

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



CHINA ISOTOPE & RADIATION CORPORATION

中國同輻股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1763)

PROPOSED ISSUE OF BONDS

In order to broaden the financing channels of China Isotope & Radiation Corporation (the **Company**) and satisfy its operational and development needs, on 25 April 2019, the board (the **Board**) of directors (the **Directors**) of the Company resolved to propose to issue bonds by the Company (the **Bonds**), in accordance with the Company Law of the People's Republic of China (the **PRC**), the Securities Law of the PRC and the Administrative Measures for the Issue and Trading of Bonds (the **Administrative Measures**).

I. Compliance with conditions for the public issuance of corporate bonds to eligible investors

In accordance with the relevant laws and regulations, including the Company Law of the PRC, the Securities Law of the PRC and the Administrative Measures and relevant requirements of other regulatory documents, the Company has conducted self-inspection on an item-by-item basis by taking into account the requirements on qualifications and conditions for the public issuance of corporate bonds to qualified investors, and the Company complies with the conditions and requirements of the above laws, regulations and regulatory documents and is qualified to publicly issue the corporate bonds to eligible investors.

II. Information on the proposed issue of Bonds

The principal terms of the proposed issue of Bonds are as follows:

(i) Place and size of issue

The Bonds will be issued by way of public offering in the PRC to qualified investors who satisfy the requirements of the Administrative Measures, in a single tranche or multiple tranches, with an aggregate principal amount of not more than RMB500 million (inclusive). The accumulative balance of the bonds of the Company after the issuance of Bonds will not exceed 40% of the Company's net assets at the end of the most recent period. No Bonds will be placed to shareholders of the Company (the **Shareholders**).

(ii) Term

The Bonds will have a term of not more than three years (inclusive).

(iii) Interest rate

The Bonds are fixed-rate bonds and carry interest at a fixed simple interest rate rather than a compound interest rate, payable semi-yearly or annually. The interest rate will be subject to the market conditions prevailing at issue.

(iv) Guarantee

The Bonds will be unguaranteed.

(v) Use of proceeds

The proceeds from the issue of Bonds will primarily be used by the Company to replenish its working capital and for such other purposes as are permitted under the law. The specific use of the proceeds and subsequent changes will be submitted to the forthcoming annual general meeting of the Company to be held on 28 June 2019 (the **AGM**) to authorise the chairman of the Board to determine within the above scope according to the capital requirements of the Company.

(vi) Listing status

Listing of the Bonds will be applied for by the Company with the Shenzhen Stock Exchange or the Shanghai Stock Exchange after their issue. Subject to the approval and permit of the regulatory authorities and the relevant laws and regulations, the Company may also apply for listing and trading of the Bonds on other exchanges.

(vii) Protective measures on repayment

If the Company is unable to repay the principal of the Bonds or the interest accrued thereon according to the payment schedule or as and when they fall due, it will:

- (a) not distribute any profits to the Shareholders;
- (b) suspend implementation of capital expenditure projects, such as material external investments or mergers and acquisitions;
- (c) reduce or suspend payment of remuneration and bonus to the Directors and senior management of the Company; and
- (d) not permit the transfer or resignation of key persons-in-charge who are involved with the issue of Bonds.

(viii) Validity of resolution

A special resolution will be proposed at the AGM to consider and, if thought fit, approve the issue of Bonds which will remain valid for a period of 24 months from the date of passing of such resolution.

In order to effectively coordinate the specific matters in the process of the issuance of Bonds, the general meeting of shareholders is hereby proposed to authorise the chairman of the Board to deal with all matters related to the issuance of Bonds at his sole discretion, in accordance with relevant laws and regulations and the opinions and recommendations of the regulatory authorities, under the principle of approval by the general meeting and maximising the interests of the Company, including but not limited to:

1. formulating and adjusting the detailed issuance plan of Bonds and revising and adjusting the terms of the issuance of Bonds, including but limited to the specific term, category, interest rate and its determination method of the Bonds, issuance timing and arrangement (including whether to issue in tranches and number of each tranche), guarantee arrangements, term and method of repayment of principal and interests, rating arrangement, specific subscription method, specific placing arrangements, whether to set the redemption or resale terms and the specific content, use of proceeds, debt repayment guarantee arrangements (including but not limited to the debt repayment guarantee measures under the issuance scheme), listing of Bonds and all other matters related to the issuance of Bonds, in accordance with the national laws, regulations and relevant requirements of the securities regulatory authorities and the resolutions passed at the general meeting and based on the specific situation of the Company and the bond market;
2. processing the matters related to declaration and listing of Bonds to be issued by the Company;
3. selecting trustee for the Bonds to be issued, signing bond trustee management agreement and formulating rules for bondholders' meeting;
4. preparing, approval, authorizing, signing, executing, revising and completing all necessary documents, contracts, agreements (including but not limited to underwriting agreements, bond trustee management agreements, listing agreements and other legal documents) related to the issuance and listing of Bonds, and making relevant supplements and adjustments to the reporting documents according to the requirements of the regulatory authorities;
5. dealing with the matters related to the listing and repayment of principal and interests of the Bonds after the completion of issuance of Bonds;

6. making corresponding adjustments to matters related to public issuance of Bonds and deciding whether to proceed the issuance of Bonds in light of actual situation in accordance with the opinions of regulatory authorities, changes in policies or market conditions, except for matters that requires a separate vote at the general meeting in accordance with relevant laws and regulations and the requirements of the articles of association of the Company; and
7. handling other matters related to the issuance of Bonds.

The Company proposed to authorise the chairman of the Board as the authorised person in the issuance of Bonds and to handle the matters related to the issuance of Bonds in accordance with the resolutions passed at AGM and the authorisation of the Board. The above authority shall commence from the date of approval of the AGM and end on the date of completion of the above authorized matters.

By order of the Board
China Isotope & Radiation Corporation
Meng Yanbin
Chairman

Beijing, the PRC, 25 April 2019

As at the date of this announcement, the Board comprises Mr. Meng Yanbin, Mr. Wu Jian and Mr. Du Jin, as executive Directors; Mr. Zhou Liulai as non-executive Director; and Mr. Guo Qingliang, Mr. Meng Yan and Mr. Hui Wan Fai, as independent non-executive Directors.