

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

INSIDE INFORMATION PROGRESS OF THE POTENTIAL CAPITAL INCREASE OF CNGT THROUGH PUBLIC TENDER

This announcement is made by China Isotope & Radiation Corporation (the **“Company”**, together with its subsidiaries, the **“Group”**) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Listing Rules”**) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 31 July 2025 (the **“Previous Announcement”**) in relation to, among other things, the proposed capital increase of Chengdu Gaotong Isotope Co., Ltd. (CNNC) (**“CNGT”**), a non-wholly-owned subsidiary of the Company, through a public tender process at the China Beijing Equity Exchange (the **“CBEX”**) (the **“Potential Capital Increase”**). Unless otherwise specified in this announcement, capitalised terms used herein shall have the same meanings as those defined in the Previous Announcement.

The board of directors (each a **“Director”** and collectively the **“Board”**) of the Company has resolved to approve the Potential Capital Increase. The funds proposed to be raised under the Potential Capital Increase correspond to 17,645,851 new shares of CNGT, representing an equity interest of 20%. As CNGT is a state-controlled enterprise, its equity interests constitute state-owned assets under the relevant laws and regulations of the People's Republic of China (the **“PRC”**). In accordance with the relevant PRC laws and regulations, the Potential Capital Increase is required to be conducted through a public tender process at an approved equity exchange. Accordingly, the Potential Capital Increase will be conducted through the CBEX, and the selected investor(s) will enter into a capital increase agreement in accordance with the relevant rules of the CBEX and applicable PRC laws and regulations.

PRINCIPAL INFORMATION ON THE POTENTIAL CAPITAL INCREASE

I. Qualifications of Prospective Investors

1. Prospective investors shall be legal persons or unincorporated organisations duly established and validly existing in the PRC (excluding Hong Kong, Macao and Taiwan).

2. Prospective investors shall have good commercial credit standing, financial condition and payment capacity, and shall have no record of adverse business conduct.
3. Where a prospective investor is a private investment fund, it shall have completed the registration of its fund manager with the Asset Management Association of China (“AMAC”) and the filing of the fund, in accordance with the Securities Investment Fund Law of the PRC, the Regulations on the Supervision and Administration of Private Investment Funds, the Interim Measures for the Supervision and Administration of Private Investment Funds, the Measures for the Registration and Filing of Private Investment Funds and other applicable provisions (with supporting documents to be provided). Where a prospective investor is a private fund manager, it shall have completed registration with AMAC (with supporting documents to be provided).
4. Prospective investors shall not participate in the investment through trust plans, asset management plans or contractual private investment funds.
5. The Potential Capital Increase will not accept participation by consortia formed by prospective investors.
6. Prospective investors shall satisfy any other conditions prescribed by the relevant national laws and administrative regulations.

For details, please refer to the public tender notice in relation to the Potential Capital Increase published on the CBEX website (www.cbex.com.cn) on 21 October 2026.

II. Date and Procedures of the Public tender

For the purpose of conducting the formal public tender process for the Potential Capital Increase, CNGT submitted a public tender notice in respect of the Potential Capital Increase to the CBEX on the date of this announcement. The notice includes, among other things, (i) the proposed equity interest (%) or number of shares corresponding to the amount of funds proposed to be raised; (ii) the proposed number of investors to be solicited; and (iii) the qualification requirements for prospective investors and the conditions of the capital increase. The initial announcement period is expected to be twenty (20) working days from the date of the public tender notice. During the announcement period, eligible prospective investors may submit applications to the CBEX. A prospective investor will become a qualified prospective investor after payment of the transaction deposit and confirmation of its eligibility. If no more than five qualified prospective investors are identified, CNGT shall have the right to decide whether to proceed with the selection process. If more than five qualified prospective investors are identified, CNGT will commence the selection process. The transaction process shall be subject to the relevant transaction conditions of the CBEX.

As at the date of this announcement, the terms of the capital increase agreement, including but not limited to the final investor(s), the final consideration and the transaction timetable, have not been determined. Upon determination of the final investor(s) and execution of the capital increase agreement, the Company will comply with the relevant approval procedures and information disclosure obligations and complete the Potential Capital Increase. As at the date of this announcement, CNGT has not entered into any agreement with any other party in relation to the Potential Capital Increase.

II. Transaction Deposit

Prospective investors are required to pay a transaction deposit of not less than 30% of the proposed investment amount into the account designated by the CBEX before 18 November 2026. Where a prospective investor is selected as an investor, its deposit shall be dealt with in accordance with the public tender announcement and the capital increase agreement; where a prospective investor is not confirmed as an investor and no circumstances giving rise to a deduction from the deposit apply, its deposit will be returned in full, without interest, through the original payment channel within three working days from the date on which it is confirmed that such prospective investor has not been selected as an investor.

III. Conditions of the Potential Capital Increase

The conditions of the Potential Capital Increase include the customary transaction conditions of the CBEX (including those relating to transaction deposits, due diligence and written undertakings required for registration by prospective investors), as well as other relevant conditions. For details, please refer to the public tender notice in relation to the Potential Capital Increase published on the CBEX website (www.cbex.com.cn) on 21 October 2026.

REASONS FOR AND BENEFITS OF THE POTENTIAL CAPITAL INCREASE

The Potential Capital Increase is intended to meet CNGT's funding needs for future business development and capital expenditure, and to introduce strategic investors with relevant industry resources. Under its business development plan, CNGT intends to increase its research and development investment in new types of radioactive sources and equipment incorporating radioactive sources during the 15th Five-Year Plan period, advance the construction of production bases and gradually extend its existing industry chain through potential acquisitions. As these business development plans will require substantial funding and CNGT's existing internal resources are insufficient to fully meet such requirements, the Potential Capital Increase is expected to provide additional development capital and optimise its capital structure. In addition, taking into account the supportive policies for the nuclear technology application industry introduced by the national and local governments in recent years, CNGT intends to introduce investors with relevant industry experience and resources through the Potential Capital Increase to explore opportunities for cooperation in technology research and development, industry chain expansion and market development, thereby supporting the development of its existing businesses and expansion into related business areas.

INTENDED USE OF PROCEEDS FROM THE POTENTIAL CAPITAL INCREASE

CNGT intends to use the proceeds from the Potential Capital Increase mainly for the construction of research and development and production bases for radioactive sources, the ramp-up of production capacity, research and development expenditure, and replenishment of working capital, among other purposes.

EFFECT OF THE POTENTIAL CAPITAL INCREASE ON THE COMPANY

The proposed funds to be raised under the Potential Capital Increase correspond to a 20% newly issued equity interest in CNGT. Upon completion of the capital increase, the Company's shareholding percentage in CNGT will decrease but it is expected to remain the controlling shareholder of CNGT. The Company seeks to support CNGT's development by introducing a more diversified shareholder base, achieving synergies with shareholders in areas such as markets and industry resources, and leveraging the role of the incoming investors as long-term, proactive, supportive and strategic shareholders to support CNGT's long-term development.

Upon completion of the Potential Capital Increase, CNGT will continue to be a non-wholly-owned subsidiary of the Company and its financial results will continue to be consolidated into the financial statements of the Company.

GENERAL INFORMATION

CNGT

CNGT, a non-wholly-owned subsidiary of the Company, is a national-level specialised and sophisticated technology enterprise, a high and new technology enterprise and an emerging industry development enterprise. It positions itself as a "world-class integrated supplier of radioactive sources and application technology systems", focusing on isotopes, radioactive sources, equipment incorporating radioactive sources and related application services. CNGT aims to develop an integrated industry ecosystem covering "industrial radioisotopes – radioactive sources – equipment incorporating radioactive sources – testing services". As at the date of this announcement, the Company, Sichuan Qingyi Development Investment Group Co., Ltd. (四川青衣開發投資集團有限公司), MASEP Medical Science & Technology Development (Shenzhen) Co., Ltd. (瑪西普醫學科技發展(深圳)有限公司) and Nuclear Power Institute of China (中國核動力研究設計院) held 93.1533%, 3.2586%, 3.0922% and 0.4959% of the equity interests in CNGT, respectively.

FINANCIAL INFORMATION OF CNGT

In accordance with the Accounting Standards for Business Enterprises in the PRC, the consolidated net profits/(losses) of CNGT before and after tax for the years ended 31 December 2024 and 31 December 2025 were as follows:

	Year ended 31 December 2024 (Audited) RMB'000	Year ended 31 December 2025 (Audited) RMB'000
Net profit before tax	72,804	96,555
Net profit after tax	63,660	83,222

According to the audited consolidated financial statements of CNGT prepared in accordance with the Accounting Standards for Business Enterprises in the PRC, the total assets and net asset value of CNGT as at December 2026 were RMB1,686.123 million and RMB555.816 million, respectively.

IMPLICATIONS UNDER THE LISTING RULES

If the Potential Capital Increase materialises, the equity interest in CNGT to be reduced by the Company is expected to represent approximately 18.63% of the total equity interest in CNGT. Under Chapter 14 of the Listing Rules, the transaction will constitute a deemed disposal. As the final consideration for the Potential Capital Increase has not yet been determined, if the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Potential Capital Increase exceeds 5% but is less than 25%, the Potential Capital Increase, if materialised, will constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. It may also constitute a connected transaction of the Company under Chapter 14A of the Listing Rules if the final investor(s) are connected persons of the Company as defined under the Listing Rules. Upon determination of the final consideration and the identity of the final investor(s), the Company will publish appropriate announcement(s) in accordance with all applicable requirements under Chapters 14 and 14A of the Listing Rules.

The Company will also make further announcement(s), where appropriate, in respect of any material updates and developments relating to the Potential Capital Increase in accordance with applicable laws, regulations and regulatory requirements.

As at the date of this announcement, the Potential Capital Increase has not materialised and the identity of the investor(s) remains uncertain. The Company and CNGT have not entered into any capital increase agreement with any party and have not made any contractual performance arrangements. Shareholders and potential investors of the Company should note that the Potential Capital Increase may or may not materialise. Shareholders and potential investors of the Company should be aware that there is no assurance that the Potential Capital Increase will materialise or as to when it may materialise. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the share(s) of the Company.

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

Beijing, the PRC, 21 October 2026

As at the date of this announcement, the Board comprises Mr. Xiao Yafei, Mr. Li Penghui 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.