C&D Newin Paper & Pulp Corporation Limited
建發新勝漿紙有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 731)

REDUCTION OF LOSS

This announcement is made by C&D Newin Paper & Pulp Corporation Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) 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 (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that based on the preliminary unaudited consolidated management accounts of the Group (the "**Management Accounts**") and information currently available, the Group is expected to achieve a reduction in its consolidated net loss from approximately HK$41.2 million for the six months ended 30 June 2025 (the "**Prior Period**") to a consolidated net loss ranging from approximately HK$30.0 million to HK$35.5 million for the six months ended 30 June 2026 (the "**Current Period**").

The expected reduction in consolidated net loss for the Current Period as compared to the Prior Period was mainly attributable to:

(i) the increase in revenue in the Current Period arising from the increase in sales volume and unit price of paper products;

(ii) with the prior year's technical renovation projects now in place, overall production efficiency improved during the Current Period, reducing energy costs per ton of paper products; and

(iii) as a qualified enterprise for comprehensive utilization of resources, the increase in income from value-added tax recognized by the Group in accordance with the national tax policy of immediate refund upon collection during the Current Period.

As the Company is still in the course of finalising its interim results for the six months ended 30 June 2026, the information contained in this announcement is only based on a preliminary review and assessment of the Management Accounts and other information currently available to the Board, which have not been reviewed, confirmed or audited by the auditors of the Company or reviewed by the audit committee of the Company as at the date of this announcement, and is subject to possible adjustments and finalization. The unaudited interim results of the Group for the six months ended 30 June 2026 are currently scheduled to be announced on 26 August 2026, in accordance with the Listing Rules.

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

By Order of the Board
C&D Newin Paper & Pulp Corporation Limited
Mr. CHEN Dongxu
Chairman and Non-executive Director

Hong Kong, 17 August 2026

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. HUANG Tiansheng and Mr. LIN Ruqing; two non-executive Directors, namely Mr. CHOI Wai Hong, Clifford and Mr. CHEN Dongxu; and three independent non-executive Directors, namely Ms. CHAN Siu Mat, Mr. CHEN Wenshui and Ms. TSANG Wing Yee.

* *For identification purpose only*