Ms. Huo Yingying as executive Directors; Mr. Chen Zan, Mr. Ding Jianmin, Mr. Zhang Guoliang and Ms. Chang Jinyu as non-executive Directors; and Mr. Poon Chiu Kwok, Ms. Chen Jingshan, Mr. Lu Chuang and Mr. An Rui as independent non-executive Directors.

Appendix I – Letter from ShineWing Certified Public Accountants on the Profit Forecast

Assurance Report on the Profit Forecast

To the Board of Directors of China Isotope & Radiation Corporation:

We have performed an assurance engagement on the relevant profit forecast (the “**Relevant Forecast**”) contained in the assessment report (Guorong Xinghua Appraisal Report No. [2025] 010754, 國融興華評報字[2025]第 010754 號) issued by Beijing Guorong Xinghua Asset Appraisal Co., Ltd. (北京國融興華資產評估有限公司) in respect of the proposed contribution of the net assets of an internal business unit by China Isotope & Radiation Corporation (the “**China Isotope**”). The China Isotope proposes to jointly establish a joint venture with CNNC (Zhejiang) Science and Technology Innovation Co., Ltd. (中核(浙江)科創有限公司) through a contribution of non-monetary assets, the details of which are set out in the announcement of the China Isotope dated 28 July 2026. The Valuation of the China Isotope’s non-monetary assets is determined under the income approach, which involves the calculations of discounted future estimated cash flows, and therefore constitutes a profit forecast under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Main Board Listing Rules”).

The Board of Directors of the China Isotope is responsible for the preparation of the Relevant Forecast under the income approach (including the bases and assumptions). The Relevant Forecast has been prepared using the same bases and assumptions that include hypothetical assumptions about future events and management’s actions that are not necessarily expected to occur. Even if the events anticipated occur, actual results are still likely to be different from the Relevant Forecast and the variation may be material. The Board of Directors is responsible for the reasonableness and validity of the assumptions.

Our responsibility is to express an opinion, based on our work on the Relevant Forecast. Because the Valuation relates to discounted future estimated cash flows, no accounting policies of China Isotope have been adopted in its preparation. We have not reviewed, considered or conducted any work on the reasonableness and the validity of the assumptions and express no opinion on the reasonableness and validity of the assumptions on which the Relevant Forecast is based. We accept no responsibility to any other person in respect of, arising out of or in connection with our work.

We conducted our assurance engagement in accordance with China Statement of Standard on Other Assurance Engagements for Certified Public Accountants No. 3101 — Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. We examined the arithmetical accuracy of the Relevant Forecast. We have planned and performed our work to obtain reasonable assurance for giving our opinion below.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, so far as the calculations are concerned, the aforesaid profit forecast of China Isotope has been properly compiled, in all material aspects, in accordance with the assumptions adopted by the Directors as set out in the announcement.

This assurance report is intended solely for use by China Isotope for the purpose of reporting under Rule 14.60A(2) of the Main Board Listing Rules of Hong Kong and shall not be used for any other purpose without the written consent of our firm.

ShineWing Certified Public Accountants

Chinese Certified Public Accountant: Feng Guanghui

Chinese Certified Public Accountant: Cheng Jie

Beijing, China

28 July 2026

Appendix II – Letter from the Board of Directors on the Profit Forecast

The following is the full text of a letter from the Board of Directors on the Profit Forecast, for inclusion in this announcement. If there is any discrepancy between the Chinese and English versions of this letter, the Chinese version shall prevail.

To: Listing Division of The Stock Exchange of Hong Kong Limited
12/F, Two Exchange Square,
8 Connaught Place, Central,
Hong Kong

Dear Sirs:

Company: China Isotope & Radiation Corporation (the “Company”)

Related to: Profit Forecast – Confirmation required by Rule 14.60A(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”)

Reference is made to the announcement of the Company dated 28 July 2026, in which it is stated that Beijing Guorong Xinghua Asset Appraisal Co., Ltd. (北京國融興華資產評估有限責任公司) (the “**Independent Valuer**”) has adopted the income approach in the Asset Valuation Report prepared in relation to the valuation of the net assets of the Company’s Nuclear Medicine Development Center involved in the proposed external capital contribution by the Company (the “**Valuation**”). The Valuation constitutes a profit forecast (the “**Profit Forecast**”) pursuant to Rule 14.61 of the Listing Rules.

The board of directors (the “**Board**”) of the Company has reviewed the basis and assumptions of the Profit Forecast and has discussed the same with the Independent Valuer. The Board has also considered the letter dated 28 July 2026 from ShineWing Certified Public Accountants, as to whether the Profit Forecast, so far as the calculations are concerned, has been properly prepared in all material respects in accordance with the assumptions used in the Valuation. Based on the above, the Board has confirmed that the Profit Forecast has been made after due and careful enquiry pursuant to Rule 14.60A(3) of the Listing Rules.

By order of the Board
China Isotope & Radiation Corporation
Xiao Yafei
Chairman

28 July 2026