THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CNNC International Limited, you should at once hand this circular and the form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

中核集团
CNNC

CNNC INTERNATIONAL LIMITED
中 核 國 際 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

CONTINUING CONNECTED TRANSACTIONS;
AND
NOTICE OF EGM

Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders

紅日資本有限公司
RED SUN CAPITAL LIMITED

Capitalised terms used on this cover shall have the same meanings as those defined in this circular, unless the context requires otherwise. A letter from the Board is set out on pages 5 to 22 of this circular. A letter from the Independent Board Committee is set out on pages 23 to 24 of this circular. A letter from Red Sun Capital containing its advice and recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 25 to 56 of this circular.

A notice convening the EGM to be held at 5/F, Harbour Grand Hong Kong, 23 Oil Street, North Point, Hong Kong on Tuesday, 10th March, 2026 at 2:00 p.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish, and in such event, the instrument appointing the proxy shall be deemed to be revoked.

16th February, 2026

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In this circular, unless the context requires otherwise, the following expressions shall have the following meanings:

"2026 Framework Agreement"	the framework agreement to be entered into between the Company and CNUC Group in respect of the Uranium Supply Transaction, the Uranium Agency Transaction and the Uranium Purchase Transaction
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"CNNC"	China National Nuclear Corporation (中國核工業集團有限公司), which was directly wholly owned by the SASAC (中國國務院國有資產監督管理委員會) as at the Latest Practicable Date
"CNNC Group"	CNNC and its subsidiaries (other than the Group)
"CNOL"	CNNC Overseas Limited (中核海外有限公司) (formerly known as CNNC Overseas Uranium Holding Limited (中核海外鈾業控股有限公司)), a company incorporated in Hong Kong with limited liability, being the immediate holding company of the Company holding approximately 66.72% of the Shares as at the Latest Practicable Date. CNOL was wholly owned by CNUC as at the Latest Practicable Date
"CNUC"	China National Uranium Co., Limited (中國鈾業股份有限公司), a company established in the PRC and listed on the Shenzhen Stock Exchange (stock code: 001280), and a subsidiary of CNNC as at the Latest Practicable Date
"CNUC Group"	CNUC and its subsidiaries (other than the Group)
"Company"	CNNC International Limited (中核國際有限公司), a company incorporated in the Cayman Islands whose issued Shares are listed on the Main Board of the Stock Exchange (Stock Code: 2302)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company

"EGM"	the extraordinary general meeting of the Company to be convened and held at 5/F, Harbour Grand Hong Kong, 23 Oil Street, North Point, Hong Kong on Tuesday, 10th March, 2026 at 2:00 p.m., to consider and, if thought fit, approve the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder
"Existing Annual Cap(s)"	the existing annual cap(s) for each of the uranium supply transaction, the uranium agency transaction and the uranium purchase transaction as set out in Existing Framework Agreement
"Existing Framework Agreement"	the framework agreement dated 17th June, 2024 and entered into between the Company and the CNUC Group in respect of the uranium supply transaction, the uranium agency transaction and the uranium purchase transaction, which was approved by Independent Shareholders at an extraordinary general meeting of the Company held on 17th June, 2024
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent committee of the Board, comprising Mr. Cui Liguo, Mr. Chan Yee Hoi and Ms. Liu Yajie, all being independent non-executive Directors, established to give recommendations to the Independent Shareholders in respect of the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder
"Independent Financial Adviser" or "Red Sun Capital"	Red Sun Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder
"Independent Shareholder(s)"	the Shareholder(s) other than CNOL and its associates
"Independent Third Party(ies)"	individual(s) or company(ies) who or which is/are not the connected person(s) of the Company

"Latest Practicable Date"	13th February, 2026, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information contained in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	The People's Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Price Ceiling"	has the meaning as defined in the section headed "II. The 2026 Framework Agreement — Transactions — (a) The Uranium Supply Transaction — (iii) Selling price of the natural uranium products — (2) Price Ceiling" in the letter from the Board of this circular
"Price Floor"	has the meaning as defined in the section headed "II. The 2026 Framework Agreement — Transactions — (a) The Uranium Supply Transaction — (iii) Selling price of the natural uranium products — (1) Price Floor" in the letter from the Board of this circular
"Proposed Annual Caps"	the proposed annual caps for each of the Uranium Supply Transaction, the Uranium Agency Transaction and the Uranium Purchase Transaction as set out in the section headed "III. Background of the Continuing Connected Transactions, Historical Transaction Amounts and Proposed Annual Caps" in the letter from the Board of this circular
"Rössing Uranium Mine"	a uranium mine in Namibia which was indirectly owned by CNUC as to 68.62% as at the Latest Practicable Date and is operated by Rössing Uranium Limited
"Rössing Uranium Products"	has the meaning as defined in the section headed "II. The 2026 Framework Agreement — Transactions — (c) The Uranium Purchase Transaction — (i) Subject matter" in the letter from the Board of this circular
"SASAC"	the State-owned Assets Supervision and Administration Commission of the State Council of the PRC (中國國務院國有資產監督管理委員會)
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	the ordinary share(s) of HK$0.01 each in the share capital of the Company

"Shareholder(s)"	the holder(s) of the issued Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"ton U"	metric ton of uranium metal, where 1 ton U equals to approximately 2,599.79 pounds U_3O_8
"TradeTech"	TradeTech of Denver Tech Centre, an independent provider of uranium prices and nuclear fuel market information
"U_3O_8"	the form of natural triuranium octaoxide, a compound of uranium that is a common form in which uranium is sold and traded
"Uranium Agency Transaction"	the proposed supply of uranium products by the Group, acting as an agent, to the CNUC Group pursuant to the 2026 Framework Agreement, details of which are as set out in the section headed "II. The 2026 Framework Agreement — Transactions — (b) The Uranium Agency Transaction" in the letter from the Board of this circular
"Uranium Purchase Transaction"	the proposed purchase of Rössing Uranium Products by the Group pursuant to the 2026 Framework Agreement, details of which are as set out in the section headed "II. The 2026 Framework Agreement — Transactions — (c) The Uranium Purchase Transaction" in the letter from the Board of this circular
"Uranium Supply Transaction"	the proposed supply of uranium products by the Group to the CNUC Group pursuant to the 2026 Framework Agreement, details of which are as set out in the section headed "II. The 2026 Framework Agreement — Transactions — (a) The Uranium Supply Transaction" in the letter from the Board of this circular
"UxC"	UxC, LLC, a market research and analysis company in the nuclear industry
"%"	per cent

中核集团
CNNC

CNNC INTERNATIONAL LIMITED
中 核 國 際 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

Chairman and Non-executive Director:
Mr. Li Feng

Chief Executive Officer and Executive Director:
Mr. Zhang Yi

Non-executive Directors:
Mr. Wu Ge
Mr. Sun Ruofan

Independent Non-executive Directors:
Mr. Cui Liguo
Mr. Chan Yee Hoi
Ms. Liu Yajie

Registered Office:
P.O. Box 309GT
Ugland House
South Church Street
Grand Cayman
Cayman Islands

Head Office and Principal Place of Business:
Unit 2906,
29th Floor,
China Resources Building,
No.26 Harbour Road,
Wanchai, Hong Kong

16th February, 2026

To the Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS
AND
NOTICE OF EGM

I. INTRODUCTION

Reference is made to the announcement of the Company dated 31st December, 2025. The purpose of this circular is to provide you with, among other things, further details of the 2026 Framework Agreement and the transactions contemplated thereunder.

II. THE 2026 FRAMEWORK AGREEMENT

Parties

(a) The Company (for itself and on behalf of each of its subsidiaries); and

(b) CNUC (for itself and on behalf of each of its subsidiaries (other than the Group)).

As at the Latest Practicable Date, the Company was directly owned as to approximately 66.72% by CNOL, which in turn, is directly wholly owned by CNUC. CNUC is a company listed on the Shenzhen Stock Exchange and is a subsidiary of CNNC, which in turn, is directly wholly owned by the SASAC.

Term

The 2026 Framework Agreement will be entered into by the parties upon obtaining the approval of the Independent Shareholders at the EGM, and shall take effect from the date of execution by the parties (the "**Effective Date**") until 31st December, 2027 (both days inclusive).

Transactions

The 2026 Framework Agreement contemplates the Uranium Supply Transaction, Uranium Agency Transaction and the Uranium Purchase Transaction (together the "**Continuing Connected Transactions**"), details of which are set out below:

(a) The Uranium Supply Transaction

(i) Subject matter

Pursuant to the 2026 Framework Agreement, the Group shall sell, and the CNUC Group shall purchase, natural uranium products during the term of the 2026 Framework Agreement.

The 2026 Framework Agreement stipulates that other than (a) the CNUC Group's own natural uranium mined from its own mines; and (b) the CNUC Group's purchases of natural uranium products conducted in accordance with such procurement agreements which are still effective as at the date of the 2026 Framework Agreement, the Group shall act as the CNUC Group's exclusive supplier of natural uranium products purchased from sellers other than those based in Asia and Africa.

The Uranium Supply Transaction contemplated under the 2026 Framework Agreement shall take the form of physical delivery at the borders or ports of the PRC. The Group will enter into separate implementation contract(s) with the CNUC Group in respect of each sale transaction which will set out the specific terms for the relevant sale transaction.

(ii) Selling price of the natural uranium products

The selling price charged by the Group under the Uranium Supply Transaction shall be determined in accordance with the following pricing mechanism (subject to the Price Ceiling and the Price Floor as particularized further below):

$$\text{Selling Price} = (A \times 50\% + B \times 50\%) \times (100\% - C) \times (100\% - D)$$

Where,

"A" is the average month-end spot price indicators of the remaining 12 months (after excluding the month-end spot price indicators of the highest three and lowest three months within the past 18 months before the month of delivery) published in the monthly issues of "Ux Weekly" by UxC and "Nuclear Market Review" by TradeTech, respectively.

"B" is the average month-end long-term price indicators of the remaining 12 months (after excluding the month-end long-term price indicators of the highest three and lowest three months within the past 18 months before the month of delivery) published in the monthly issues of "Ux Weekly" by UxC and "Nuclear Market Review" by TradeTech, respectively.

"C" is the applicable discount of up to 5% for physical delivery arrangement, as negotiated and agreed between the parties for each implementation contract.

"D" refers to price adjustment mechanism for large quantity of delivery. If the quantity of natural uranium products contemplated under an implementation contract falls within the range shown in the left column of the table below, a corresponding additional discount rate shall be applied to the selling price as specified in the right column of the table below:

Quantity Range	**Discount Rate**
Less than 200 tons U	0%
200 tons U or more, but less than 400 tons U	up to 1.25%
400 tons U or more, but less than 600 tons U	up to 2.50%
600 tons U or more, but less than 800 tons U	up to 3.75%
800 tons U or more, but less than 1,000 tons U	up to 5.00%
More than 1,000 tons U	up to 6.00%

(1) Price Floor

The parties, after arm's length negotiation, have agreed that the selling price of the natural uranium products charged by the Group shall, in any event, not be lower than the corresponding procurement cost of the Group plus a mark-up of 6.0% (the "**Price Floor**") after taking into account the risks to be borne by the Group, such as inventory risks, credit risks and pricing risks as well as the prevailing deposit interest rate.

The mark-up of 6.0% was determined based on arm's length negotiations, having considered the fact that such 6.0% mark-up is above:

(i) the arithmetic average of the break-even gross profit margins of the Group (excluding the share of results and gain on disposal of an associate which was disposed of during the year ended 31st December 2024) for the financial years ended 31st December, 2024 (based on audited financial statements) and 31st December, 2025 (based on unaudited financial figures), which is less than 3%, providing a reasonable headroom to safeguard the Group's profitability in the event the Price Floor provision is triggered; and

(ii) the Group's expected external borrowing rate of approximately 5.89%, estimated based on (a) the average of the 180-day SOFRs (being the Secured Overnight Financial Rates published by the Federal Reserve Bank of New York) for the six months from June 2025 to November 2025 (being the month immediately preceding the month in which the terms of the 2026 Framework Agreement was finalised) which is approximately 4.34%, plus (b) a margin over SOFR offered by third party financial institutions which is approximately 1.55% on average. Such expected external borrowing rate represents the expected cost of capital incurred by the Group for the Uranium Supply Transaction when there is a shortage of capital in exceptional circumstances.

(2) Price Ceiling

The parties, after arm's length negotiation, have agreed that the selling price of the natural uranium products charged by the Group shall, in any event, not be higher than (i) the arithmetic average of (a) the forecasted annual spot price indicator of natural uranium under high price midpoint scenario and (b) the forecasted annual long-term price indicator of natural uranium under the high long-term scenario, for the year of delivery under a particular implementation contract, as shown in the latest quarterly report on uranium market published by UxC (UxC

Market Outlook report, or "**UMO report**") available as at the relevant delivery date, plus a mark-up of 6.0%; and (ii) the Price Floor, whichever is higher (the "**Price Ceiling**").

The Directors consider that the pricing mechanism adopted in the 2026 Framework Agreement for the Uranium Supply Transaction is fair and reasonable having considered that (i) the elements contained in the pricing mechanism (including price ceiling and price floor) are in line with those referenced to by the uranium market players in general to the Directors' best knowledge, information and belief; (ii) the Price Floor mechanism provides an ultimate protection for the Group which ensures the Group will enjoy a reasonable gross profit margin; (iii) the Price Ceiling formula references to the highest-tier of the forecasted price indicators as provided in the latest available UMO report available as at the relevant delivery date while providing a further premium on top, thereby providing the Group with ample up-side profitability buffer; (iv) the actual transaction prices for all of the Uranium Supply Transactions conducted in the recent past two financial years ended 31st December, 2024 (based on audited financial statements) and 31st December, 2025 (based on unaudited financial figures) fell well below their respective "theoretical" Price Ceilings (calculated as if the same Price Ceiling formula was applied to the case of each historical transaction), which indicates there is a reasonable abundance of upside buffer provided by the Price Ceiling and the minimal likelihood in triggering such Price Ceiling; (v) the Price Ceiling has served as a negotiated tradeoff in exchange for a more favourable protective Price Floor for the Group (which Price Floor up from the mark-up of 4.0% under the Existing Framework Agreement to mark-up of 6.0% under the 2026 Framework Agreement), which provides the Group with greater protection as well as certainty in a higher minimum profit margin to be generated by the Group; and (vi) with the general volatility of natural uranium prices and the exogenous uncertainties in the uranium market, a longer horizon in price index references with the built-in adjustment of outliers (both top and bottom) provides the Group with more stable and predictable pricing benchmarks to plan its purchasing and sales strategies more tactically.

The purchase prices payable to the Group shall be settled by the CNUC Group within 30 days from the delivery of and acceptance of natural uranium products, or such other time as otherwise agreed by the parties, which the Directors consider to be within international market norm in general.

(b) The Uranium Agency Transaction

(i) Subject matter

With a view to better cater for, and to capture more business opportunities that may arise from the CNUC Group's sporadic demand for natural uranium products beyond and/or supplemental to CNUC Group's base procurement schedule from time to time, the Group may also act in the capacity as agent of the CNUC Group to procure natural uranium products in the market.

(ii) Resale price of the natural uranium products

The resale price charged to the CNUC Group by the Group shall be at a premium of 2% over the purchase price charged to the Group by the relevant third party suppliers. The aforementioned premium of 2% over the purchase price is determined by both parties through fair and reasonable negotiation, having regard to the value-adding services provided by the Group and the risks to be borne by the Group, and referenced to the commission rate entitled by the Group under the Uranium Purchase Transaction (also 2%), which is comparable to the average historical gross profit margin for the Group's natural uranium trading business with Independent Third Parties during the year ended 31st December, 2024 and for the six months ended 30th June, 2025 as set out in the section headed "II. The 2026 Framework Agreement — Transactions — (c) The Uranium Purchase Transaction — (ii) Purchase price of Rössing Uranium Products" given the similar nature of natural uranium agency and purchase transactions to the extent that they are back-to-back transactions without inventory risks. The Directors consider that the pricing mechanism adopted in the 2026 Framework Agreement for the Uranium Agency Transaction is fair and reasonable having regard to the limited transaction risk exposure and the corresponding agency services to be rendered.

Under the Uranium Agency Transaction, the Group shall employ its market intelligence to identify prospective suppliers, and, by leveraging the Group's seasoned proficiency in the global uranium trade and capitalising on its established connections with industry participants, to secure advantageous pricing through strategic negotiations.

The agency role of the Group will be on a non-exclusive basis. There will be no geographical restriction on the source of the Group's natural uranium products procurement. The Uranium Agency Transaction may take the form of physical delivery or via book transfer at designated western converters, and may be concluded by direct contracting between the CNUC Group and the source of supply identified by the Group, or through a back-to-back purchase-and-sale arrangement.

The payment terms offered by the CNUC Group to the Group shall be no less favourable to the Group than those offered by the relevant supplier(s) to the Group of the particular transaction.

There is no minimum commitment on the natural uranium products to be procured by the Group as agent under the Uranium Agency Transaction. The Group will enter into separate implementation contract(s) with the CNUC Group in respect of each agency transaction which will set out the specific terms for the relevant agency transaction.

(c) The Uranium Purchase Transaction

(i) Subject matter

As at the Latest Practicable Date, the Rössing Uranium Mine was a uranium mine in Namibia which is indirectly owned by CNUC as to 68.62%.

Pursuant to the 2026 Framework Agreement, the CNUC Group shall procure Rössing Uranium Limited (the operator of the Rössing Uranium Mine) to appoint the Group as its exclusive authorised distributor for the sale and distribution of uranium products mined at the Rössing Uranium Mine (the "**Rössing Uranium Products**") in all countries and regions around the world except the PRC. Under the arrangement, the Group shall purchase the Rössing Uranium Products from the Rössing Uranium Mine for on-sale to its third party customers which are based outside the PRC and identified by the Group.

(ii) Purchase price of Rössing Uranium Products

The purchase price of Rössing Uranium Products payable by the Group to Rössing Uranium Limited (the operator of the Rössing Uranium Mine) shall be at a discount of 2% of the resale price of such Rössing Uranium Products charged by the Group to third party on-sale customers. The aforementioned pricing arrangement was arrived at between the parties after arm's length discussions and taking into consideration (a) the value-adding services provided by and the risks to be borne by the Group; (b) the historical gross profit margin for the Group's natural uranium trading business with Independent Third Parties, which was around 2.12% for trades conducted during the year ended 31st December, 2024 and 1.62% for trades conducted for the six months ended 30th June, 2025; and (c) the relatively established terms of collaboration with Rössing Uranium Limited under this trade format. The Directors consider that the pricing mechanism adopted in the 2026 Framework Agreement for the Uranium Purchase Transaction is fair and reasonable having regard to the limited transaction risk exposure and the corresponding distribution services to be rendered, as well as the relative comparability in terms of the range of gross profit margin from other similar transactions with Independent Third Parties.

Under the Uranium Purchase Transaction, the Group shall utilise market intelligence and sales and marketing resources to identify high-demand regions and potential downstream customers to align with the production of the Rössing Uranium Mine. Leveraging the Group's expertise in international uranium trade, strategic negotiations based on strong relationships with downstream customers will aim to optimise selling prices, enhancing the revenue for Rössing Uranium Limited.

The payment terms offered by Rössing Uranium Limited to the Group shall be determined by taking into account the market practice and commercial negotiation between the parties. In this connection, the payment terms offered by Rössing Uranium Limited to the Group generally ranges from 10 days to 30 days whereas payment terms offered by the Group to its on-sale third party customer(s) generally ranges from 5 days to 30 days. The Group will ensure that for any on-sale transactions conducted on the back of a Uranium Purchase Transaction, the payment terms offered by Rössing Uranium Limited to the Group shall be no less favourable than those offered by the Group to the corresponding on-sale third party customer(s) (see also the section headed "IV. Internal Measures Adopted by the Group").

There is no minimum commitment on the Rössing Uranium Products to be purchased and resold by the Group under the Uranium Purchase Transaction. The CNUC Group shall procure Rössing Uranium Limited to enter into separate implementation contract(s) with the Group in respect of each purchase transaction which will set out the specific terms for the relevant purchase transaction.

III. BACKGROUND OF THE CONTINUING CONNECTED TRANSACTIONS, HISTORICAL TRANSACTION AMOUNTS AND PROPOSED ANNUAL CAPS

Background

The Group is principally engaged in the trading of natural uranium products and it is the strategic positioning of the Group to become the CNUC Group's major platform in overseas uranium resources exploration, development and trading through leveraging the Group's competitive advantages. Against this backdrop, the Group has been conducting continuing connected transactions (in compliance with Chapter 14A of the Listing Rules) with the CNUC Group under the uranium supply transaction and the uranium purchase transaction formats since 2022, and has added uranium agency transaction format since 2024.

Historical Transaction Amounts

The transaction amounts and utilization of the annual caps in respect of historical uranium supply transaction, uranium agency transaction, and uranium purchase transaction during the two years ended 31st December, 2024 and 2025 are as follows:

Transaction	For the financial year ended 31st December, 2024			For the financial year ended 31st December, 2025		
	Proposed Annual Caps	Utilized Amounts *(audited)* *HK$'000*	Utilization Rate	Proposed Annual Caps	Utilized Amounts *(unaudited)* *HK$'000*	Utilization Rate
Uranium Supply Transaction	2,250,000	1,695,049	75.3%	2,600,000	1,462,918	56.3%
Uranium Agency Transaction	23,000	5,798	25.2%	26,000	13,657	52.5%
Uranium Purchase Transaction	20,000	18,775	93.9%	40,000	30,994	77.5%

With respect to the historical transaction quantity, for the audited financial year ended 31st December, 2024, the Group transacted a total of (i) approximately 1,276 tons U under the uranium supply transaction, with transaction value in aggregate amounting to approximately HK$1,695.0 million; (ii) approximately 291 tons U under the uranium agency transaction, with commissions in aggregate amounting to approximately HK$5.8 million; and (iii) approximately 1.5 million pounds U_3O_8 under the uranium purchase transaction, with commissions in aggregate amounting to approximately HK$18.8 million. Further, for the financial year ended 31st December, 2025, the Group transacted an estimated total of (i) approximately 1,001 tons U under the uranium supply transaction, with transaction value in aggregate amounting to approximately HK$1,462.9 million (unaudited); (ii) approximately 686 tons U under the uranium agency transaction, with commissions in aggregate amounting to approximately HK$13.6 million (unaudited); and (iii) approximately 2.75 million pounds U_3O_8 under the uranium purchase transaction, with commissions in aggregate amounting to approximately HK$31.0 million (unaudited).

The comparatively low utilization rate of the uranium supply transaction for the year ended 31st December, 2025 was mainly attributable to the lowered actual selling price of the uranium products delivered during the year ended 31st December, 2025 (i.e., approximately US$72.07 per pound U_3O_8), representing a decrease of approximately 15.2% from the reference price of US85.00 per pound U_3O_8 which was adopted in calculating the annual cap in respect of the uranium supply transaction for the year ended 31st December, 2025. In view of the above, the Company lowered the Proposed Annual Cap for the years ending 31st December, 2026 and 2027 in respect of the Uranium Supply Transaction to HK$2,250 million, representing a reduction of approximately 13.5% as compared to the annual cap for the year ended 31st December, 2025.

With respect to the uranium agency transaction for the year ended 31st December, 2024, the comparatively low utilization rate was primarily attributable to the fact that most of the supply of uranium products were fulfilled under the uranium supply transaction, resulting in less sporadic or ad hoc demand in uranium products under the uranium agency transaction. That was in line with the purpose of the uranium agency transaction, which was, as stated in the Company's circular dated 21st May, 2024, to better cater for, and to capture more business opportunities that may arise from the CNUC Group's sporadic demand for natural uranium products beyond and/or supplemental to the base procurement schedule from time to time. In view of the above, the Company lowered the Proposed Annual Cap for the years ending 31st December, 2026 and 2027 in respect of the Uranium Agency Transaction to HK$20 million, representing a reduction of approximately 13.5% as compared to the annual cap for the year ended 31st December, 2025.

Proposed Annual Caps

The Proposed Annual Caps for the transactions contemplated under the 2026 Framework Agreement for the two financial years ending 31st December, 2026 and 2027 are set out as follows:

Transaction	**Proposed Annual Caps for the year ending 31st December,**	
	2026	**2027**
	HK$'000	*HK$'000*
Uranium Supply Transaction	2,250,000	2,250,000
Uranium Agency Transaction	20,000	20,000
Uranium Purchase Transaction	40,000	40,000

In determining the Proposed Annual Caps of the transactions under the 2026 Framework Agreement for the two financial years ending 31st December, 2026 and 2027, the Board has taken into account the following factors:

(a) In respect of the Uranium Supply Transaction, the proposed pricing mechanism set out above, the relevant Proposed Annual Cap was derived from multiplying (1) the arithmetic average of the forecasted uranium annual spot price indicators under the mid price midpoint scenario (i.e., US$80.63 per pound U_3O_8 for 2026 and US$81.71 per pound U_3O_8 for 2027) and the forecasted annual long-term price indicators under mid long-term scenario (i.e., US$87.45 per pound U_3O_8 for 2026 and US$88.72 per pound U_3O_8 for 2027) for 2026 and 2027 from the latest UMO report available as at the Latest Practicable Date (i.e., the 4th Quarter version in 2025), which is US$84.63 per pound U_3O_8 (the "**Annual Cap Reference Price**"), by (2) the projected base procurement schedule from the CNUC Group for the two financial years ending 31st December, 2026 and 2027 which is expected to be 3,379,727 pounds U_3O_8, (i.e., 1,300.00 tons U) annually, rounded up for a buffer of less than 1%;

(b) In respect of the Uranium Agency Transaction, the relevant Proposed Annual Cap was derived from multiplying (1) the proposed premium charge rate of 2% as set out in the section headed "II. The 2026 Framework Agreement — Transactions — (b) The Uranium Agency Transaction — (ii) Resale price of the natural uranium products", by (2) the Annual Cap Reference Price and (3) the preliminary estimates of the potential volume of uranium products that may be procured under the agency arrangement which is expected to be 1,559,874.00 pounds U_3O_8, (i.e., 600.00 tons U) annually, rounded down to the nearest ten million; and

(c) In respect of the Uranium Purchase Transaction, the relevant Proposed Annual Cap was derived from multiplying (1) the proposed commission rate of 2% as set out in the section headed "II. The 2026 Framework Agreement — Transactions — (c) The Uranium Purchase Transaction — (ii) Purchase price of Rössing Uranium Products, by (2) the preliminary estimates of the amount of Rössing Uranium Products to be purchased by the Group during the term of the 2026 Framework Agreement which is expected to be 3,000,000 pounds U_3O_8, (i.e., 1,153.94 tons U) annually, and (3) the Annual Cap Reference Price, rounded up to the nearest ten million.

IV. INTERNAL CONTROL MEASURES ADOPTED BY THE GROUP

To safeguard the interest of the Group and the Shareholders as a whole, and to ensure the Group will conduct the Uranium Supply Transaction, Uranium Agency Transaction and the Uranium Purchase Transaction in accordance with the terms of the 2026 Framework Agreement, the Group will adhere to the following internal control measures in respect of the transactions contemplated under the 2026 Framework Agreement:

(a) each transaction under the 2026 Framework Agreement shall be initiated by the international trading department, and reviewed by the international trading department, finance department, legal department, and the executive member of senior management in charge of the international trading department of the Group. In particular, prior to entering into each transaction under the 2026 Framework Agreement, the finance department will calculate the average gross profit margin for comparable transactions with Independent Third Parties on a 12-month rolling basis (the "**Latest GP**") and circulate the calculation to the legal department to ensure the gross profit margin of each transaction under the 2026 Framework Agreement is no less favourable than the Latest GP. Upon approval by all the above parties, the transaction is recommended for approval by the chief executive officer. The approving parties shall observe that the terms of each transaction under consideration are comparable to the terms of comparable transactions with Independent Third Parties before approving a transaction;

(b) prior to entering into any transaction under the 2026 Framework Agreement, the designated staff member from the international trading department of the Group shall check to ensure the pricing mechanism adopted is in accordance with the terms of the 2026 Framework Agreement;

(c) the designated staff member from the finance department of the Group will continuously monitor the accumulated transaction amounts for each of the Uranium Supply Transaction, the Uranium Agency Transaction and the Uranium Purchase Transaction for each financial year covered by the 2026 Framework Agreement to ensure compliance with their corresponding annual caps. In the event that the accumulated transaction amounts of each of the Continuing Connected Transactions incurred and to be incurred for a financial year is expected to reach the annual caps, the international trading department will follow up forthwith to consider if an amendment to the annual caps is required and to ensure compliance of the relevant requirements under the Listing Rules;

(d) in particular, regarding the Uranium Supply Transaction, the Group will closely monitor to ensure that the transaction price is fixed by adopting the relevant price indexes as published in the monthly issues of "Ux Weekly" by UxC and "Nuclear Market Review" by TradeTech pursuant to the pricing formula as stipulated in the 2026 Framework Agreement and is subject to the Price Floor and the Price Ceiling;

(e) in particular, regarding the Uranium Agency Transaction:

(i) the Group will closely monitor to ensure that the transaction price is fixed at a premium of 2% over the purchase price charged to the Group by the relevant third party suppliers; and

(ii) the Group will closely monitor to ensure that the payment terms offered by the CNUC Group to the Group are no less favourable to the Group than those offered by the relevant supplier(s) to the Group of the particular transaction;

(f) in particular, regarding the Uranium Purchase Transaction:

(i) the Group will closely monitor to ensure that the purchase price of Rössing Uranium Products payable by the Group to Rössing Uranium Limited (the operator of Rössing Uranium Mine) shall be at a discount of 2% of the resale price of such Rössing Uranium Products charged by the Group to third party on-sale customers; and

(ii) the Group will closely monitor to ensure that the payment terms offered by Rössing Uranium Limited to the Group are no less favourable to the Group than the terms offered by the Group to its on-sale customer(s) of the particular transaction;

(g) the chief executive officer will approve each and every transaction under the 2026 Framework Agreement before it is executed; and

(h) the independent non-executive Directors and the auditors of the Company will conduct annual review of the Uranium Supply Transaction, Uranium Agency Transaction and the Uranium Purchase Transaction and confirm whether such transactions are conducted in the ordinary and usual course of business of the Group, on normal commercial terms, in accordance with the 2026 Framework Agreement on terms that are fair and reasonable and in the interests of the Shareholders as a whole, and whether the internal control procedures put in place by the Company are adequate and effective to ensure that such transactions were conducted in accordance with the pricing policies set out in the 2026 Framework Agreement.

V. REASONS FOR AND BENEFITS OF THE 2026 FRAMEWORK AGREEMENT

The global nuclear power sector has been experiencing accelerated growth since 2024. The growth of global total annual demand for nuclear power was higher than that of global natural uranium production. Western governments' commitments to tripling production of nuclear energy and the vigorous development of artificial intelligence have stimulated a surge in demand for nuclear power in the international market. The "dual carbon" goals or the two climate goals continue to lead the rapid development of nuclear power in the PRC. It is expected that the PRC would be the largest growth market for nuclear power in the coming years. According to information published by the National Nuclear Safety Administration, as of 31st December, 2024, there are in total 58 operating nuclear power plants in the Chinese mainland, with a total installed capacity of 608.8 million kilowatts, ranking third globally.

Since 2022, the Group has tapped into the uranium demand market in the PRC by serving as the procurement arm of the CNUC Group in the international uranium trading market, leveraged on the framework agreements entered into between the Company and CNUC in respect of the uranium supply transaction and, since 2024, the uranium agency transaction. Meanwhile, the Group has continued its uranium products trading business to and from Independent Third Parties in the normal and usual course of business.

In view of the nuclear power industry landscape in China where only a few is licensed to provide nuclear power supply with the CNUC Group being one of them, the proposed Uranium Supply Transaction and Uranium Agency Transaction under the 2026 Framework Agreement will continue to provide the Group with pivotal access to the PRC nuclear power market. As the proposed Uranium Supply Transaction caters to the base scheduled procurement of the CNUC Group in 2026 and 2027, it provides a measure of predictability and stability for the Group's uranium trading business. On the other hand, the Uranium Agency Transaction provides the Group with additional business opportunities to cater for the sporadic uranium demands of CNUC Group from time to time utilising the Group's established uranium trading network resources. Given the back-to-back nature of the Uranium Agency Transaction, the Group can earn additional revenue without exposing to without exposure to market risks such as pricing, profit margin, and inventory holding, and provides the Group with more flexibility in managing its treasury and cashflow requirements when considering undertaking potential business transactions with the CNUC Group. Further, with the Uranium Purchase Transaction, the Group will continue to act as the exclusive authorised distributor of for the sale and distribution of uranium products mined at the Rössing Uranium Mine, an internationally recognized uranium mine with long history of mining operations. The Group believes the Uranium Purchase Transaction would not only serve as a revenue stream of the Group, but also fortify the Group's market position in the international uranium trading circle acting as the exclusive distributor for the Rössing Uranium Products on the international landscape.

By forming a strategic partnership with the CNUC Group, the Group is well-positioned to reinforce its standing in the nuclear industry, creating a synergistic impact on its international procurement prowess. Given the dominance of a few nuclear power groups in the PRC nuclear power market and the challenging entry barriers into the uranium trading industry, especially for the uranium supply to the PRC nuclear power market, the Group believes that the entering into of the Continuing Connected Transactions are not only in line with the Group's strategy to solidify its position as the CNUC Group's major platform in overseas uranium products distribution, sourcing and trading, but also enable the Group to capitalise on the growing uranium demand in the PRC, further facilitate the Group's business expansion in its uranium trading segment, strengthen its international market position and negotiation power, which in turn will consolidate the Group's profitability in the long run.

In light of the above, the Directors (excluding the independent non-executive Directors who shall form their view after receiving the advice from the Independent Financial Adviser) consider that (a) the terms of the 2026 Framework Agreement (including the Proposed Annual Caps) have been negotiated on an arm's length basis between the parties and are fair and reasonable; (b) the transactions contemplated under the 2026 Framework Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group; and (c) the transactions contemplated under the 2026 Framework Agreement are in the interests of the Group and its Shareholders as a whole.

VI. INFORMATION ON CNUC AND THE COMPANY

CNUC is a company established in the PRC and listed on the Shenzhen Stock Exchange. As at the Latest Practicable Date, CNUC was a subsidiary of CNNC, which in turn, is directly wholly owned by the SASAC. The CNUC Group is principally engaged in, among other things, uranium resources exploration, development, mining operations and management, and is the supplier of natural uranium products to the downstream nuclear power plants of the CNNC Group.

As at the Latest Practicable Date, the Group was principally engaged in the trading of natural uranium products. It is the strategic positioning of the Group to become the 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.

VII. INFORMATION ON UXC AND TRADETECH

The Board considers the price indices as published in the monthly issues of "Ux Weekly" by UxC and "Nuclear Market Review" by TradeTech, as well as the forecasted price indicators published in the quarterly issues of "Uranium Market Outlook" by UxC, to be reliable independent price references for international market price of natural uranium products and believes that it is common for natural uranium products purchasers to make reference to price indices published by UxC and TradeTech.

UxC is one of the nuclear industry's leading consulting companies. It offers a wide range of services spanning the full fuel cycle with special focus on market-related issues. UxC was founded in March, 1994 as an affiliate of The Uranium Exchange Company ("**Ux**"), in order to extend and provide greater focus to Ux's consulting and information services capabilities. UxC has taken over these functions and now publishes the Ux Weekly and the UMO reports on the enrichment, conversion and fabrication of uranium, nuclear power as well as publishing the industry standard Ux Prices, which are used as references in many fuel contracts. In addition, UxC also provides custom consulting services and prepares special reports on various topics, as well as provides data services, such as nuclear fuel price indicator reporting, including support for the New York Mercantile Exchange (NYMEX) uranium futures contract.

TradeTech, along with its predecessor companies — NUEXCO Information Services, CONCORD Information Services and CONCORD Trading Company — has supported the uranium and nuclear fuel cycle industry for nearly 50 years. It is widely recognised for its expertise in trading activities and its comprehensive knowledge of the technical, economic and political factors affecting this industry. TradeTech provides independent market consulting services and maintains an extensive information database on the international nuclear fuel market, and publishes daily, weekly and monthly uranium market prices and analysis.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, each of UxC and TradeTech and their respective subsidiaries are third parties independent of the Group, the CNUC Group and the CNNC Group.

VIII. LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, CNOL was a controlling shareholder of the Company holding approximately 66.72% Shares and hence a connected person of the Company. Since CNOL is directly wholly owned by CNUC, CNUC is an associate of CNOL and hence a connected person of the Company. Therefore, the transactions contemplated under the 2026 Framework Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Uranium Supply Transaction and the Uranium Agency Transaction (aggregated under Rule 14A.81 of the Listing Rules) are, on an annual basis, over 5%, and the respective highest Proposed Annual Caps exceed HK$10,000,000, the Uranium Supply Transaction and the Uranium Agency Transaction contemplated under the 2026

Framework Agreement are subject to the reporting, announcement, Independent Shareholders' approval and annual review requirements under Chapter 14A of the Listing Rules. Although one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Uranium Purchase Transaction are, on an annual basis, over 0.1% but are less than 5%, the Uranium Purchase Transaction being part of the 2026 Framework Agreement will also be submitted to the Independent Shareholders for their approval.

IX. GENERAL

The EGM will be convened and held for the purpose of considering and, if thought fit, approving the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder.

Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the continuing connected transactions contemplated under the 2026 Framework Agreement is required to abstain from voting on the relevant resolution(s) at the EGM. Given CNOL is a wholly-owned subsidiary of CNUC, CNOL is regarded as having material interests in the 2026 Framework Agreement and the transactions contemplated thereunder. Accordingly, CNOL and its associates will be required to abstain from voting on the relevant resolutions in relation to the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder to be proposed at the EGM. Mr. Li Feng, Mr. Zhang Yi, Mr. Sun Ruofan and Mr. Wu Ge, all being Directors, have also held positions in the CNUC Group or its associates and are regarded as having material interests in the 2026 Framework Agreement and the transactions contemplated thereunder. Accordingly, each of them had abstained from voting at the Board meeting on the relevant resolutions. To the best of the Directors' knowledge and information, no other Shareholder is required to abstain from voting on the relevant resolution in relation to the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder.

The Independent Board Committee which comprises Mr. Cui Liguo, Mr. Chan Yee Hoi and Ms. Liu Yajie, all being independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder. The Independent Financial Adviser, Red Sun Capital, has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

X. VOTING BY POLL

Pursuant to the Listing Rules (except for administrative matters) and the articles of association of the Company currently in force, any vote of shareholders at a general meeting must be taken by poll. An announcement on the poll vote results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

XI. CLOSURE OF REGISTER OF MEMBERS AND THE EGM

The register of members of the Company will be closed from Thursday, 5th March, 2026 to Tuesday, 10th March, 2026, (both dates inclusive) for determining the identity of the Shareholders who are entitled to attend and vote at the EGM. No transfer of Shares will be registered during this period. Shareholders whose name appear on the register of members of the Company on Tuesday, 10th March, 2026 shall be entitled to attend and vote at the EGM. In order to be eligible to attend and vote at the EGM, unregistered holders of the Shares should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 4th March, 2026.

The notice convening the EGM to be held at 5/F, Harbour Grand Hong Kong, 23 Oil Street, North Point, Hong Kong on Tuesday, 10th March, 2026 at 2:00 p.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish, and in such event, the instrument appointing the proxy shall be deemed to be revoked.

XII. RECOMMENDATION

The Directors (including the independent non-executive Directors whose views have been set out in this circular after taking into consideration the advice of the Independent Financial Adviser) consider that (a) the terms of the 2026 Framework Agreement (including the Proposed Annual Caps) have been negotiated on an arm's length basis between the parties and are fair and reasonable; (b) the transactions contemplated under the 2026 Framework Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group; and (c) the transactions contemplated under the 2026 Framework Agreement are in the interests of the Group and the Shareholders as a whole. Accordingly, the Directors (other than Mr. Li Feng, Mr. Zhang Yi, Mr. Wu Ge and Mr. Sun Ruofan who had abstained from voting at the Board meeting on the relevant resolutions) recommend the Shareholders to vote in favour of the resolution in relation to the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder to be proposed at the EGM.

XIII. ADDITIONAL INFORMATION

Your attention is also drawn to the letter from the Independent Board Committee, the letter advice from Red Sun Capital to the Independent Board Committee and the Independent Shareholders and the additional information set out in the appendices to this circular.

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

CNNC INTERNATIONAL LIMITED

中 核 國 際 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

16th February, 2026

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

We refer to the circular of CNNC International Limited dated 16th February, 2026 (the "**Circular**"), of which this letter forms part. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Circular.

We have been appointed as members of the Independent Board Committee to advise you (i) as to whether, in our opinion, the terms of the 2026 Framework Agreement (including the Proposed Annual Caps) and the transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned. Details of the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder are set out in the letter from the Board contained in the Circular. Red Sun Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder. Details of its advice and the principal factors taken into consideration in arriving at its recommendations are set out in the letter from Red Sun Capital contained in the Circular.

Having considered the advice of Red Sun Capital, we are of the opinion that (i) the terms of the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group; and (ii) the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder.

Yours faithfully,
Independent Board Committee

Mr. Cui Liguo	**Mr. Chan Yee Hoi**	**Ms. Liu Yajie**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*

Set out below is the full text of the letter from Red Sun Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the transactions contemplated under the 2026 Framework Agreement and the Proposed Annual Caps, for the purpose of inclusion in this circular.

红日资本有限公司
RED SUN CAPITAL LIMITED

Room 2703, Floor 27,
China Insurance Group Building,
141 Des Voeux Road Central,
Hong Kong

Tel: (852) 2857 9208
Fax: (852) 2857 9100

16th February, 2026

To: The Independent Board Committee and the Independent Shareholders of CNNC International Limited

Dear Sirs,

CONTINUING CONNECTED TRANSACTIONS

I. INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2026 Framework Agreement and the transactions contemplated thereunder (the "**Continuing Connected Transactions**") (including the Proposed Annual Caps for the years ending 31st December, 2026 and 2027, details of which are contained in the letter from the Board (the "**Letter from the Board**") as set out in the circular to the Shareholders dated 16th February, 2026 (the "**Circular**"), of which this letter forms part. This letter contains our advice to the Independent Board Committee and the Independent Shareholders in respect of the Continuing Connected Transactions and the Proposed Annual Caps. Unless otherwise stated, terms defined in the Circular have the same meanings in this letter.

Reference is made to the announcement dated 31st December, 2025, as the terms of the Existing Framework Agreement are expired on 31st December, 2025 and the Company intends to continue the relevant transactions after the expiry of the Existing Framework Agreement, the Company and the CNUC Group propose to enter into the 2026 Framework Agreement for a term from the Effective Date until 31st December, 2027 (both days inclusive) in respect of the Uranium Supply Transaction, the Uranium Agency Transaction and the Uranium Purchase Transaction.

As at the Latest Practicable Date, CNOL is a controlling shareholder of the Company holding approximately 66.72% Shares and hence a connected person of the Company. Since CNOL is directly wholly owned by CNUC, CNUC is an associate of CNOL and hence a connected person of the Company. Therefore, the transactions contemplated under the 2026 Framework Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Uranium Supply Transaction and the Uranium Agency Transaction (aggregated under Rule 14A.81 of the Listing Rules) are, on an annual basis, over 5%, and the respective highest Proposed Annual Caps exceed HK$10,000,000, the Uranium Supply Transaction and the Uranium Agency Transaction contemplated under the 2026 Framework Agreement are subject to the reporting, announcement, Independent Shareholders' approval and annual review requirements under Chapter 14A of the Listing Rules. Although one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Uranium Purchase Transaction are, on an annual basis, over 0.1% but are less than 5%, the Uranium Purchase Transaction being part of the 2026 Framework Agreement will also be submitted to the Independent Shareholders for their approval.

Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the continuing connected transactions contemplated under the 2026 Framework Agreement is required to abstain from voting on the relevant resolution(s) at the EGM. Given CNOL is a wholly-owned subsidiary of CNUC, CNOL is regarded as having material interests in the 2026 Framework Agreement and the transactions contemplated thereunder. Accordingly, CNOL and its associates will be required to abstain from voting on the relevant resolutions in relation to the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder to be proposed at the EGM. Mr. Li Feng, Mr. Zhang Yi, Mr. Sun Ruofan and Mr. Wu Ge, all being Directors, have also held positions in the CNUC Group or its associates and are regarded as having material interests in the 2026 Framework Agreement and the transactions contemplated thereunder. Accordingly, each of them had abstained from voting at the Board meeting on the relevant resolutions. To the best of the Directors' knowledge and information, no other Shareholder is required to abstain from voting on the relevant resolution in relation to the 2026 Framework Agreement (together with the Proposed Annual Caps) and the transactions contemplated thereunder.

II. THE INDEPENDENT BOARD COMMITTEE

The Board comprises non-executive Director and chairman, namely, Mr. Li Feng, executive Director and chief executive officer, namely, Mr. Zhang Yi, non-executive Directors, namely, Mr. Wu Ge and Mr. Sun Ruofan, and independent non-executive Directors, namely, Mr. Cui Liguo, Mr. Chan Yee Hoi and Ms. Liu Yajie, as at the Latest Practicable Date.

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Cui Liguo, Mr. Chan Yee Hoi and Ms. Liu Yajie has been established to advise the Independent Shareholders in relation to the 2026 Framework Agreement and the transactions contemplated thereunder (including the Proposed Annual Caps). Red Sun Capital Limited has been appointed by the Board with the approval of the Independent Board Committee as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard.

III. OUR INDEPENDENCE

As at the Latest Practicable Date, we were independent from and not connected with the Company, CNUC and their respective shareholders, directors or chief executives, or any of their respective associates. Accordingly, we are qualified to give independent advice to the Independent Board Committee and the Independent Shareholders regarding the transactions contemplated under the 2026 Framework Agreement.

Save for this appointment and our appointment as the independent financial adviser for (i) the continuing connected transactions in relation to the framework agreement entered into between the Company and CNUC, details of which were set out in the circular dated 21st May, 2024; and (ii) the major and connected transactions in relation to the disposal of entire issued share capital of a company by the Company as vendor, details of which were set out in the circular dated 8th November, 2024, there was no engagement between the Company and Red Sun Capital Limited in the last two years.

Apart from normal professional fees paid or payable to us in connection with this appointment and the engagement as stated above as the Independent Financial Adviser, no arrangements exist whereby we have received or will receive any fees or benefits from the Group or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider that we are independent pursuant from the Group to Rule 13.84 of the Listing Rules.

IV. BASIS OF OUR ADVICE

In formulating our advice, we have relied solely on the statements, information, opinions, beliefs and representations for matters relating to the Group, the CNUC Group and their respective shareholders and management contained in the Circular and the information and representations provided to us by the Group and/or its senior management (the "**Management**") and/or the Directors.

We have assumed that all information, representations and opinions contained or referred to in the Circular, which have been provided by the Company, the Directors and the Management and for which they are solely and wholly responsible, were true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date.

We have assumed that all such statements, information, opinions, beliefs and representations contained or referred to in the Circular (including this letter) or otherwise provided or made or given by the Group and/or the Management and/or the Directors and for which it is/they are solely responsible were true and accurate, and valid and complete in all material respects at the time they were made and given and continue to be true and accurate, and valid and complete in all material respects as at the date of the Circular.

We have assumed that all the opinions, beliefs and representations for matters relating to the Group and the CNUC Group made or provided by the Management and/or the Directors contained in the Circular have been reasonably made after due and careful enquiry. The Company and/or the Management and/or the Directors confirmed that no material facts have been omitted from the information provided and referred to in the Circular.

We consider that we have been provided with sufficient information and documents to enable us to reach an informed view and the Company has assured us no material information has been withheld from us to allow us to reasonably rely on the information provided so as to provide a reasonable basis for our advice. We have no reason to doubt the truth, accuracy and completeness of the statements, information, opinions, beliefs and representations provided to us by the Group and/or the Management and/or the Directors and their respective advisers or to believe that material information has been withheld or omitted from the information provided to us or referred to in the aforesaid documents.

We have not, however, carried out any independent verification nor have we conducted any independent investigation into information provided by the Directors and the Management, background, business or affairs or future prospects of the Group, the CNUC Group and, where applicable, their respective shareholder(s) and subsidiaries or affiliates, and their respective history, experience and track records, or the prospects of the markets in which they respectively operate.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the 2026 Framework Agreement and the transactions contemplated thereunder, and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent. In the event of inconsistency, the English text of this letter shall prevail over the Chinese translation of this letter.

V. PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have taken into consideration the following principal factors and reasons:

1. Information of the Group

1.1 Background information of the Group

As set out in the Letter from the Board, the Group is principally engaged in the trading of natural uranium products and it is the strategic positioning of the Group to become the CNUC Group's major platform in overseas uranium resources exploration, development and trading through leveraging the Group's competitive advantages.

1.2 Overview of the historical financial information of the Group

With a view to provide background information on the historical financial performance of the Group, we set out the following financial information of the Group as extracted and summarised from the Group's published annual report for the year ended 31st December, 2024 (the "**2024 Annual Report**") and the interim report for the six months ended 30th June, 2025 (the "**2025 Interim Report**").

Summary of the Group's consolidated statement of financial position

	As at 31st December, 2023	As at 31st December, 2024	As at 30th June, 2025
	HK$'000	*HK$'000*	*HK$'000*
	(audited)	(audited)	(unaudited)
Non-current assets	**418,914**	**5,020**	**4,177**
— Right-of-use asset	4,475	2,941	2,174
— Interests in associates	412,718	—	—
Current assets	**571,948**	**875,037**	**1,521,990**
— Cash and cash equivalents	180,434	607,031	787,583
— Inventories	291,708	1,274	378,437
— Trade and other receivables	3,894	86,816	350,460
Current liabilities	**345,304**	**204,547**	**839,773**
— Trade and other payables	332,829	178,306	812,757
Non-current liabilities	**185,271**	**1,626**	**754**
— Lease liability	3,271	1,626	754
— Loan from immediate holding company	182,000	—	—
Total equity attributable to owners of the Company	**460,287**	**673,884**	**685,640**

Note: for the avoidance of doubt, only selected major asset and liability balances are disclosed in the table above

Financial position as at 30th June, 2025 compared to 31st December, 2024

We noted from the 2025 Interim Report that as at 30th June, 2025, the Group's total assets amounted to approximately HK$1,526.2 million, representing an increase of approximately HK$646.1 million as compared to approximately HK$880.1 million as at 31st December, 2024, which mainly comprised (i) cash and cash equivalents of approximately HK$787.6 million; (ii) inventories of approximately HK$378.4 million; and (iii) trade and other receivables of approximately HK$350.5 million.

The Group's total liabilities amounted to approximately HK$840.5 million as at 30th June, 2025 representing an increase of approximately HK$634.4 million as compared to approximately HK$206.2 million as at 31st December, 2024, which mainly comprised trade and other payables of approximately HK$812.8 million.

As at 30th June, 2025, the total equity attributable to owners of the Company amounted to approximately HK$685.6 million, as compared to approximately HK$673.9 million as at 31st December, 2024.

Financial position as at 31st December, 2024 compared to 31st December, 2023

We noted from the 2024 Annual Report that as at 31st December, 2024, the Group's total assets amounted to approximately HK$880.1 million, representing a decrease of approximately HK$110.8 million as compared to approximately HK$990.9 million as at 31st December, 2023, which mainly comprised (i) cash and cash equivalents of approximately HK$607.0 million; (ii) trade and other receivables of approximately HK$86.8 million; and (iii) amount due from immediate holding company of approximately HK$174.4 million.

The Group's total liabilities amounted to approximately HK$206.2 million as at 31st December, 2024, representing a decrease of approximately HK$324.4 million as compared to approximately HK$530.6 million as at 31st December, 2023, which mainly comprised trade and other payables of approximately HK$178.3 million.

As at 31st December, 2024, the total equity attributable to owners of the Company amounted to approximately HK$673.9 million, as compared to approximately HK$460.3 million as at 31st December, 2023.

Summary of the Group's consolidated statement of profit or loss

	Year ended 31st December, 2023	Year ended 31st December, 2024	Six months ended 30th June, 2024	Six months ended 30th June, 2025
	HK$'000 (audited)	*HK$'000* (audited)	*HK$'000* (unaudited)	*HK$'000* (unaudited)
Revenue	580,958	1,841,347	6,400	592,110
Cost of sales	(453,905)	(1,607,192)	—	(572,439)
Gross profit	127,053	234,155	6,400	19,671
Profit/(loss) for the year/period	106,315	195,000	(7,731)	10,359

*Financial performance for the six months ended 30th June, 2025 ("**6M2025**") compared to 30th June, 2024 ("**6M2024**")*

As set out in the 2025 Interim Report, the Group recorded revenue of approximately HK$592.1 million for 6M2025, increased from approximately HK$6.4 million for 6M2024. The increase in revenue was primarily attributable to a substantial increase in trading volume in the Group's uranium trading business, of which a vast majority of the revenue was earned from natural uranium sold under trades to and from independent third parties. The Group recorded gross profit of approximately HK$19.7 million for 6M2025, increased from approximately HK$6.4 million for 6M2024, representing an increase of approximately HK$13.3 million or 207.4%.

As a result of the above together with the absence of approximately HK$15.6 million share of result of an associate and reduction of finance costs of approximately HK$13.3 million as compared to 6M2024, the Group recorded profit for the period of approximately HK$10.4 million for 6M2025, as compared with a loss for the period of approximately HK$7.7 million for 6M2024.

*Financial performance for the years ended 31st December, 2024 ("**FY2024**") and 31st December, 2023 ("**FY2023**")*

As set out in the 2024 Annual Report, the Group recorded revenue of approximately HK$1,841.3 million for FY2024, increased from approximately HK$581.0 million for FY2023. The increase in revenue was primarily attributable to the Group's expanded uranium trading activities, which also facilitated the Company in fulfilling the back-log in uranium product demand from its parent group carried over from FY2023. The

Group recorded gross profit of approximately HK$234.2 million for FY2024, increased from approximately HK$127.1 million for FY2023, representing an increase of approximately HK$107.1 million or 84.3%.

Attributable to the factors as set out above together with the one-off gain on disposal of interest in subsidiary of approximately HK$23.4 million for the FY2024 and increased administrative expenses of approximately HK$15.5 million as compared to FY2023, the Group recorded profit for the year of approximately HK$195.0 million for FY2024, as compared a profit for the year of approximately HK$106.3 million for FY2023.

2. Information on the counter parties to the 2026 Framework Agreement

2.1 CNUC

As set out in the Letter from the Board, CNUC is a company established in the PRC and listed on the Shenzhen Stock Exchange. As at the Latest Practicable Date, CNUC is a subsidiary of CNNC, which in turn, is directly wholly owned by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC (i.e. SASAC). The CNUC Group is principally engaged in, among other things, uranium resources exploration, development, mining operations and management, and is the supplier of natural uranium products to the downstream nuclear power plants of the CNNC Group.

It is the strategic positioning of the Group to become the 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.

2.2 Rössing Uranium Mine

Rössing Uranium Mine is a uranium mine in Namibia, which is operated by Rössing Uranium Limited and was indirectly owned by CNUC as to approximately 68.62% as at the Latest Practicable Date. As set out in its website[1], Rössing Uranium Mine produced approximately 6.4 million lb and 5.7 million lb of Uranium U_3O_8 for the year ended 31st December, 2023 and 2024, respectively.

[1] Website of Rössing Uranium Mine (source: www.rossing.com)

3. Overview of the PRC industry landscape

According to "The Status, Tendency and Prospects of Nuclear Energy Development in Chinese Mainland — the Blue Book"《中國核能發展報告2025》藍皮書[2] joint published by China Nuclear Energy Association* (中國核能行業協會), CNNC Strategic Planning and Research Institute Co., Ltd* (中核戰略規劃研究總院) and China Institute of Science and Technology Evaluation* (中智科學技術評價研究中心), annual electricity generated by nuclear power in the PRC reached 444,700 million kwh in 2024, being second in the world, representing approximately 4.7% of the annual electricity generated in the PRC in 2024. In addition, there were nuclear power plant with the electricity generation capacity of approximately 33.7 million kw under construction in the PRC* (在建核電總裝機容量). Furthermore, it is noted that the amount invested in nuclear related construction work totalled to approximately RMB146.9 billion representing an increase of approximately RMB52.0 billion compared to the corresponding prior year.

Furthermore, based on published information[3], the PRC government has set targets to achieve carbon peaking (碳達峰) and carbon neutral (碳中和) by no later than 2030 and 2060, respectively (together, the "**Carbon Targets**"). With a view to meet these long-term goals for reduction in carbon emission and having to cater for the increasing demand in electricity for its development, the PRC has continued to increase its electricity generation capacities from its renewable energy sources, including nuclear power. The advancement in the relevant technologies and capabilities also contributed positively in the development of the nuclear power industry in recent years. The PRC is the second largest country in terms of electricity produced by nuclear power, being in excess of 410 terawatt-hour in total in 2024[4].

According to information published by China Nuclear Energy Association[5], the PRC had 58 nuclear power unit[6] in operations as of 30 September 2025. Nuclear power contributed around 5% of the total electricity generated in the PRC during the first nine months of 2025, representing an increase of approximately 6.0% over the corresponding period in 2024.

With the aforementioned supportive PRC government policies towards renewable energy such as nuclear power, PRC's Carbon Targets, as well as nuclear power generation is relatively small in scale as compared to other existing electricity generation methods in the PRC, there are notable long-term growth potentials of electricity generation by nuclear power in the PRC.

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2 Website of China Nuclear Energy Association (中國核能行業協會) (source: www.china-nea.cn/site/content/49225.html)

3 Website of National Development and Reform Commission (source: www.ndrc.gov.cn/fggz/202409/t20240923_1393135.html)

4 Source: world-nuclear.org/information-library/current-and-future-generation/nuclear-power-in-the-world-today

5 Article titled "全國核電運行情況(2025年1–9月)" published by the China Nuclear Energy Association (Source: www.china-nea.cn/site/content/50357.html)

6 Not including Taiwan as per the published data source

4. Reasons for and benefits of the 2026 Framework Agreement

We have summarised the following reasons for the benefits of the 2026 Framework Agreement from the Letter from the Board.

Against the backdrop of growth in the global nuclear power sector stimulated by, among others, the development of artificial intelligence and their corresponding increase in consumption of electricity, the nuclear power plants in operation and under planning, and the Carbon Targets set by the PRC, the nuclear power sector in the PRC has notable growth potentials in the coming years.

Since 2022, the Group has tapped into the uranium demand market in the PRC by serving as the procurement arm of the CNUC Group in the international uranium trading market, leveraged on the framework agreements entered into between the Company and CNUC in respect of the uranium supply transaction and, since 2024, the uranium agency transaction. Meanwhile, the Group has continued its uranium products trading business to and from Independent Third Parties in the normal and usual course of business.

The CNUC Group is one of the few licensed corporations to provide nuclear power supply in the PRC, the proposed Uranium Supply Transaction and Uranium Agency Transaction under the 2026 Framework Agreement will continue to provide the Group with pivotal access to the PRC nuclear power market. As the proposed Uranium Supply Transaction caters to the base scheduled procurement of the CNUC Group in 2026 and 2027, it provides a measure of predictability and stability for the Group's uranium trading business. On the other hand, the Uranium Agency Transaction provides the Group with additional business opportunities to cater for the sporadic uranium demands of CNUC Group from time to time utilising the Group's established uranium trading network resources. Given the back-to-back nature of the Uranium Agency Transaction, the Group can earn additional revenue without exposing to without exposure to market risks such as pricing, profit margin, and inventory holding, and provides the Group with more flexibility in managing its treasury and cashflow requirements when considering undertaking potential business transactions with the CNUC Group. Further, with the Uranium Purchase Transaction, the Group will continue to act as the exclusive authorised distributor of for the sale and distribution of uranium products mined at the Rössing Uranium Mine.

By forming a strategic partnership with the CNUC Group, the Group is well-positioned to reinforce its standing in the nuclear industry, creating a synergistic impact on its international procurement prowess. Given the above factors and the dominance of a few nuclear power groups in the PRC nuclear power market and the challenging entry barriers into the uranium trading industry, especially for the uranium supply to the PRC nuclear power market, the Board believes that the entering into of the Continuing Connected Transactions is in the interests of the Company and the Shareholders as a whole.

Having considered the above as well as the factors set out below:

(i) the Group is principally engaged in the trading of natural uranium products and its has a track record of supplying and purchasing natural uranium products in the PRC and the international market from/to independent third parties and connected parties from time to time;

(ii) the Group is strategically positioned to become CNUC Group's major platform in overseas uranium resources exploration, development and trading, and such would facilitate the Group in further strengthening its uranium trading business in the PRC market as well as continue its expansion into the global market. In addition, the transactions to be conducted under the 2026 Framework Agreement shall broaden the income base of the Group;

(iii) CNNC Group, of which CNUC forms part, is one of the market leaders in the PRC's nuclear power generation, and CNUC is the supplier of natural uranium products to the downstream nuclear power plants of the CNNC Group, thus the Group's ongoing business relationship with the CNUC Group will enhance reputation and credentials of the Group both domestically and internationally;

(iv) the 2026 Framework Agreement, if approved, will facilitate the Continuing Connected Transactions to be carried out in an efficient and effective manner without the need for the Company to seek independent Shareholders' approval on a transaction-by-transaction basis; and

(v) the Group shall conduct the Continuing Connected Transactions in accordance with the stated pricing policies under the 2026 Framework Agreement,

we concur with the Directors' view that the 2026 Framework Agreement and the transactions contemplated thereunder (including the Proposed Annual Caps) are in the interests of the Company and the Shareholders as a whole.

5. Principle terms of the 2026 Framework Agreement

Parties

(a) The Company (for itself and on behalf of each of its subsidiaries); and

(b) CNUC (for itself and on behalf of each of its subsidiaries (other than the Group)).

Term

The 2026 Framework Agreement will be entered into by the parties upon obtaining the approval of the Independent Shareholders at the EGM, and shall take effect from the date of execution by the parties (the "**Effective Date**") until 31st December, 2027 (both days inclusive).

Transactions

The 2026 Framework Agreement contemplates the Uranium Supply Transaction, Uranium Agency Transaction and the Uranium Purchase Transaction (i.e. the Continuing Connected Transactions), a summary of which is set out below:

(a) The Uranium Supply Transaction

(i) Subject matter

Pursuant to the 2026 Framework Agreement, the Group shall sell, and the CNUC Group shall purchase, natural uranium products during the term of the 2026 Framework Agreement.

The 2026 Framework Agreement stipulates that other than (a) the CNUC Group's own natural uranium mined from its own mines; and (b) the CNUC Group's purchases of natural uranium products conducted in accordance with such procurement agreements which are still effective as at the date of the 2026 Framework Agreement, the Group shall act as the CNUC Group's exclusive supplier of natural uranium products purchased from sellers other than those based in Asia and Africa.

The Uranium Supply Transaction contemplated under the 2026 Framework Agreement shall take the form of physical delivery at the borders or ports of the PRC. The Group will enter into separate implementation contract(s) with the CNUC Group in respect of each sale transaction which will set out the specific terms for the relevant sale transaction.

(ii) Selling price of the natural uranium products

The selling price charged by the Group under the Uranium Supply Transaction shall be determined in accordance with the following pricing mechanism (subject to the Price Ceiling and the Price Floor as particularized further below):

$$\text{Selling Price} = (A \times 50\% + B \times 50\%) \times (100\% - C) \times (100\% - D)$$

where,

"A" is the average month-end spot price indicators of the remaining 12 months (after excluding the month-end spot price indicators of the highest three and lowest three months within the past 18 months before the month of delivery) published in the monthly issues of "Ux Weekly" by UxC and "Nuclear Market Review" by TradeTech[7], respectively.

"B" is the average month-end long-term price indicators of the remaining 12 months (after excluding the month-end long-term price indicators of the highest three and lowest three months within the past 18 months before the month of delivery) published in the monthly issues of "Ux Weekly" by UxC and "Nuclear Market Review" by TradeTech[7], respectively.

"C" is the applicable discount of up to 5% for physical delivery arrangement, as negotiated and agreed between the parties for each implementation contract.

"D" refers to price adjustment mechanism for large quantity of delivery: If the quantity of natural uranium products contemplated under an implementation contract falls within the range shown in the left column of the table below, a corresponding additional discount rate shall be applied to the selling price as specified in the right column of the table below:

Quantity Range	**Discount Rate**
Less than 200 tons U	0%
200 tons U or more, but less than 400 tons U	Up to 1.25%
400 tons U or more, but less than 600 tons U	Up to 2.50%
600 tons U or more, but less than 800 tons U	Up to 3.75%
800 tons U or more, but less than 1,000 tons U	Up to 5.00%
More than 1,000 tons U	Up to 6.00%

7 "Ux Weekly" by UxC and "Nuclear Market Review" by TradeTech are available for paid subscribers of UxC and TradeTech.

(1) Price Floor

The parties, after arm's length negotiation, have agreed that the selling price of the natural uranium products charged by the Group shall, in any event, not be lower than the corresponding procurement cost of the Group plus a mark-up of 6.0% (the "**Price Floor**") after taking into account the risks to be borne by the Group, such as inventory risks, credit risks and pricing risks as well as the prevailing deposit interest rate.

The mark-up of 6.0% was determined based on arm's length negotiations, having considered the fact that such 6.0% mark-up is above (i) the arithmetic average of the break-even gross profit margins of the Group (excluding the share of results and gain on disposal of an associate which was disposed of during the year ended 31st December, 2024) for the financial years ended 31st December, 2024 and 31st December, 2025; and (ii) the Group's expected external borrowing rate of approximately 5.89%. Such expected external borrowing rate represents the expected cost of capital incurred by the Group for the Uranium Supply Transaction when there is a shortage of capital in exceptional circumstances. Further details of which are set out in the Letter from the Board.

(2) Price Ceiling

The parties, after arm's length negotiation, have agreed that the selling price of the natural uranium products charged by the Group shall, in any event, not be higher than (i) the arithmetic average of (a) the forecasted annual spot price indicator of natural uranium under high price midpoint scenario and (b) the forecasted annual long-term price indicator of natural uranium under the high long-term scenario, for the year of delivery under a particular implementation contract, as shown in the latest quarterly report on uranium market published by UxC (UxC Market Outlook report) available as at the relevant delivery date, plus a mark-up of 6.0%; and (ii) the Price Floor, whichever is higher (i.e. the Price Ceiling).

(iii) Payment terms and other terms

The purchase prices payable to the Group shall be settled by the CNUC Group within 30 days from the delivery of and acceptance of natural uranium products, or such other time as otherwise agreed by the parties, which the Directors consider to be within international market norm in general.

(b) The Uranium Agency Transaction

(i) Subject matter

With a view to better cater for, and to capture more business opportunities that may arise from the CNUC Group's sporadic demand for natural uranium products beyond and/or supplemental to CNUC Group's base procurement schedule from time to time, the Group may also act in the capacity as agent of the CNUC Group to procure natural uranium products in the market.

(ii) Resale price of the natural uranium products

The resale price charged to the CNUC Group by the Group shall be at a premium of 2% over the purchase price charged to the Group by the relevant third party suppliers. The aforementioned premium of 2% over the purchase price is determined by both parties through fair and reasonable negotiation, having regard to the value-adding services provided by the Group and the risks to be borne by the Group, and referenced to the commission rate entitled by the Group under the Uranium Purchase Transaction, which is comparable to the average historical gross profit margin for the Group's natural uranium trading business with Independent Third Parties during the year ended 31st December, 2024 and for the six months ended 30th June, 2025, as set out in the Letter from the Board, given the similar nature of natural uranium agency and purchase transactions to the extent that they are back-to-back transactions without inventory risks. The Directors consider that the pricing mechanism adopted in the 2026 Framework Agreement for the Uranium Agency Transaction is fair and reasonable having regard to the limited transaction risk exposure and the corresponding agency services to be rendered.

Under the Uranium Agency Transaction, the Group shall employ its market intelligence to identify prospective suppliers, and, by leveraging the Group's seasoned proficiency in the global uranium trade and capitalising on its established connections with industry participants, to secure advantageous pricing through strategic negotiations.

The agency role of the Group will be on a non-exclusive basis. There will be no geographical restriction on the source of the Group's natural uranium products procurement. The Uranium Agency Transaction may take the form of physical delivery or via book transfer at designated western converters, and may be concluded by direct contracting between the CNUC Group and the source of supply identified by the Group, or through a back-to-back purchase-and-sale arrangement.

(iii) Payment and other terms

The payment terms offered by the CNUC Group to the Group shall be no less favourable to the Group than those offered by the relevant supplier(s) to the Group of the particular transaction.

There is no minimum commitment on the natural uranium products to be procured by the Group as agent under the Uranium Agency Transaction. The Group will enter into separate implementation contract(s) with the CNUC Group in respect of each agency transaction which will set out the specific terms for the relevant agency transaction.

(c) The Uranium Purchase Transaction

(i) Subject matter

Pursuant to the 2026 Framework Agreement, the CNUC Group shall procure Rössing Uranium Limited (the operator of the Rössing Uranium Mine) to appoint the Group as its exclusive authorised distributor for the sale and distribution of uranium products mined at the Rössing Uranium Mine (i.e. the Rössing Uranium Products) in all countries and regions around the world except the PRC. Under the arrangement, the Group shall purchase the Rössing Uranium Products from the Rössing Uranium Mine for on-sale to its third party customers which are based outside the PRC and identified by the Group.

(ii) Purchase price of Rössing Uranium Products

The purchase price of Rössing Uranium Products payable by the Group to Rössing Uranium Limited (the operator of the Rössing Uranium Mine) shall be at a discount of 2% of the resale price of such Rössing Uranium Products charged by the Group to third party on-sale customers. The aforementioned pricing arrangement was arrived at between the parties after arm's length discussions and taking into consideration (a) the value-adding services provided by and the risks to be borne by the Group; (b) the historical gross profit margin for the Group's natural uranium trading business with Independent Third Parties, which was around 2.12% for trades conducted during the year ended 31st December, 2024 and 1.62% for trades conducted for the six months ended 30th June, 2025; and (c) the relatively established terms of collaboration with Rössing Uranium Limited under this trade format. The Directors consider that the pricing mechanism adopted in the 2026 Framework Agreement for the Uranium Purchase Transaction is fair and reasonable having regard to the limited transaction risk exposure and the corresponding distribution services to be rendered, as well as the relative comparability in terms of the range of gross profit margin from other similar transactions with Independent Third Parties.

(iii) Payment and other terms

The payment terms offered by Rössing Uranium Limited to the Group shall be determined by taking into account the market practice and commercial negotiation between the parties. In this connection, the payment terms offered by Rössing Uranium Limited to the Group generally ranges from 10 days to 30 days whereas payment terms offered by the Group to its on-sale third party customer(s) generally ranges from 5 days to 30 days. The Group will ensure that for any on-sale transactions conducted on the back of a Uranium Purchase Transaction, the payment terms offered by Rössing Uranium Limited to the Group shall be no less favourable than those offered by the Group to the corresponding on-sale third party customer(s). There is no minimum commitment on the Rössing Uranium Products to be purchased and resold by the Group under the Uranium Purchase Transaction. The CNUC Group shall procure Rössing Uranium Limited to enter into separate implementation contract(s) with the Group in respect of each purchase transaction which will set out the specific terms for the relevant purchase transaction.

6. Our analysis on the principal terms of the 2026 Framework Agreement and work performed on the internal control procedures

With a view to assess the fairness and reasonableness of the principal terms of the 2026 Framework Agreement, we have carried out the following work and analysis.

6.1 Our analysis on the pricing policy for the Uranium Supply Transaction

Pursuant to the pricing policy under the 2026 Framework Agreement, the selling price of the Uranium Supply Transaction shall be calculated based on the following pricing formula (the "**Pricing Formula**"), being the sum of (i) 50% of the average month-end spot price indicators of the remaining 12 months (after excluding the month-end spot price indicators of the highest three and lowest three months within the past 18 months before the month of delivery); and (ii) 50% of the average month-end long-term price indicators of the remaining 12 months (after excluding the month-end long-term price indicators of the highest three and lowest three months within the past 18 months before the month of delivery), less a discount of up to 5% (the "**Physical Delivery Discount**") attributable to physical delivery and a discount of up to 6% for large quantity of delivery, the schedule of which is set out under sub-section headed "(ii) Selling price of the natural uranium products" in the Letter from the Board (the "**Quantity Discount**").

In any event, we noted that the parties, after arm's length negotiation, have agreed that the selling price of the natural uranium products charged by the Group shall subject to (i) a price floor of not lower than the corresponding procurement cost of the Group plus a mark-up of 6.0% (i.e. the Price Floor), which is 2.0% higher than the previous agreed price floor of procurement cost plus a mark-up of 4.0% under the Existing Framework Agreement; and (ii) a price ceiling of not higher than (a) the arithmetic average of (aa) the forecasted annual spot price indicator of natural uranium under high price midpoint scenario, and (bb) the forecasted annual long-term price indicator of natural uranium under the high long-term scenario, as shown in the latest quarterly report on uranium market published by UxC available as at the relevant delivery date, plus a mark-up of 6.0%; and (b) the Price Floor, whichever is higher.

As part of our work to assess the reasonableness of the pricing policy, we have performed the following work and analysis:

(i) we have conducted market research into industry publications and/or information published by (a) UxC, being one of the nuclear industry's leading market research and analysis companies; (b) TradeTech of Denver Tech Centre ("**TradeTech**"), an independent provider of uranium prices and nuclear fuel market information; and (c) Cameco Corporation ("**Cameco**"), being one of the largest global providers of uranium fuel, and we noted from the aforesaid sources that (a) it is a common market method for uranium contract pricing to refer to spot price and/or long-term price; (b) as per Cameco's annual report for the year ended 31st December, 2024[8] as well as information from TradeTech[9], purchase contracts for uranium may contain discounts; and (c) as per Cameco's annual report for the year ended 31st December, 2024[8] as well as information from TradeTech[9], purchase contracts for uranium may subject to price floor and ceiling as the parties would respectively seek price protection; and

(ii) there are three major nuclear market participants in the PRC, namely China National Nuclear Corporation, China General Nuclear Power Corporation and State Power Investment Corporation Limited, all of which are owned and/or under the supervision of SASAC. Out of the above, two have listed subsidiaries on the Stock Exchange that principally engages in the supply and/or trading of uranium, namely the Company and CGN Mining Company Limited ("**CGN**") (stock code: 1164). In this connection, we have conduct research and reviewed their circular(s) for similar transactions published during the past five years since 1st January, 2021, and noted that the Company published two transaction circulars dated 31st May, 2022 and 21th May, 2024 respectively, and CGN also published two transaction circulars dated 19th August, 2022 and 25th July, 2025 respectively, for, among other, uranium supply transactions (the "**Market Transactions**"), and noted that the supply price for the reviewed Market Transactions were determined based on pricing formula in various forms. The Market Transactions are exhaustive in nature during the past five years since 1st January, 2021 based on the selection criteria as set out above.

8 Source: www.cameco.com/sites/default/files/documents/cameco-2024-annual-report.pdf

9 Source: www.uranium.info/contract_pricing_overview.php

Nonetheless, these pricing formulae all comprised references to the spot price and forecasted/long-term price of uranium. Thus, the use of a pricing formula with reference to spot price and long-term price of uranium to determine the transaction price are in line with the Market Transactions; and

(iii) with reference to the terms for the Price Ceiling, which sets out that the selling price of the natural uranium products shall not be higher than (a) the arithmetic average of (aa) the (forecast) annual spot price indicator of natural uranium under high price midpoint scenario (the "**Reference Price Point A**"); and (bb) the (forecast) annual long-term price indicator of natural uranium under the high long-term scenario (the "**Reference Price Point B**"), as published in the latest quarterly report on uranium market published by UxC available as at the relevant delivery date, plus a mark-up of 6.0%; and (b) the Price Floor, whichever is higher.

In this connection, we have obtained the latest published quarterly report on uranium market outlook by UxC for the fourth quarter of 2025 (the "**2025Q4 UMO Report**"), and noted that the Reference Price Point A for 2026 was US$87.77 per lb U_3O_8 and the Reference Price Point B for 2026 was US$90.30 per lb U_3O_8, respectively. The average of which shall be approximately US$89.04 per lb U_3O_8, and after applying a mark-up of 6% would be approximately US$94.38 per lb U_3O_8 (the "**UxC Estimated Ceiling Price**").

Based on the 2025Q4 UMO Report, which contains month-end spot and long-term price for the past 18 months period up to and including November 2025, we extracted the relevant data and applied them into the Pricing Formula as if the Group sold and delivered natural uranium products in November 2025, assuming no relevant discounts are applicable, the calculated selling price based on the aforesaid data would be approximately US$77.81 per lb U_3O_8 (the "**Prevailing Hypothetical Selling Price**"). It is noted that the UxC Estimated Ceiling Price is approximately 20.3% over the Prevailing Hypothetical Selling Price (the "**Upside Headroom**").

We also noted from the 2025Q4 UMO Report, (i) the average spot price for 2024 was approximately US$84.77 per lb U_3O_8 and the average spot price for 2025 was approximately US$72.17 per lb (from January 2025 to November 2025), representing a decrease of approximately 14.9%; and (ii) the average long-term price for 2024 was approximately US$77.83 per lb U_3O_8 and the average long-term price for 2025 was approximately US$81.09 per lb (from January 2025 to November 2025), representing an increase of approximately 4.2%, both figures of which were notably below the percentage as represented by the Upside Headroom.

Given the main components of the Pricing Formula and the selling price shall be determined after taken into account (a) 50% of the average month-end spot price indicators of the remaining 12 months (after excluding the three highest and lowest month-end spot price indicators within the past 18 months before the month of delivery); and (b) 50% of the average month-end long-term price indicators of the remaining 12 months (after excluding the three highest and lowest month-end long-term price indicators within the past 18 months before the month of delivery), thus for the selling price to reach the UxC Estimated Ceiling Price, which is approximately 20.3% over the Prevailing Hypothetical Selling Price (i.e. the Upside Headroom), the price indicators as described under (a) and (b) both have to increase by more than 20% concurrently, and such fluctuation is far from the year-on-year percentage change in the relevant prices as analysed under the preceding paragraph of approximately -14.9% and 4.2%, respectively.

Furthermore, the Pricing Formula would exclude the month-end spot and long-term price indicators of the highest three and lowest three months within the past 18 months before the month of delivery, thus in practical terms, the spot price and long-term price would have to increase by a larger margin over a longer period of time for the selling price under the Pricing Formula to have a chance of reaching the Price Ceiling.

In addition, pursuant to the 2026 Framework Agreement, the Company was able to negotiate a more favourable Price Floor as the Price Floor shall be not lower than the corresponding procurement cost of the Group plus a mark-up of 6.0%, which is 2.0% higher than the previous agreed price floor of procurement cost plus a mark-up of 4.0% under the Existing Framework Agreement. The aforesaid increase to a mark-up of 6.0% provides greater downside protection as well as certainty in a higher minimum profit margin to be generated by the Group in the event that the selling price decreases during the term of the 2026 Framework Agreement attributable to, among others, market and other external factors beyond the Company's control.

On this basis, we are of the view that the pricing policy for the Uranium Supply Transaction under the 2026 Framework Agreement is reasonable.

6.2 Our analysis on the payment terms for the Uranium Supply Transaction

For our assessment on the reasonableness of the payment terms, we have obtained the Uranium Supply Transaction entered into during the years ended 31st December, 2024 and 2025 (the "**Review Period**"). We have reviewed the records of all of the Uranium Supply Transaction transacted during the Review Period (the "**Sampled Uranium Supply Transaction(s)**"), under the Existing Framework Agreement.

In this connection, we noted that the payment terms offered by the Group to the connected persons was in two instalments, (i) the first instalment covered 95% of the transaction amount was payable with reference to the date of delivery; and (ii) the second instalment, being the remaining transaction amount, which was payable within 30 days after the date of the final invoice to be issued after the completion of the delivery of the subject Uranium Product. In this regard, we have also reviewed the 2024 Annual Report and noted that the Group allows an average credit period of 5 to 30 days after invoice date. Based on the above, we are of the view that the payment terms of the Sampled Uranium Supply Transactions are reasonable.

6.3 Our work performed on the Sampled Uranium Supply Transactions and internal control procedures

Pursuant to the Existing Framework Agreement, for the Uranium Supply Transaction, the selling price of the natural uranium products charged by the Group shall be determined on normal commercial terms and with reference to the pricing formula thereunder, as specified in the continuing connected transactions circular of the Company dated 21st May, 2024.

In this connection, we have reviewed the Sampled Uranium Supply Transactions. For each sampled transaction, we have obtained and reviewed (i) the supply contract entered into with a member of the CNUC Group; (ii) the calculation for the price of the subject Uranium Product based on the pricing formula as set out in the Existing Framework Agreement; and (iii) the contract and/or invoice issued to the subject connected person for the supply of the Uranium Products which sets out, including, among other information, the transaction amount, the weight and method of sales, and the corresponding Uranium trading contract internal approval document of the Company.

Based on information obtained under (i), (ii) and (iii) above, together with our work performed thereof, including reperformed the calculation for the price based on the relevant data and checked the calculated price against the actual price used in the Sampled Uranium Supply Transactions, we are of the view that the Sampled Uranium Supply Transactions complied with the stated pricing policies for the Uranium Supply Transaction under the Existing Framework Agreement.

6.4 Our analysis on the pricing policy for the Uranium Agency Transaction and the payment terms

Pursuant to the 2026 Framework Agreement, in connection with the Uranium Agency Transaction, the selling price to be charged by the Group shall be at a premium of 2% over the purchase price charged to the Group by the relevant third party suppliers. The Management confirmed that the Group had not provided any similar agent/procurement services to independent third party in recent years. In assessing the reasonable of 2% margin to be generated from the Uranium Agency Transaction, we have, among others,

(i) noted the historical gross profit margin for the Group's natural uranium trading business with Independent Third Parties ranged from approximately 0.2% to 4.7%, of which the 2% margin from the Uranium Agency Transaction falls within the aforesaid range.

In this connection, we have obtained the historical gross profit margin calculations from the Company, reviewed the relevant figures thereto and reperformed the calculations;

(ii) considered that the Company is of the view that there is minimal risk to the Uranium Agency Transaction as such type of transactions may be concluded by direct contracting between the CNUC Group and the source of supply identified by the Group, or through a back-to-back purchase-and-sale arrangement. Hence there is no inventory-related risks or price-related exposure to the Group as an agency transaction would only be executed after the terms of the purchaser and the supplier have both been agreed with the Company;

(iii) noted that pursuant to the 2026 Framework Agreement, the payment terms offered by the CNUC Group to the Group shall be no less favourable to the Group than those offered by the relevant supplier(s) to the Group of the particular transaction, thus under normal circumstances, the Group shall receive the payment from the CNUC Group prior to making the corresponding payment to the subject supplier and therefore bears no credit risk under such arrangement. The Management considered the credit history of the CNUC Group, as exclusive uranium supplier to CNNC Group, being one of the largest nuclear power facilities operators in the PRC, with a state-owned background and had not defaulted in any payment to the Group in the past five years, to be good; and

(iv) the Uranium Agency Transaction being an additional service offering to the CNUC Group, shall further broaden the revenue base of the Group with limited transaction risk exposure as analysed above and corresponding agency services.

On this basis, we considered the pricing policy and the payment terms of the Uranium Agency Transaction to be fair and reasonable.

6.5 *Our work performed on the pricing policies and payment terms for the Uranium Purchase Transaction*

The Group is the exclusive authorised distributor for the sale and distribution of uranium products mined at Rössing Uranium Mine (the "**Rössing Uranium Products**") in all countries and regions around the world except the PRC. Under such arrangement, the Group shall utilise market intelligence and sales and marketing resources to identify high-demand regions and potential downstream customers to align with the production of the Rössing Uranium Mine. Leveraging the Group's expertise in international uranium trade, strategic negotiations based on strong relationships with downstream customers will aim to optimise selling prices, enhancing the revenue for Rössing Uranium Limited. The purchase price of Rössing Uranium Products payable by the Group to Rössing Uranium Limited (the operator of Rössing Uranium Mine) shall be at a discount of 2% of the resale price of such Rössing Uranium Products charged by the Group to third party on-sale customers.

In this connection, we have obtained sampled Uranium Purchase Transactions during the Review Period (i.e. the years ended 31st December, 2024 and 2025) with a particular focus on transaction selected on a random basis. We have selected and reviewed five Uranium Purchase Transaction samples (the "**Sampled Uranium Purchase Transaction(s)**"). For each sampled transaction, we have obtained and reviewed (i) the subject uranium sale and purchase confirmation between Rössing Uranium Limited and the Company, which sets out among others, the transaction date, unit price and weight, as well as the corresponding uranium trading contract internal approval document of the Company; and (ii) the contract and/or invoice issued to the subject independent third party purchaser setting out the description of the Rössing Uranium Products, including, among others, the transaction amount, the weight and method of sales, and the corresponding uranium trading contract internal approval document of the Company. Based on information obtained under (i) and (ii) and our work performed thereof, we are of the view that the Sampled Uranium Purchase Transactions complied with the pricing policies for the Uranium Purchase Transaction under the Existing Framework Agreement, and therefore are fair and reasonable.

Based on work performed in relation to Uranium Purchase Transactions, we noted that the payment terms offered by Rössing Uranium Limited to the Group ranged from 10 days to 30 days, which is within range of with the payment terms offered by the Group to independent third party purchasers for the Uranium Purchase Transactions, which ranged from 5 days to 30 days. The Management also advised that the payment terms offered by Rössing Uranium Limited to the Group will be no less favourable than those offered by the Group to its on-sale customers, thus under normal circumstances, the Group shall receive the payment from its customers prior to corresponding payment to Rössing Uranium Limited. On this basis, we are of the view that the payment terms of the Uranium Purchase Transactions are reasonable.

6.6 Our work performed on the internal control procedures

We noted that the Group has adopted the following internal control measures to ensure that the terms of the continuing connected transactions under the 2026 Framework Agreement are fair and reasonable:

(i) each transaction under the 2026 Framework Agreement shall be initiated by the international trading department, and reviewed by international trading department, finance department, legal department, and the executive member of senior management in charge of the international trading department of the Group. In particular, prior to entering into each transaction under the 2026 Framework Agreement, the finance department will calculate the average gross profit margin for comparable transactions with Independent Third Parties on a 12-month rolling basis (i.e. "**Latest GP**") and circulate the calculation to the legal department to ensure the gross profit margin of each transaction under the 2026 Framework Agreement is no less favourable than the Latest GP. Upon approval by all the above parties, the transaction is recommended for approval by the chief executive officer. The approving parties shall observe that the terms of each transaction under consideration are comparable to the terms of comparable transactions with Independent Third Parties before approving a transaction;

(ii) prior to entering into any transaction under the 2026 Framework Agreement, the designated staff of the international trading department shall check to ensure the pricing mechanism adopted is in accordance with the terms of the 2026 Framework Agreement;

(iii) the designated staff member from the finance department of the Group will continuously monitor the accumulated transaction amounts for each of the Uranium Supply Transaction, the Uranium Agency Transaction and the Uranium Purchase Transaction for each financial year covered by the 2026 Framework Agreement to ensure compliance with their corresponding annual caps. In the event that the accumulated transaction amounts of each of the Continuing Connected Transactions incurred and to be incurred for a financial year is expected to reach the annual caps, the international trading department will follow up forthwith to consider if an amendment to the annual caps is required and to ensure compliance of the relevant requirements under the Listing Rules;

(iv) in particular, regarding the Uranium Supply Transaction, the Group will closely monitor to ensure that the transaction price is fixed by adopting the relevant price indexes as published in the monthly issues of "Ux Weekly" by UxC and "Nuclear Market Review" by TradeTech pursuant to the pricing formula as stipulated in the 2026 Framework Agreement and is subject to the Price Floor and the Price Ceiling;

(v) in particular, regarding the Uranium Agency Transaction: (a) the Group will closely monitor to ensure that the transaction price is fixed at a premium of 2% over the purchase price charged to the Group by the relevant third party suppliers; and (b) the Group will closely monitor to ensure that the payment terms offered by the CNUC Group to the Group are no less favourable to the Group than those offered by the relevant supplier(s) to the Group of the particular transaction;

(vi) in particular, regarding the Uranium Purchase Transaction: (a) the Group will closely monitor to ensure that the purchase price of Rössing Uranium Products payable by the Group to Rössing Uranium Limited (the operator of Rössing Uranium Mine) shall be at a discount of 2% of the resale price of such Rössing Uranium Products charged by the Group to third party on-sale customers; and (b) the Group will closely monitor to ensure that the payment terms offered by Rössing Uranium Limited to the Group are no less favourable to the Group than the terms offered by the Group to its on-sale customer(s) of the particular transaction;

(vii) the chief executive officer will approve each and every transaction under the 2026 Framework Agreement before it is executed; and

(viii) the independent non-executive Directors and the auditors of the Company will conduct annual review of the Uranium Supply Transaction, Uranium Agency Transaction and the Uranium Purchase Transaction and confirm whether such transactions are conducted in the ordinary and usual course of business of the Group, on normal commercial terms, in accordance with the 2026 Framework Agreement on terms that are fair and reasonable and in the interests of the Shareholders as a whole, and whether the internal control procedures put in place by the Company are adequate and effective to ensure that such transactions were conducted in accordance with the pricing policies set out in the 2026 Framework Agreement.

In this connection, we have obtained and reviewed 11 historical transactions samples under the Existing Framework Agreement (the "**Sampled Transactions**"), selected on a random basis. Given (i) the Sampled Transactions were carried out across each of the years during the Review Period; and (ii) we have reviewed the terms of all of the transactions for each of the uranium supply transactions and the uranium agency transactions conducted during the Review Period, and five transaction samples for the uranium purchase transactions during the Review Period, under the Existing Framework Agreement, we consider the sample size to be representative. Based on our review of and work performed on the Sampled Transactions, we also noted that (i) the terms (including the pricing terms and payment terms) of the Sampled Transactions were determined in accordance with the stated internal control measures of the Group; and (ii) the Sampled Transactions complied with the relevant stated internal control procedures at the material time.

6.7 Our findings

Having considered the work performed by us as set out above, in particular, (i) our work performed on the principal terms of the 2026 Framework Agreement, including our analysis on the pricing policies and internal control procedures in connection with the Continuing Connected Transactions; (ii) the transactions contemplated under the 2026 Framework Agreement are a furtherance of the Group's principal businesses and that the Group would broaden its revenue base; and (iii) CNUC is a subsidiary of CNNC, which in turn, is directly wholly owned by the SASAC. CNNC is one of three sizeable permitted nuclear power developers and operators, being CNNC, China General Nuclear Power Group and State Power Investment Corporation, that should benefit from the continuous development of the nuclear power generation sector in the PRC, we considered that the terms of the 2026 Framework Agreement, which are subject to internal control procedures, to be fair and reasonable and in the interests of the Shareholders as a whole.

7. Basis and rationale for determining the Proposed Annual Caps

As set out in the Letter from the Board, in determining the Proposed Annual Caps of the transactions under the 2026 Framework Agreement for the two financial years ending 31st December, 2027, the Board has taken into account the following factors:

(i) in respect of the Uranium Supply Transaction, the proposed pricing mechanism set out in the Letter from the Board, the relevant Proposed Annual Cap was derived from multiplying (1) the arithmetic average of the forecasted uranium annual spot price indicators under the mid price midpoint scenario (i.e., US$80.63 per pound U_3O_8 for 2026 and US$81.71 per pound U_3O_8 for 2027) and the forecasted annual long-term price indicators under mid long-term scenario (i.e., US$87.45 per pound U_3O_8 for 2026 and US$88.72 per pound U_3O_8 for 2027) for 2026 and 2027 of the latest UMO report available as at the Latest Practicable Date (i.e., the 4th Quarter version in 2025), which is US$84.63 per pound U_3O_8 (the "**Annual Cap Reference Price**"), by (2) and the projected base procurement schedule from the CNUC Group for the two financial years ending 31st December, 2026 and 2027 which is expected to be 3,379,727 pounds U_3O_8, (i.e., 1,300.00 tons U) annually, rounded up for a buffer of less than 1%;

(ii) in respect of the Uranium Agency Transaction, the relevant Proposed Annual Cap was derived from multiplying (1) the proposed premium charge rate of 2%, by (2) the Annual Cap Reference Price, and (3) the preliminary estimates of the potential volume of uranium products that may be procured under the agency arrangement which is expected to be 1,559,874.00 pounds U_3O_8, (i.e. 600.00 tons U) annually, rounded down to the nearest ten million; and

(iii) in respect of the Uranium Purchase Transaction, the relevant Proposed Annual Cap was derived from multiplying (1) the proposed commission rate of 2%, by (2) the preliminary estimates of amount of Rössing Uranium Products to be purchased by the Group during the term of the 2026 Framework Agreement which is expected to be 3,000,000 pounds U_3O_8, (i.e., 1,153.94 tons U) annually, and (3) the Annual Cap Reference Price, rounded up to the nearest ten million.

7.1 Our analysis on the Proposed Annual Caps for the Uranium Supply Transaction and the Uranium Agency Transaction

The Proposed Annual Caps for the Uranium Supply Transaction and the Uranium Agency Transaction contemplated under the 2026 Framework Agreement for the two financial years ending 31st December, 2026 and 2027 are set out as follows:

Transaction type	**Proposed Annual Caps for the year ending 31st December,**	
	2026	**2027**
	HK$'000	*HK$'000*
Uranium Supply Transaction	2,250,000 (the "**2026 Supply Annual Cap**")	2,250,000 (the "**2027 Supply Annual Cap**")
Uranium Agency Transaction	20,000 (the "**2026 Agent Annual Cap**")	20,000 (the "**2027 Agent Annual Cap**")

Our analysis on historical utilisation of the annual caps

With reference to the information as set out in the Letter from the Board, (i) the annual cap in relation to the Uranium Supply Transaction under the Existing Framework Agreement for the year ended 31st December, 2024 and 2025 was HK$2,250 million and HK$2,600 million, respectively; and (ii) the historical Uranium Supply Transactions amounted to approximately HK$1,695.0 million and HK$1,462.9 million (unaudited) for the year ended 31st December, 2024 and 31st December, 2025, respectively. On this basis, the utilisation rate of the annual cap for the year ended 31st

December, 2024 was approximately 75.3% and the estimated utilisation rate of the annual cap for the year ended 31st December, 2025 was approximately 56.3%, respectively.

Based on our discussion with the Management, it is noted that the comparatively low utilisation rate of for the year ended 31st December, 2025 was mainly attributable to (i) the annual cap for the year ended 31st December, 2025 being approximately 15.6% higher than that of the annual cap for the year ended 31st December, 2024; (ii) the quantity of Uranium Products delivered during the year ended 31st December, 2025 was in region of 1,000 tons U as compared to in excess of 1,200 tons U during the year ended 31st December, 2024; and (iii) the fluctuation of spot and long-term price of Uranium Products during the relevant period. In view of the above, the Company lowered the 2026 Supply Annual Cap to HK$2,250 million, representing a reduction of approximately 13.5% as compared to the 2025 supply annual cap of HK$2,600 million.

As for the Uranium Agency Transaction, the utilisation rate of the annual cap for the year ended 31st December, 2024 was approximately 25.2% and the estimated utilisation rate of the annual cap for the year ended 31st December, 2025 was approximately 52.5% based on information as set out in the Letter from the Board, respectively. Based on our discussion with the Management, it is noted that the comparatively low utilisation rate of for the year ended 31st December, 2024 was primarily attributable to the fact that most of the supply of Uranium Products were fulfilled under the 2024 supply annual cap and there was less ad hoc demand in Uranium Products which was expected to fluctuate from year to year and such would be satisfied through the agency annual cap. In view of the above, the Company lowered the 2026 Agency Annual Cap to HK$20 million, representing a reduction of approximately 23.1% as compared to the 2025 agency annual cap of HK$26 million.

Our analysis on the 2026 Supply Annual Cap and the 2026 Agent Annual Cap

In connection with our assessment on the fairness and reasonableness of the 2026 Supply Annual Cap of HK$2,250 million, we have performed the following work, including:

(i) assessed the reasonableness of the indicative procurement quantity of Uranium Products for the year ending 31st December, 2026 provided by the Management as advised by CNUC, being approximately 1,300 ton U of the Uranium Products to be supplied through the sale and purchase model, and that the demand of approximately 600 ton U of the Uranium Products is expected to be more ad hoc in nature, will be supplied in the form of Uranium Agency Transaction.

In this connection, we have conducted research into the total estimated demand of Uranium in the PRC. According to the published information of the World Nuclear Association[10] in December 2025, the Uranium required for the nuclear electricity generation of the PRC for 2025 is estimated to be approximately 13,900 tons U. Furthermore, we also noted from a publication[11] by the State-owned Assets Supervision and Administration Commission of the State Council (國有資產監督管理委員會) in August 2023 that the electricity generated by nuclear power plants of CNNC contributed to approximately 44% of the total electricity generated by nuclear power plants in the PRC.

Based on the above information, for illustration purposes only and assuming that there is no material change to the market share/contribution of total electricity of CNNC generated by nuclear power plants in the PRC as mentioned above, the estimated annual demand of CNNC would be approximately 6,100 tons U (the "**Estimated CNNC Uranium Product Demand**"). Given (a) the estimated combined quantity of Uranium Products under the 2026 Supply Annual Cap and 2026 Agent Annual Cap is notably lower than 6,100 tons U calculated above; (b) the fact that the Group is a major supplier of CNUC, and CNUC is the supplier of natural uranium products to the downstream nuclear power plants of the CNNC Group; and (c) based on published information by the World Nuclear Association[12] in 2025 setting out, among others, the operable nuclear power capacity in PRC in terms of reference unit power increased from approximately 53,152 Megawatt electric ("**MWe**") in 2023 to approximately 58,056 MWe in 2025, representing an increase of approximately 9.2% over a two year period or an increase of approximately 4.5% per annum on a compounded basis, thus the PRC's demand of Uranium Products continues to increase year-on-year.

[10] Information published by World Nuclear Association (source: world-nuclear.org/information-library/facts-and-figures/world-nuclear-power-reactors-and-uranium-requireme.aspx)

[11] Information published by State-owned Assets Supervision and Administration Commission the State Council (source: www.sasac.gov.cn/n2588025/n2588124/c28732494/content.html)

[12] Information published by World Nuclear Association (source: https://world-nuclear.org/information-library/country-profiles/countries-a-f/china-nuclear-power)

(ii) reviewed the price of Uranium Products adopted by the Management for the Uranium Supply Transaction calculated with reference to the formula pursuant to the 2026 Framework Agreement. In this connection, we have reviewed the inputs used by the Management in calculating the price of Uranium Products for the stated pricing formula and cross-checked the basis of the inputs applied by the Management, which was made with reference to the published data in the 2025Q4 UMO Report by UxC, namely the estimated mid spot and long-term Uranium price per lb for 2026 and 2027. On this basis, the price of Uranium Products in the Pricing Formula applied to estimate the annual caps was approximately USD85 per lb of Uranium Products; and

(iii) noted that the purpose of the 2025 Agent Annual Cap of HK$20 million is primarily to fulfil the supply of Uranium Products to the CNUC Group when ad hoc demand arises. We have reviewed the basis of the 2025 Agent Annual Cap, which is estimated based on 2% of the expected transaction amount of the relevant agency transactions, the price applied is consistent with the price applied under (ii) above and the quantity is less than the estimated quantity under the 2025 Supply Annual Cap given the purpose of the agent annual cap is to cater for ad hoc demand from CNUC Group.

In this connection, we considered that the basis of the 2026 Supply Annual Cap and 2026 Agent Annual Cap is fair and reasonable, respectively.

Our analysis on the 2027 Supply Annual Cap and 2027 Agent Annual Cap

It is noted that (i) the 2027 Supply Annual Cap of HK$2,250 million is the same as the 2026 Supply Annual Cap; and (ii) the 2027 Agent Annual Cap of HK$20 million is also at the same level as that of the 2026 Agent Annual Cap.

With a view to assess the reasonableness of the 2027 Supply Annual Cap and 2027 Agent Annual Cap, we have considered, among others, (i) the basis of the 2027 Supply Annual Cap and 2027 Agent Annual Cap is on the same basis as the 2026 Supply Annual Cap and 2026 Agent Annual Cap, which we are of the view that they are fair and reasonable; (ii) the scope of the 2027 Supply Annual Cap and 2027 Agent Annual Cap were determined to cover the Uranium Supply Transaction and the Uranium Agency Transaction, the quantity of Uranium Products is driven by the demand from the CNUC Group at the material time; and (iii) based on our research as set out under paragraph headed "Our analysis on the 2026 Supply Annual Cap and the 2026 Agent Annual Cap" in this letter above, the PRC's demand of Uranium Products continued to increase year-on-year as driven by policies including, among others, the Carbon Targets of the PRC as analysed under the sub-section headed "3. Overview of the PRC industry landscape" in this letter, thus supporting the size for the 2027 Supply Annual Cap and 2027 Agent Annual Cap even though the historical utilisation rate fluctuated from year to year.

Given the above work performed and analysis, we considered the basis of the 2026 and 2027 Supply Annual Cap, and the 2026 and 2027 Agent Annual Cap to be fair and reasonable.

7.2 *Our analysis on the Proposed Annual Caps for the Uranium Purchase Transactions*

The Proposed Annual Caps for the Uranium Purchase Transaction contemplated under the 2026 Framework Agreement for the two financial years ending 31st December, 2026 and 2027 are set out as follows:

Transaction	**Proposed Annual Caps for the year ending 31st December,**	
	2026	**2027**
	HK$'000	*HK$'000*
Uranium Purchase Transaction	40,000 (the "**2026 Purchase Annual Cap**")	40,000 (the "**2027 Purchase Annual Cap**")

In assessing the fair and reasonableness of the 2026 Purchase Annual Cap and 2027 Purchase Annual Cap, we have performed the following work and analysis, including, among others, (i) based on historical uranium purchase transaction for the year ended 31st December, 2025, the commissions received/receivable by the Group in aggregate amounted to approximately HK$31 million (unaudited), which represented approximately 77.5% of the 2026 Purchase Annual Cap and 2027 Purchase Annual Cap, respectively; (ii) based on our review of the website of Rössing Uranium mine[13], the production of Uranium U_3O_8 by the Rössing Uranium mine totalled to approximately 6.4 million lb and 5.7 million lb for the year ended 31st December, 2023 and 2024 (the "**Historical Annual Production Level**"); (iii) the quantity applied to estimate the 2026 Purchase Annual Cap and the 2027 Purchase Annual Cap was 3.0 million lb and 3.0 million lb, respectively, which represented approximately 46.9% to 52.6% of the Historical Annual Production Level; and (iv) the price applied for the estimation of the aforesaid annual caps is consistent with the price we analysed and reviewed under the sub-section headed "Our analysis on the 2026 Supply Annual Cap and the 2026 Agent Annual Cap" in this letter above. Having considered the above, we are of the view that the basis of the Proposed Annual Caps for the Uranium Purchase Transaction to be fair and reasonable.

[13] Website of Rössing Uranium Mine, (i) 2024 sustainability and performance report (source: www.rossing.com/rossing-uraniums-2024-sustainability-and-performance-report-officially-launched/); and (ii) 2023 sustainability and performance report (source: www.rossing.com/rossing-uraniums-2024-sustainability-and-performance-report-officially-launched/)

VI. RECOMMENDATION

Having considered the factors as set out in this letter above, in particular,

(i) the reasons for and benefits of the 2026 Framework Agreement;

(ii) the continuing connected transactions under the 2026 Framework Agreement is a furtherance and continuance of the Group's existing principal businesses and shall broaden the revenue base of the Group;

(iii) the transactions contemplated under the 2026 Framework Agreement shall be conducted in the ordinary and usual course of business of the Group and on normal commercial terms, to be governed by the internal procedures and in accordance with the relevant pricing policies; and

(iv) the basis for determining the Proposed Annual Caps under the 2026 Framework Agreement is considered to be reasonable, details of our analysis are set out under the section headed "7. Basis and rationale for determining the Proposed Annual Caps" in this letter above,

we are of the view that the transactions contemplated under the 2026 Framework Agreement, are in the ordinary and usual course of business of the Group, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, and the terms of the 2026 Framework Agreement, including the Proposed Annual Caps, are fair and reasonable so far as the Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, that the Independent Shareholders to vote in favour of the relevant ordinary resolution to approve the 2026 Framework Agreement (including the Proposed Annual Caps) at the EGM.

Yours faithfully,
For and on behalf of
Red Sun Capital Limited
Lewis Lai
Managing Director

Mr. Lewis Lai is a licensed person registered with the SFC and a responsible officer of Red Sun Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 19 years of experience in the corporate finance industry.

* *For identification purpose only*

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(i) Directors' and chief executives' interests and short positions in shares, underlying shares and debentures of the Company or any associated corporations

As at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); (ii) pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules, to be notified to the Company and the Stock Exchange.

(ii) Interests of substantial Shareholders

Name	Capacity/Nature of Interest	Number of Shares	Approximate percentage of the issued share capital of the Company *(Note 2)*
CNOL *(Note 1)*	Beneficial owner	326,372,273	66.72%
CNUC *(Note 1)*	Interest of a controlled corporation	326,372,273	66.72%
CNNC *(Note 1)*	Interest of a controlled corporation	326,372,273	66.72%

Notes:

(1) CNOL is the immediate holding company of the Company, which is directly wholly owned by CNUC, whereas CNUC is indirectly owned by CNNC.

(2) Based on 489,168,308 Shares in issue as at the Latest Practicable Date.

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, no other persons (other than the Directors, the chief executive and substantial Shareholders disclosed above) had any interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of the Part XV of the SFO or was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any member of the Group.

3. DIRECTORS' INTEREST IN ASSETS, CONTRACTS OR ARRANGEMENTS

So far as is known to the Directors, as at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which have been, since 31st December, 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by or leased to or were proposed to be acquired or disposed of or leased to any member of the Group.

None of the Directors was materially interested in any contract or arrangement subsisting as at the date of this circular which was significant in relation to the business of the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter into a service contract with any member of the Group which would not determinable by the Group within one year without payment of compensation, other than statutory compensation.

5. COMPETING INTERESTS

As at the Latest Practicable Date, Mr. Li Feng, Mr. Zhang Yi, Mr. Wu Ge and Mr. Sun Ruofan, all being Directors, also held positions in the CNUC Group or its associates. The CNUC Group is principally engaged in, among other things, uranium resources exploration, development, mining operations and management, and is the supplier of natural uranium products to the downstream nuclear power plants of the CNNC Group.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and their respective close associates (as defined under the Listing Rules) had any interests in any business which competed or might compete with the business of the Group.

6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31st December, 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up.

7. EXPERTS AND CONSENTS

The following is the qualification of the expert who have given opinion or advice which are contained or referred to in this circular:

Name	Qualification
Red Sun Capital	A licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

The above expert has given and has not withdrawn its written consent to the issue of this circular with inclusion herein of its letter or report and/or reference to its name, in the form and context in which they respectively appear.

As at the Latest Practicable Date, the above expert does not have any interest in the share capital of any member of the Group or any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the above expert does not have any interest, direct or indirect, in any assets which have been, since 31st December, 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by or leased to or were proposed to be acquired or disposed of or leased to any member of the Group.

8. MISCELLANEOUS

(i) The secretary of the Company is Ms. Xu Ling. Please refer to the Company's announcement dated 3rd December, 2024 for further information on Ms. Xu's biographical details.

(ii) The registered office of the Company is situated at P.O. Box 309GT, Ugland House, South Church Street, Grand Cayman, KY1-1104, Cayman Islands.

(iii) The head office and principal place of business of the Company is situated at Unit 2906, 29th Floor, China Resources Building, No.26 Harbour Road, Wanchai, Hong Kong.

(iv) The Hong Kong branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.

(v) In the event of inconsistency, the English text of this circular and the accompanying form of proxy shall prevail over their respective Chinese texts.

9. DOCUMENTS ON DISPLAY

A copy of the 2026 Framework Agreement will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cnncintl.com) from the date of this circular up to and including the date of the EGM.

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中核集团
CNNC

CNNC INTERNATIONAL LIMITED
中 核 國 際 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of CNNC International Limited (the "**Company**") will be held at 5/F, Harbour Grand Hong Kong, 23 Oil Street, North Point, Hong Kong on Tuesday, 10th March, 2026 at 2:00 p.m., or any adjournment thereof, for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution.

ORDINARY RESOLUTION

To consider and, if thought fit, pass with or without modifications, the following resolution as an ordinary resolution of the Company:

"**THAT:**

(a) the framework agreement to be entered into between the Company and China National Uranium Co., Limited (中國鈾業股份有限公司) (collectively, the "**2026 Framework Agreement**"), as further particularised in the circular of the Company dated 16th February, 2026 (the "**Circular**"), and a copy of which are tabled at the EGM and marked "A" and initialed by the chairman of the EGM for identification purpose, and the transactions contemplated thereunder (including the Proposed Annual Caps (as defined in the Circular)) be and is hereby approved, confirmed and ratified; and

(b) any one of the Directors be and is hereby authorised to do such acts and things, to sign and execute all such further documents (under seal, where appropriate) and to take such steps as he/she may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the 2026 Framework Agreement or any transactions contemplated thereunder and all other matters incidental thereto or in connection therewith, and to agree to and make such variations, amendments or waivers of any of the matters relating thereto or in connection therewith."

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

Hong Kong, 16th February, 2026

Notes:

1. Any member entitled to attend and vote at the meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member may appoint a proxy in respect of part only of his holding of shares in the Company. A proxy need not be a member of the Company.

2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.

3. The instrument appointing a proxy and (if required by the board of directors of the Company) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to Unit 2906, 29th Floor, China Resources Building, No.26 Harbour Road, Wanchai, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, not less than forty-eight (48) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

4. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.

5. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

6. The register of members of the Company will be closed from Thursday, 5th March, 2026 to Tuesday, 10th March, 2026 (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for attending and voting at the extraordinary general meeting to be held on Tuesday, 10th March, 2026, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar and Transfer Office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 4th March, 2026.

7. A form of proxy for the use at the EGM is enclosed herewith. Whether or not you intend to attend the EGM in person, all members are urged to complete and return the form of proxy in accordance with the instructions printed thereon. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the EGM or any adjourned meeting if they so wish, and in such event, the instrument appointing the proxy shall be deemed to be revoked.

8. Pursuant to Rule 13.39(4) of the Listing Rules, the resolution set out in this notice will be decided by poll at the EGM.

9. If Typhoon Signal No.8 or above is hoisted, or a "black" rainstorm warning is in force at or any time after 1:30 p.m. on the date of the EGM, the EGM will be postponed or adjourned. Members may visit the website of the Company for details of the postponement and alternative meeting arrangement.

10. The Chinese translation of this notice is for reference only, and in case of any inconsistency, the English Version shall prevail.

11. As at the date hereof, the board of directors of the Company comprises non-executive director and chairman of the board of directors, namely, Mr. Li Feng, executive director and chief executive officer of the Company, namely, Mr. Zhang Yi, non-executive directors, namely, Mr. Wu Ge and Mr. Sun Ruofan, and independent non-executive directors, namely, Mr. Cui Liguo, Mr. Chan Yee Hoi and Ms. Liu Yajie.