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## **CNNC INTERNATIONAL LIMITED**

**中核國際有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2302)**

### **Voluntary Announcement Strategic Cooperation Agreement**

This announcement is a voluntary announcement made by the Company.

The Board is pleased to announce that the Company entered into the Strategic Agreement with CNNC Fund on 2nd August, 2019.

This announcement is a voluntary announcement made by CNNC International Limited (the “Company”, together with its subsidiaries shall be referred to as the “Group”).

The board of directors (the “Board”) of the Company is pleased to announce that, the Company entered into a strategic cooperation framework agreement (the “Strategic Agreement”) with CNNC Industry Fund Management Corporation (中核產業基金管理(北京)有限公司) (“CNNC Fund”) on 2nd August, 2019.

As at the date of this announcement, China National Nuclear Corporation (中國核工業集團有限公司) is the controlling shareholder of both the Company and CNNC Fund, and indirectly holds approximately 66.72% of the issued share capital and approximately 66.67% of the registered capital of the Company and CNNC Fund respectively. Accordingly, CNNC Fund is a connected person of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The Strategic Agreement constitutes an exempted connected transaction for the Company under Rule 14A.76(1) of the Listing Rules, as the Company is not required to pay any monetary compensation to CNNC Fund under the Strategic Agreement.

#### **Principal terms of the Strategic Agreement**

The principal terms of the Strategic Agreement are set out as follows:

1. the term of the Strategic Agreement is 3 years;
2. the Company has the right (but not the obligation) to choose to participate or invest in projects relating to the development of nuclear electricity overseas, application of nuclear technologies, nuclear industry chain and new technologies offered by CNNC

Fund to the Company. The Company has the absolute right to choose not to participate or invest in such projects;

3. the Strategic Agreement is non-exclusive, and the Company may obtain the same or other services from other parties; and CNNC Fund may provide the same or other services to other parties; and
4. if the parties shall agree to cooperate on any projects, the parties will separately negotiate and enter into contract(s) in compliance with applicable laws and regulations in the People's Republic of China (the "PRC") and Hong Kong (including the Listing Rules).

The Company will disclose any new projects and comply with other applicable requirements of the Listing Rules in relation to new projects as and when appropriate.

### **Information of the Group and CNNC Fund and Reasons for entering into the Strategic Agreement**

The Group is principally engaged in the business of exploration and trading of mineral properties, the provision of supply chain management services, including the trading of electronics and other products (such as liquid crystal displays, flash drives, memory cards, metal raw materials etc) and equity investments.

CNNC Fund is a company established in the PRC in July 2011 with a registered capital of RMB120 million. CNNC Fund is a licensed asset management company in the PRC and is principally engaged in the business of equity investments, investment and asset management and the provision of business and management consulting services in the field of nuclear energy.

As set out in the 2018 Annual Report of the Company, the Group intends to continue to expand and diversify its business by leveraging on the strengths of its parent company, in the field of nuclear energy, to develop project with reasonable returns. The Board considers that the entering into of the Strategic Agreement is in line with the strategy of the Company, as the Strategic Agreement could enhance the competitiveness of the Group and potentially lead to more business opportunities for the Group in the future.

The terms of the Strategic Agreement were arrived at after arm's length negotiations between the Company and CNNC Fund. The Board considers that the terms of the Strategic Agreement are on normal commercial terms and are fair and reasonable, and the possible cooperation under the Strategic Agreement is in the interests of the Company and its shareholders as a whole.

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

Hong Kong, 2nd August, 2019

*As of the date of this announcement, the Board comprises non-executive Director and Chairman, namely, Mr. Yang Chaodong, executive Director and Chief Executive Officer, namely, Mr. Cheng Lei, non-executive Director, namely, Mr. Li Zhihuang and independent non-executive Directors, namely, Mr. Cheong Ying Chew Henry, Mr. Cui Liguang and Mr. Zhang Lei.*