

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 SUNSHINE PAPER HOLDINGS COMPANY LIMITED

中國陽光紙業控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2002)

PROFIT WARNING

This announcement is made by China Sunshine Paper Holdings Company Limited (the “Company”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of currently available information, it is expected that the profit attributable to the owners of the Company and its subsidiaries (collectively, the “Group”) ended 31 December 2022 was expected to record a decrease of approximately 60% to 70% as compared with those for the corresponding period in 2021. The decline in the results of the Group ended 31 December 2022 is mainly due to i) the increase in the prices of bulk materials such as waste paper, wood pulp and coal rose, which increased the purchasing cost of the Company and led to the decrease of its gross profit and gross profit margin; ii) the increase in transportation costs due to COVID-19, resulting in an increase in distribution and selling expenses of the Company; iii) the downturn of PRC real estate market and the regional outbreak of COVID-19, resulting in the loss of profit from the relevant loss of the joint venture of the Group; and iv) share of loss of an associate company of the Group.

The Board considers that the overall financial position and operations of the Group remain sound and healthy, and is optimistic about the long-term growth and development of the Group.

As the Company is still in the process of finalising the results of the Group ended 31 December 2022, the information contained in this announcement is only a preliminary assessment of the management accounts of the Group as at 31 December 2022 by the Board based on currently available information and is not based on any figures or information audited or reviewed by the auditors of the Company or reviewed by the audit committee of the Company.

Further details of the results of the Group will be disclosed when the results of the Group ended 31 December 2022 are announced according to the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in shares of the Company.

By order of the Board of
China Sunshine Paper Holdings Company Limited
Wang Dongxing
Chairman

Shandong, PRC, 26 January 2023

As at the date of this announcement, the directors of the Company are:

Executive directors: *Mr. Wang Dongxing, Mr. Shi Weixin, Mr. Wang Changhai, Mr. Zhang Zengguo and Mr. Ci Xiaolei*

Non-executive director: *Ms. Wu Rong*

Independent non-executive directors: *Ms. Shan Xueyan, Mr. Wang Zefeng and Ms. Jiao Jie*

* *For identification purpose only*