

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



CNNC INTERNATIONAL LIMITED

中核國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

INSIDE INFORMATION ENGAGEMENT OF INDEPENDENT EXPERT

This announcement is made by CNNC International Limited (the “Company”, together with its subsidiaries shall be referred to as the “Group”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements (the “Announcements”) of the Company dated 29th April, 30th April, 13th May and 28th May, 2021 in relation to, amongst other matters, the delay in publication of the final results of the Group for the year ended 31st December, 2020, the independent review of the Issues and the suspension of trading of the shares of the Company. Unless otherwise defined, capitalised terms in this announcement shall have the same meanings as those defined in the Announcements.

ENGAGEMENT OF INDEPENDENT EXPERT

As disclosed in the Announcements, the Audit Committee would engage an Independent Expert to perform the Review.

The Company wishes to update its shareholders and potential investors that on 24th June, 2021, SHINEWING Financial Advisory Services Limited, which is a consulting division of a Hong Kong accounting firm, has been engaged as the Independent Expert to perform the Review. With a view to investigate into the procurement procedures for the impaired inventories regarding the Impairment during the five-month period (the “Relevant Period”) and the inventory management process of the impaired inventories during the Relevant Period, the scope of the Review includes :

(1) reviewing the procedures of supplier selection, procurement management and goods receipt of the Group, including the procedures and process for selecting the Suppliers, the purchases from the Suppliers, the goods receipt from the Suppliers and the relevant market prices; and

(2) reviewing the Group's inventory management procedures, including the Group's internal control procedures, inventory custody, inventory accounting and inventory management regarding the impaired inventories.

The Independent Expert is expected to commence the work of Review on or around 28th June, 2021. In respect of the expected timetable for the Review, the Independent Expert anticipates that it will complete its field work and provide the Audit Committee with a preliminary result in or around end of July 2021, subject to any necessary extensions depending on the progress of the Review. Thereafter, on the basis of its initial findings, the Independent Expert may make recommendations to the Audit Committee for further review procedures to be performed.

The Company will make further announcement(s) to update the shareholders of the Company and potential investors with respect to any material developments (including any material change to the expected timetable) and results of the Review.

CONTINUED SUSPENSION OF TRADING

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

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

By Order of the Board
CNNC International Limited
中核國際有限公司
Li Philip Sau Yan
Company Secretary

Hong Kong, 24th June, 2021

As of the date of this announcement, the Board comprises non-executive Director and chairman, namely, Mr. Zhong Jie, executive Director and chief executive officer, namely, Mr. Zhang Yi, non-executive Director, namely, Mr. Wu Ge and independent non-executive Directors, namely, Mr. Cui Liguang, Mr. Zhang Lei and Mr. Chan Yee Hoi.