CNNC INTERNATIONAL LIMITED

中核國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30TH JUNE, 2026

The Board (the "Board") of Directors (the "Director(s)") of CNNC International Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30th June, 2026 (the "Period"), together with comparative figures for the corresponding period of 2025 (the "2025 Period"), as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30th June, 2026

		Six months ended 30th June,	
		2026	2025
	NOTES	***HK$'000***	*HK$'000*
		(unaudited)	(unaudited)
Revenue	3	**142,115**	592,110
Cost of sales		**(133,878)**	(572,439)
Gross profit		**8,237**	19,671
Other income and gains, net		**12,561**	9,339
Net exchange gains		**5,282**	1,337
Selling and distribution expenses		**(1,141)**	(1,962)
Administrative expenses		**(19,162)**	(15,894)
Finance costs		**(59)**	(116)
Profit before taxation	5	**5,718**	12,375
Income tax expenses	4	**(442)**	(2,016)
Profit for the period attributable to owners of the Company		**5,276**	10,359
Other comprehensive income			
Item that will not be reclassified subsequently to profit or loss:			
Exchange differences arising on translation to presentation currency		**661**	1,397
Other comprehensive income for the period		**661**	1,397
Total comprehensive income for the period, attributable to owners of the Company		**5,937**	11,756
Basic and diluted earnings per share	7	**HK1.08 cents**	HK2.12 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30th June, 2026

	NOTES	**30th June, 2026 HK$'000 (unaudited)**	31st December, 2025 HK$'000 (audited)
Non-current assets			
Property, plant and equipment		**944**	840
Right-of-use assets		**1,429**	2,345
Deferred tax assets		**41**	40
Deposit		**1,115**	1,078
		3,529	4,303
Current assets			
Inventories		**870**	934
Trade and other receivables	8	**207,209**	3,982
Amount due from immediate holding company		**37,025**	80,542
Cash and cash equivalents		**732,589**	907,053
		977,693	992,511
Current liabilities			
Trade and other payables	9	**93,910**	114,396
Amount due to an intermediate holding Company		**1,913**	1,899
Amount due to ultimate holding company		**2,128**	2,055
Lease liability		**1,218**	2,076
Income tax payable		**7,498**	7,333
		106,667	127,759
Net current assets		**871,026**	864,752
Total assets less current liabilities		**874,555**	869,055

	30th June, 2026 HK$'000 (unaudited)	31st December, 2025 HK$'000 (audited)
Non-current liabilities		
Lease liability	**69**	506
Net assets	**874,486**	868,549
Capital and reserves		
Share capital	**4,892**	4,892
Reserves	**869,594**	863,657
Equity attributable to owners of the Company	**874,486**	868,549

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30th June, 2026

1. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

These condensed consolidated interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the consolidated financial statements for the year ended 31st December, 2025 (the "2025 Annual Report"). These condensed consolidated interim financial statements and notes do not include all of the information required for a complete set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (the "HKFRSs") and should be read in conjunction with the 2025 Annual Report.

The functional currency of the Company is United States dollars ("US$"). The condensed consolidated interim financial statements are presented in Hong Kong dollars ("HK$") for the convenience of the shareholders, as the Company is listed in Hong Kong. All values are rounded to the nearest thousand ("HK$'000") unless otherwise indicated.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values. The condensed consolidated interim financial statements are unaudited but have been reviewed by the Company's Audit Committee.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated interim financial statements for the Period are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31st December, 2025.

Application of new and amendments to Hong Kong Financial Reporting Standards

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1st January, 2026 for the preparation of the Group's condensed consolidated interim financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated interim financial information.

3. REVENUE AND SEGMENT INFORMATION

Information reported to the Group's executive director, being the chief operating decision maker ("CODM"), for the purposes of resources allocation and assessment of segment performance, focuses on the types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group. The Group's operating and reportable segments under HKFRS 8 are as follows:

- Trading of mineral properties — trading of uranium and commission income from uranium procurement services
- Exploration and selling of mineral properties — exploration and selling of uranium

The following is an analysis of the Group's revenue and results by reportable and operating segments:

	Six months ended 30th June, 2026		
	Trading of mineral properties	**Exploration and selling of mineral properties**	**Total**
	HK$'000	***HK$'000***	***HK$'000***
	(unaudited)	**(unaudited)**	**(unaudited)**
Segment revenue	**142,115**	**—**	**142,115**
Segment profit (loss)	**3,358**	**(1,856)**	**1,502**
Bank interest income			**13,367**
Unallocated corporate income			**4,476**
Unallocated corporate costs			**(13,568)**
Unallocated finance costs			**(59)**
Profit before taxation			**5,718**

	Six months ended 30th June, 2025		
	Trading of mineral properties	Exploration and selling of mineral properties	Total
	HK$'000	*HK$'000*	*HK$'000*
	(unaudited)	(unaudited)	(unaudited)
Segment revenue	592,110	—	592,110
Segment profit (loss)	14,116	(2,409)	11,707
Bank interest income			5,918
Unallocated corporate income			4,758
Unallocated corporate costs			(9,892)
Unallocated finance costs			(116)
Profit before taxation			12,375

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit/(loss) represents the profit earned by/(loss from) each segment without allocation of bank interest income, unallocated corporate income, unallocated corporate costs, and unallocated finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	30th June, 2026 *HK$'000* **(unaudited)**	31st December, 2025 *HK$'000* (audited)
ASSETS		
Segment assets		
— Trading of mineral properties	**954,337**	964,867
— Exploration and selling of mineral properties	**8,343**	8,960
	962,680	973,827
Unallocated corporate assets	**18,542**	22,987
Consolidated assets	**981,222**	996,814
LIABILITIES		
Segment liabilities		
— Trading of mineral properties	**76,390**	98,772
— Exploration and selling of mineral properties	**23,414**	21,585
	99,804	120,357
Unallocated corporate liabilities	**6,932**	7,908
Consolidated liabilities	**106,736**	128,265

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to operating segments other than certain property, plant and equipment, certain right-of-use assets, certain other receivables, and certain cash and cash equivalents, which are directly attributable to the relevant reportable segments.

- All liabilities are allocated to operating segments other than certain other payables, certain lease liabilities, amounts due to immediate holding company, an intermediate holding company and ultimate holding company, which are directly attributable to the relevant reportable segment.

4. INCOME TAX EXPENSES

Hong Kong Profits Tax

Under the two tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. Hong Kong Profits Tax of the qualified entity of the Group is calculated in accordance with the two-tiered profit tax rates regime. The profits of other group entities in Hong Kong SAR not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

PRC Enterprise Income Tax ("EIT")

Under the Law of the People's Republic of China ("PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of PRC subsidiaries is 25%.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

	Six months ended 30th June,	
	2026	2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
The income tax expenses comprises:		
Hong Kong Profits Tax	**359**	1,845
PRC's EIT	**83**	171
	442	2,016

5. PROFIT BEFORE TAXATION

	Six months ended 30th June,	
	2026	2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit before tax has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	**95**	90
Depreciation of right-of-use asset	**996**	767
Expenses relating to short-term leases	**105**	182
Net exchange gains	**(5,282)**	(1,337)
Interest income	**(13,367)**	(5,918)

6. DIVIDENDS

No dividends was paid or proposed during the period ended 30th June, 2026, nor has any dividend been proposed since the end of the reporting period (2025 Period: nil).

7. BASIC AND DILUTED EARNINGS PER SHARE

The calculation of basic earnings per share attributable to owners of the Company is based on the following data:

	Six months ended 30th June,	
	2026	2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit for the Period attributable to owners of the Company	**5,276**	10,359

	Six months ended 30th June,	
	2026	2025
Number of ordinary shares for the purpose of basic earnings per share	**489,168,308**	489,168,308

	Six months ended 30th June,	
	2026	2025
	HK cents	*HK cents*
	(unaudited)	(unaudited)
Basic and diluted earnings per share	**1.08**	2.12

Diluted earnings per share for the periods ended 30th June, 2026 and 2025 were the same as basic earnings per share as there were no potential ordinary shares in issue during the respective periods.

8. TRADE AND OTHER RECEIVABLES

	30th June, 2026 HK$'000 (unaudited)	31st December, 2025 HK$'000 (audited)
Trade receivables — aged 0 to 30 days *(note i)*	**201,296**	—
Other receivables	**4,092**	2,128
Deposits paid	**1,115**	1,178
Prepayments	**1,821**	1,754
	208,324	5,060
Less: non-current portion of deposit *(note ii)*	**(1,115)**	(1,078)
	207,209	3,982

Notes:

i: An aged analysis of above trade receivables presented is based on the invoice date, which approximates the respective revenue recognition basis, at the end of the reporting period. The credit period on selling of goods is normally within 5 to 30 days.

ii: Amount represents refundable rental deposits paid for the right-of-use assets.

9. TRADE AND OTHER PAYABLES

	30th June, 2026 HK$'000 (unaudited)	31st December, 2025 HK$'000 (audited)
Trade payables — aged 0 to 30 days *(note i)*	**65,742**	84,608
Other payables	**4,626**	4,905
Other payable to the joint operator of the joint operation *(note ii)*	**21,148**	19,250
Accruals	**2,394**	5,633
	93,910	114,396

Notes:

i: An aged analysis of above trade payables presented is based on the invoice date at the end of the reporting period. The credit period on purchase of goods is normally within 5 to 30 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

ii: The amount is unsecured, interest-free and repayable on demand.

MANAGEMENT DISCUSSION & ANALYSIS

Results

For the Period, although the Group recorded a slight increase in gross profit margin to approximately 5.8%, as compared to the 2025 Period of approximately 3.3%, it recorded a significant decrease in revenue of approximately 76% to approximately HK$142,115,000 and a decrease in gross profit of approximately 58% to approximately HK$8,237,000, as compared to the revenue and gross profit of approximately HK$592,110,000 and approximately HK$19,671,000 respectively in the 2025 Period. The significant decrease in revenue of the Group for the Period was primarily attributable to a substantial decline in the trading volume of natural uranium sold under trades to and from independent third parties, as compared to the 2025 Period. As spot uranium prices had experienced rapid and significant surge and volatility during the first quarter of 2026, which was further exacerbated by political conflicts in the Middle East that continued into the second quarter of 2026, the Board considered the associated transaction risks of conducting spot uranium trades amid such heightened price volatility and uncertainty in the international spot uranium trading environment to be overly burdensome to the Group in the short run. As a means of prudent risk management, the Group had adjusted its strategies and instead focused on executing the continuing connected transactions under the Uranium Purchase Transactions with Rössing Uranium Mine (has the meaning ascribed to it in the circular of the Company dated 16th February, 2026 (the "February 2026 Circular")) which did not involve assumption of pricing risks by the Group, consequently contributing to a slightly higher gross profit margin of the Group for the Period, as compared to the 2025 Period.

For the Period, the Group generated revenue from trading of natural uranium of approximately HK$142,115,000 (2025 Period: approximately HK$592,110,000), corresponding to sales of approximately 0.76 million pounds of natural uranium, of which approximately 0.20 million pounds were sold under trades to and from independent third parties, and approximately 720 pounds and approximately 230 pounds were sold to China National Nuclear Corporation (中國核工業集團有限公司) ("CNNC", the ultimate parent company of the Group) and its subsidiaries (but excluding the Group) (the "Parent Group") through the Uranium Supply Transaction and the Uranium Agency Transaction, respectively. The terms "Uranium Supply Transaction" and the "Uranium Agency Transaction" each has its respective meaning ascribed thereto in the February 2026 Circular, which constituted continuing connected transactions for the Company. For the Period, the Group also facilitated trades of approximately 0.56 million pounds of natural uranium for Rössing Uranium Mine (a uranium mine in Namibia which was indirectly owned by China National Uranium Corporation, Limited (中國鈾業股份有限公司, formerly known as 中國鈾業有限公司, an indirect holding company of the Company, "CNUC") and its subsidiaries other than the Group, the ("CNUC Group") as to 68.62% and is operated by Rössing Uranium Limited ("Rössing Uranium Mine") through the Uranium Purchase Transaction. The term "Uranium Purchase Transaction" has the meaning ascribed to it in the February

2026 Circular, which constituted a continuing connected transaction for the Company. The Uranium Purchase Transaction and the Uranium Agency Transaction have brought in commission income totaling approximately HK$7,458,000 (2025 Period: approximately HK$10,259,000) to the Group for the Period.

During the Period, the Group recorded a slight increase in net profit margin to approximately 3.7%, as compared to the 2025 Period of approximately 1.7%, with a net profit of approximately HK$5,276,000 (2025 Period: approximately HK$10,359,000), primarily attributable to a gross profit recorded of approximately HK$8,237,000 (2025 Period: approximately HK$19,671,000), an increase in the bank interest income earned to approximately HK$13,367,000 (2025 Period: approximately HK$5,918,000), an increase of exchange gain to approximately HK$5,282,000 (2025 Period: approximately HK$1,337,000), and combined with a decrease of selling and distribution expenses to approximately HK$1,141,000 (2025 Period: approximately HK$1,962,000) and an increase of administrative expenses to approximately HK$19,162,000 (2025 Period: approximately HK$15,894,000).

As spot uranium prices are observed to have somewhat stabilized, it is currently expected that the Group should be able to increase the volume of its uranium trading business involving natural uranium sold under trades to and from independent third parties in the second half of 2026. Concurrently, the delivery plan of the Uranium Supply Transaction (has the meaning ascribed to it in the February 2026 Circular) is anticipated to be primarily scheduled in the second half of 2026, similar to its delivery schedule in 2025. The Group expects to complete additional uranium trading transactions of not less than approximately four million pounds in trading volume of natural uranium in the second half of 2026, with the full-year of uranium trading volume targeted at least approximately five million pounds.

Market and Business Overview

Market Overview

Affected by the United States (the "U.S.") administration's policies, geopolitical conflicts, and forces in the financial markets, the spot price of natural uranium showed a rapid and significant surge and volatility during the first half of 2026. The spot price of natural uranium was characterized by a sharp spike at the beginning of the Period, peaked and exceeded approximately US$101 per pound in the first quarter of 2026, marking the first time that the spot price surpassed the threshold of US$100 per pound since February 2024, and then followed by a rapid decline and remained in a narrow range of fluctuation.

The large-scale purchases by one of the prominent uranium investment funds, Sprott Physical Uranium Trust ("SPUT"), could be seen as one of the contributing factors causing the spot price of natural uranium to surge rapidly and significantly during the first quarter of 2026. In the second quarter of 2026, due to uncertainties surrounding the U.S. Federal Reserve's interest rate policy, coupled with SPUT's approaching its annual purchase limit and thus reducing its market trading activities, the spot price of natural uranium then gradually corrected itself and fluctuated within the narrow range of approximately US$83-US$87 per pound, closing at approximately US$85 per pound at the end of June 2026.

Driven mainly by the U.S. administration's policies and capital operation factors mentioned above, combined with geopolitical tensions erupted in the Middle East, the sentiment of the uranium market fluctuated in phases throughout the first half of 2026, with an overall wait-and-see attitude in the uranium market in the second quarter of 2026.

Meanwhile, the long-term price of natural uranium continued to strengthen. It broke through approximately US$90 per pound in the first quarter of 2026 and further rose above to approximately US$95 per pound in the second quarter of 2026, reaching a record high level since 2008. The spread between long-term prices and spot prices kept widening, which could reflect the current uranium market consensus on the expected growing demand in the long run.

Geopolitical Policy

The U.S. nuclear energy and trade policies have entered a substantive implementation phase, with their structural impacts on the global uranium market deepening continuously. In January 2026, the U.S. administration's proclamation under Section 232 of the Trade Expansion Act of 1962 has deemed that the reliance on imported foreign uranium resources poses a national security threat for the U.S. It authorized the Department of Commerce of the U.S. to launch negotiations with its trading partners to address national security risks posed by imports of processed critical minerals, with a suite of measures which included tariffs, import quotas and minimum import prices. Additional tariffs on natural uranium have not yet taken formal effect, but the policy has fueled the rising expectation of price divergence between Western market uranium prices and global spot prices. In addition, a recent major U.S. government initiative was announced in June 2026, where the U.S. Department of Energy issued conditional loan commitments totaling US$17.5 billion to rebuild the American nuclear supply chain and finance long-lead components for 10 new large-scale reactors under construction by 2030. Nuclear power operators in the U.S. and Europe have accelerated the locking-in of long-term uranium supplies from politically stable jurisdictions to bypass high-risk suppliers, further cementing the trend of regional fragmentation in supply chains.

In March 2026, China officially joined the Declaration to Triple Nuclear Energy, alongside Brazil, Italy, Belgium, and other countries of nuclear producers and newcomers, bringing the total number of signatory nations to 38. The declaration sets a clear target of tripling global nuclear power installed capacity by the year of 2050, affirming the general trend of global nuclear power expansion. Emerging nuclear power markets such as India have also been having gradual growth in incremental demand for natural uranium, with relevant institutions recently and frequently conducting overseas outreach to secure long-term natural uranium supplies.

Market Supply

According to publicly available market information, in the first quarter of 2026, Kazakhstan's Kazatomprom reported that a total uranium production volume of approximately 6,000 tonnes of uranium has been reached, which signified a year-on-year increase of approximately 9%, with the full-year production targeted at approximately 27,000–29,000 tonnes of uranium. Given that the mining of uranium in Kazakhstan relies on acid In-Situ Leaching ("ISL"), the supplies of sulfuric acid can affect Kazakhstan's planned production.

Canada's Cameco ("Cameco"), another major industry player, has restored output at its major tier-one assets, maintaining its 2026 annual production outlook despite short-term logistical and processing interruptions. Cameco's McArthur River/Key Lake's operations returned to full output following earlier logistical constraints caused by localized spring flood and road issues; and its Cigar Lake's production resumed in mid-2026 following a brief halt caused by malfunctions of sulfuric acid units at McClean Lake mill. Cameco's 2026 consolidated attributable uranium production guidance remains intact between approximately 8,800 to 9,800 tonnes of uranium, with its operations across major tier-one assets expected to remain on track.

In regards to commencement of new mines and the reopening of existing mines, the Kayelekera uranium mine in Malawi has entered capacity ramp-up in 2026 after resuming operations in late 2025, yet it has then suspended production in the second quarter of 2026 due to disruption on sulfuric acid supplies arising from the Middle East conflicts. Nonetheless, the U.S. domestic supply recovery has accelerated, of which the Burke Hollow ISL uranium mine in Texas, the newest and largest ISL project built in the United States in over a decade, received official approval for commissioning. In addition, Wyoming's Shirley Basin uranium mine resumed production in April 2026 after a 34-year shutdown, making it one of the first restarted projects delivered under the U.S. administration's pursuit of nuclear fuel independence.

Concurrently, Canada continues to advance long-term incremental capacity pipelines. The Phoenix In-Situ Recovery uranium mine located in northern Saskatchewan (the "Phoenix Project"), has secured a Final Investment Decision in the first quarter of 2026, setting up construction to begin in 2026 with first production targeted for mid-2028. In the same province of northern Saskatchewan, the Rook I Project — host of the Arrow Deposit (the "Arrow Project"), the largest development-stage uranium project in Canada, has obtained a License to Prepare Site and Construct from the Canadian Nuclear Safety Commission. Although the market still anticipates structural supply shortages over the medium and long term overall, it is estimated that the additional outputs from the Phoenix Project and the Arrow Project could perhaps improve the supply of natural uranium by the year of 2033 or so.

Market Demand

Nuclear power demand has demonstrated robust and continuous growth in the first half of 2026. Global installed nuclear power capacity keeps expanding, with China remaining the core growth engine. Based on published data from the China Nuclear Energy Development Report 2026 released in April 2026, mainland China operates 60 commercial nuclear power units with an installed capacity of 63.69 gigawatts, with a total of 112 operational, under-construction, and approved units combining for a world-leading 125 gigawatts footprint.

Led by China's nuclear power development, an increasing number of countries are recognizing the importance of nuclear energy and participating in the research and construction of nuclear projects. The U.S., the European Union, and multiple countries in Southeast Asia have raised their medium-term and long-term nuclear power capacity targets, with nuclear operators' stronger willingness to sign long-term procurement contracts.

The surge in base-load electricity demand driven by artificial intelligence ("AI") has materialized from market anticipation to purchasing activities. It has been reported that various tech giants have advanced negotiations on direct power supply agreements with nuclear power plants. Power consumption demand from AI has emerged as a new core driver for nuclear capacity expansion, further unlocking long-term growth potential for natural uranium demand.

The forces from the capital market have a more direct impact on the global uranium market, particularly the spot market. SPUT's purchase of a total of approximately 2,000 tonnes of uranium in the first quarter of 2026 and its effect on the spot price have demonstrated such forces from the capital market. Although SPUT has temporarily reduced its market trading activities in the second quarter of 2026, it is expected that the funds will continue to build up inventories, thereby tightening the delicate short-term supply and demand balance in the spot market.

Business Overview

During the Period, the Group has continued its business of trading uranium products in its normal and usual course of business. Leveraging on the strengths of the Parent Group in the field of nuclear energy, the Company has been focusing on and developing its uranium products trading business, and actively seeking high-quality uranium resources projects to complement the development of the Parent Group. The Group has generated revenue of approximately HK$142,115,000 (2025 Period: approximately HK$592,110,000), corresponding to sales of approximately 0.76 million pounds of natural uranium, of which approximately 0.20 million pounds were sold under trades to and from independent third parties, and approximately 720 pounds and approximately 230 pounds were sold to the Parent Group through the Uranium Supply Transaction and the Uranium Agency Transaction, respectively. For the Period, the Group also facilitated trades of approximately 0.56 million pounds of natural uranium for Rössing Uranium Mine through the Uranium Purchase Transaction. The Uranium Purchase Transaction and the Uranium Agency Transaction have brought in commission income totaling approximately HK$7,458,000 (2025 Period: approximately HK$10,259,000) to the Group for the Period.

During the Period, the Company has continued to maintain close communication and coordination with relevant departments of the Mongolian government. According to publicly available market information, in June 2026, France's Orano, a major industry player, has commenced the construction of the Zuuvch Ovoo uranium project in Mongolia, marking a significant milestone in uranium mining cooperation in Mongolia and bringing positive signs and industry benefits to the local Mongolian uranium mining industry. The management believes such developments may present the Company with a more favorable geopolitical environment in resolving the Company's mining rights issues for its Mongolia mining project. The Company will continue to maintain close communication with relevant departments of the Mongolian government, explore possible approaches to advance the resolution of mining rights disputes, and implement subsequent related work. Further announcements will be published as and when appropriate to inform shareholders (the "Shareholders") and potential investors of the Company on any material progress in accordance with the Listing Rules.

Although the associate of the Group, Société des Mines d'Azelik S.A. ("Somina"), is still facing serious cash flow problems and is unable to resume production in the short term, the Group has continued to address the situation, maintained close communication with the Nigerien government and continued to discuss with other shareholders of Somina to formulate a preliminary production restart plan in the foreseeable future.

Operations Review

During the Period, the Group recorded "Revenue" and "Cost of sales" of approximately HK$142,115,000 (2025 Period: approximately HK$592,110,000) and approximately HK$133,878,000 (2025 Period: approximately HK$572,439,000) respectively, representing a significant decrease of approximately 76% for "Revenue", which resulted in "Gross profit" of approximately HK$8,237,000 (2025 Period: approximately HK$19,671,000), a decrease of approximately 58% for "Gross profit" over the Period. As per the explanation above, the significant decline in revenue during the Period was primarily attributable to the substantial decline in trading volume associated with transaction risks of conducting spot uranium trades amid such heightened price volatility and uncertainty in the international spot uranium trading environment, amidst geopolitical conflicts erupted in the Middle East, during the Period.

"Other income and gains, net" of approximately HK$12,561,000 (2025 Period: approximately HK$9,339,000) were mainly derived from bank interest income of approximately HK$13,367,000 (2025 Period: approximately HK$5,918,000). The "Other income and gains, net" represented an increase of approximately 35% as compared to the 2025 Period.

"Net exchange gains" of approximately HK$5,282,000 (2025 Period: approximately HK$1,337,000) were mainly attributable to the differences resulting from the appreciation in the US$ against HK$ on the carrying amount of assets denominated in the US$.

"Selling and distributing expenses" amounted to approximately HK$1,141,000 (2025 Period: approximately HK$1,962,000), which has decreased by approximately 42% due to the decline in the trading volume of natural uranium, resulting in a decrease in storage expenses and costs of transfer involving natural uranium products during the Period as compared to the 2025 Period.

"Administrative expenses" amounted to approximately HK$19,162,000 (2025 Period: approximately HK$15,894,000), which has increased by approximately 21% during the Period. It was primarily attributable to costs associated with manpower expansion, professional services revolved around environmental, social and governance consultation, and the publication of the February 2026 Circular during the Period, as compared to the 2025 Period.

"Finance costs" amounted to approximately HK$59,000 (2025 Period: approximately HK$116,000) were solely associated with the accounting treatment of the Group's office lease liabilities.

"Income tax expense" of approximately HK$442,000 was recorded (2025 Period: approximately $2,016,000). The decrease was primarily attributable to the decrease in taxable profit.

Total comprehensive income for the Period

Summing up the combined effects of the foregoing, the net profit for the Period was approximately HK$5,276,000 (2025 Period: approximately HK$10,359,000). After taking into account the other comprehensive income of approximately HK$661,000 (2025 Period: approximately HK$1,397,000) relating to the exchange difference of presentation currency, the total comprehensive income for the Period was approximately HK$5,937,000 (2025 Period: approximately HK$11,756,000).

Future Strategies

As set out in the sub-section headed "Market and Business Overview" above, the Group focuses on and will continue to devote its available resources to the development of the uranium products trading business, and to actively seek high-quality uranium resources projects, with intended focus on in-production projects, to complement the development of its Parent Group. By leveraging on the strengths of the Parent Group in the field of nuclear energy, the Group views this as a strategic alliance that produces synergistic effects, further cementing its position in the uranium products trading sector.

As disclosed in the announcements of the Company dated 31st December, 2025 and 10th March, 2026, and the February 2026 Circular, the Company (for itself and on behalf of each of its subsidiaries) and CNUC entered into the 2026 Framework Agreement in relation to the proposed continuing connected transactions in March 2026, pursuant to which the Group agreed to (i) act as the exclusive supplier of the CNUC Group for natural uranium products purchased from sellers other than those based in Asia and Africa; (ii) act as an agent of the CNUC Group to procure natural uranium products in the market to meet the sporadic demand of the CNUC Group; and (iii) act as the exclusive authorised distributor for the sale and distribution of uranium products produced by the Rössing Uranium Mine, for on-sale to third party customers in all countries and regions around the world except the PRC. On 10th March, 2026, the 2026 Framework Agreement, the transactions contemplated thereunder, and the proposed annual caps under the continuing connected transactions for the years ending 31st December 2026 and 2027 have been approved by the independent Shareholders at an extraordinary general meeting of the Company.

The Group believes the transactions contemplated under the 2026 Framework Agreement are in line with the Group's strategic pursuit of becoming CNUC Group's major platform in overseas uranium resources exploration, development and trading, and would facilitate the Group in further strengthening its uranium trading business and expand its reach into the PRC and worldwide market, which in turn would enhance the Group's profitability in the long run. The continuing connected transactions contemplated under the 2026 Framework Agreement are expected to occur on a regular and continuing basis and in the ordinary and usual course of business of the Group. Being a member of the CNUC Group and having considered the competitive edges of the Group, the Group would be considered to be in a better strategic position to be designated as the procurement arm of the CNUC Group in the international uranium market. To further enlarge its business scale, the Group will continue to actively participate in international market bidding, increase its market exposure, and explore various financing channels to complement the expansion of uranium trade. The Group is committed to actively exploring trading opportunities with new business partners with the aim of further expanding its network of business partner base and continuously grow its uranium trading business.

In relation to the Group's Mongolian Mining Project, the Group will continue to be engaged in the discussion with the Mongolian Authority to resolve the expiry issue of the exploration licenses of the Group's investment in its uranium resources project in Mongolia.

For the Group's Somina project, the Group will maintain close communication with the Nigerien government and continue to discuss with other shareholders of Somina to formulate a preliminary production restart plan in the foreseeable future.

In the long run, the Group also aims to expand and diversify its business by leveraging on the strengths of its ultimate parent company, CNNC, in the field of nuclear energy, to develop projects with reasonable returns, and continues to explore possible investment opportunities in uranium resources considering the financial health of the Company and the overall global uranium market supply and demand dynamics.

The Company will inform the Shareholders and potential investors of the Company on any major development of the business of the Group as and when appropriate in accordance with the requirements of the Listing Rules.

Employees and Remuneration Policies

As at 30th June, 2026, the Group employed 39 (2025 Period: 34) full-time employees, of whom 5 (2025 Period: 4) were based in Hong Kong SAR, 30 (2025 Period: 26) were based in the PRC and 4 (2025 Period: 4) were based in Mongolia. The Group's remuneration package is determined with reference to the experience and qualifications of the individual's performance. The Group also ensures that all employees are provided with adequate training and continued professional opportunities according to their needs.

Liquidity and Financial Resources

The Group recorded a net cash outflow of approximately HK$175,013,000 (2025 Period: net cash inflow of approximately HK$179,114,000) during the Period, which was mainly due to the cash used in the business of uranium trading during the Period. The Group's financial position remained healthy.

The working capital of the Group was generally financed by bank balances and cash. The Group's cash and cash equivalents decreased from approximately HK$907,053,000 as at 31st December, 2025 to approximately HK$732,589,000 as at 30th June, 2026.

As at 30th June, 2026, the non-current assets of the Group amounted to approximately HK$3,529,000, representing a decrease of approximately 18.0% as compared with approximately HK$4,303,000 as at 31st December, 2025, which was attributable to the decrease of the leased assets associated with the accounting treatment of the Group's leased offices located in Hong Kong SAR, Mainland China, and Mongolia.

As at 30th June, 2026, the current assets of the Group amounted to approximately HK$977,693,000, representing a slight decrease of approximately 1.5% as compared with approximately HK$992,511,000 as at 31st December, 2025, mainly due to the combined effects from an increase in trade and other receivables which were of trade nature, a reduction in amount due from immediate holding company and a decrease in cash and cash equivalents in relation to payment settlements in the business of uranium trading during the Period.

As at 30th June, 2026, the current liabilities of the Group amounted to approximately HK$106,667,000, representing a decrease of approximately 16.5% as compared with approximately HK$127,759,000 as at 31st December, 2025, mainly due to a decrease in trade and other payables in relation to payment settlements in the business of uranium trading during the Period.

Total Shareholders' funds increased from approximately HK$868,549,000 as at 31st December, 2025 to approximately HK$874,486,000 as at 30th June, 2026, mainly due to the total comprehensive income during the Period. The gearing ratio, in terms of total debts to total assets, decreased to approximately 0.11 as at 30th June, 2026 (as at 31st December, 2025: approximately 0.13), mainly due to an increase in trade and other receivables in relation to the business in uranium trading during the Period.

Acquisitions and Disposals of Subsidiaries and Associated Companies

The Group had no material acquisitions or disposals of subsidiaries and associated companies during the Period.

Exposure to Foreign Exchange Risk

The Group mainly operates in Hong Kong SAR, Mainland China, and Mongolia. The Group's income, expenditure for operation, inventories, trade and other receivables, amount due from immediate holding company, trade and other payables, amount due to immediate, intermediate, and ultimate holding company are mainly denominated in Hong Kong dollar, Renminbi, United States dollar, and Mongolian Tugrik. The Group does not have a foreign currency hedging policy. However, the management will monitor foreign exchange exposure and consider hedging significant currency exposure should the need arise.

Capital Structure

There has been no significant change in the capital structure of the Group since 31st December, 2025.

Contingent Liability

Save as disclosed in the notes to the condensed consolidated interim financial statements, the Group did not have any contingent liability (as at 31st December, 2025: nil).

Charge on Assets

As security for banking facilities granted to the Group for its uranium trading operation, certain bank accounts of China Nuclear International Corporation ("CNIC"), a wholly-owned subsidiary of the Company, were charged.

Apart from the above, there was no other charge on the Group's assets during the Period (as at 31st December, 2025: apart from certain bank accounts of CNIC, nil).

MATERIAL EVENTS AFTER THE REPORTING PERIOD

On 6th August, 2026, the Board announced that the non-executive Director, namely, Mr. Wu Ge, has been re-designated as the Company's executive Director, and ceased to act as a member of the audit committee of the Company (the "Audit Committee"), with effect from 6th August, 2026.

Save as disclosed, up to the date of this announcement, there was no significant event relevant to the business or financial performance of the Company that comes to the attention of the Directors after the Period.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period (2025 Period: nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any).

As at 30th June, 2026, the Company did not hold any treasury shares.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with all applicable code provisions set out in the Corporate Governance Code under Appendix C1 to the Listing Rules throughout the Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 to the Listing Rules. Having made specific enquiry of all the Directors, all the Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by Directors adopted by the Company throughout the Period.

AUDIT COMMITTEE

The Audit Committee has been established by the Company for the purpose of reviewing and providing supervision on the financial reporting process and internal control of the Group. The Audit Committee currently comprises three independent non-executive Directors, namely, Mr. Chan Yee Hoi, Mr. Cui Liguo and Ms. Liu Yajie. Mr. Chan Yee Hoi is the chairman of the Audit Committee.

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 30th June, 2026 have been reviewed by the Audit Committee and the Audit Committee is of the view that the interim financial statements are prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been duly made.

REMUNERATION COMMITTEE

A remuneration committee (the "Remuneration Committee") has been established by the Company to consider the remuneration of Directors. The Remuneration Committee comprises three independent non-executive Directors, namely, Mr. Cui Liguo, Mr. Chan Yee Hoi and Ms. Liu Yajie, and two executive Directors, namely, Mr. Zhang Yi and Mr. Wu Ge. Mr. Cui Liguo is the chairman of the Remuneration Committee.

NOMINATION COMMITTEE

A nomination committee (the "Nomination Committee") has been established by the Company to review the structure of the Board and identify individuals suitably qualified to become Board members. The Nomination Committee comprises three independent non-executive Directors, namely, Mr. Cui Liguo, Mr. Chan Yee Hoi and Ms. Liu Yajie, one executive Director, namely, Mr. Zhang Yi and one non-executive Director, namely, Mr. Li Feng. Mr. Li Feng is the chairman of the Nomination Committee.

DISCLOSURE OF INFORMATION

The electronic version of this announcement is published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.cnncintl.com). The Company's interim report for the six months ended 30th June, 2026 containing all the information required by Appendix D2 to the Listing Rules will be sent to the Shareholders and published on the above websites of the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to take this opportunity to thank our Shareholders, the management and our staff members for their dedication and support.

On behalf of the Board
CNNC International Limited
中核國際有限公司
Li Feng
Chairman

Hong Kong, 26th August, 2026

As at the date of this announcement, the Board comprises non-executive Director and chairman, namely, Mr. Li Feng, executive Director and chief executive officer, namely, Mr. Zhang Yi, executive Director, namely, Mr. Wu Ge, non-executive Director, namely, Mr. Sun Ruofan, and independent non-executive Directors, namely, Mr. Cui Liguo, Mr. Chan Yee Hoi and Ms. Liu Yajie.