玖龍紙業(控股)有限公司*

NINE DRAGONS PAPER (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 2689)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- The Group's sales volume increased by 14.0% to approximately 24.5 million tonnes.
- Revenue increased by approximately 18.6% to RMB75,000.5 million.
- Gross profit increased by approximately 50.8% to RMB10,924.8 million.
- Net profit increased by approximately 83.8% to RMB4,047.0 million.
- Profit attributable to equity holders of the Company increased by approximately 102.6% to RMB3,580.6 million.
- Basic earnings per share increased by approximately 100.0% to RMB0.76.
- Final dividend per share of RMB10.0 cents (equivalent to approximately HK11.6 cents).

FINANCIAL RESULTS

The board of directors ("Board") of Nine Dragons Paper (Holdings) Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (the "Group" or "ND Paper") for the year ended 30 June 2026 ("FY2026"), together with the comparative figures for the last financial year ("FY2025") as follows.

CONSOLIDATED INCOME STATEMENT

		For the year ended 30 June	
		2026	2025
	Note	***RMB'000***	*RMB'000*
Revenue	*4*	**75,000,463**	63,240,539
Cost of goods sold	*5*	**(64,075,695)**	(55,995,396)
Gross profit		**10,924,768**	7,245,143
Other income, other expenses and other gains — net	*6*	**1,306,519**	1,600,275
Selling and marketing costs	*5*	**(3,252,255)**	(2,634,968)
Administrative expenses	*5*	**(2,391,320)**	(2,256,108)
Net impairment losses on financial assets		**(7,069)**	(17,723)
Operating profit		**6,580,643**	3,936,619
Finance costs — net		**(1,785,020)**	(1,437,218)
— Finance income	*7*	**77,569**	136,444
— Finance costs	*7*	**(1,862,589)**	(1,573,662)
Share of results of associates and a joint venture — net		**29,582**	(14,825)
Profit before income tax		**4,825,205**	2,484,576
Income tax expense	*8*	**(778,207)**	(282,911)
Profit for the year		**4,046,998**	2,201,665
Profit attributable to:			
— Equity holders of the Company		**3,580,551**	1,767,106
— Holders of perpetual capital securities		**375,622**	400,395
— Non-controlling interests		**90,825**	34,164
		4,046,998	2,201,665
Basic earnings per share for profit attributable to equity holders of the Company during the year *(expressed in RMB per share)*	*9*	**0.76**	0.38

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the year ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Profit for the year	**4,046,998**	2,201,665
Other comprehensive (loss)/income		
(items that may be reclassified subsequently to profit or loss)		
— Currency translation differences	**(547,602)**	325,857
Total comprehensive income for the year	**3,499,396**	2,527,522
Attributable to:		
— Equity holders of the Company	**3,063,540**	2,090,946
— Holders of perpetual capital securities	**375,622**	400,395
— Non-controlling interests	**60,234**	36,181
	3,499,396	2,527,522

CONSOLIDATED BALANCE SHEET

	Note	**30 June 2026** *RMB'000*	30 June 2025 *RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment	*11*	**113,578,428**	107,414,324
Right-of-use assets	*11*	**5,128,330**	5,258,558
Intangible assets		**570,025**	276,340
Investments in associates and a joint venture		**218,304**	163,800
Other receivables and prepayments		**400,708**	906,664
Deferred income tax assets		**144,494**	203,294
		120,040,289	114,222,980
Current assets			
Inventories	*12*	**10,143,655**	10,449,991
Trade receivables	*13*	**4,378,164**	3,226,669
Bills receivables	*13*	**3,152,560**	2,553,477
Income tax recoverable		**22,958**	20,314
Other receivables and prepayments		**7,643,553**	7,025,477
Financial assets at fair value through profit or loss		**40,257**	54,717
Restricted cash		**283,353**	268,231
Short-term bank deposits		**119,681**	11,280
Cash and cash equivalents		**11,647,931**	11,205,035
		37,432,112	34,815,191
Total assets		**157,472,401**	149,038,171
EQUITY			
Capital and reserves			
Share capital	*14*	**480,531**	480,531
Share premium	*14*	**1,084,720**	1,084,720
Other reserves		**7,348,917**	7,492,487
Retained earnings		**41,475,752**	38,198,904
Equity attributable to equity holders of the Company		**50,389,920**	47,256,642
Perpetual capital securities	*15*	**—**	2,846,329
Non-controlling interests		**568,867**	508,633
Total equity		**50,958,787**	50,611,604

CONSOLIDATED BALANCE SHEET (CONTINUED)

	Note	**30 June 2026** *RMB'000*	30 June 2025 *RMB'000*
LIABILITIES			
Non-current liabilities			
Borrowings	*16*	**66,652,437**	59,552,525
Lease liabilities		**1,499,896**	1,651,857
Other payables		**197,672**	182,066
Deferred income tax liabilities		**4,877,921**	4,571,354
		73,227,926	65,957,802
Current liabilities			
Borrowings	*16*	**14,506,345**	15,865,914
Trade payables	*17*	**4,484,727**	3,400,770
Bills payables	*17*	**8,143,000**	7,181,496
Other payables		**4,943,144**	5,152,554
Contract liabilities		**958,319**	651,749
Lease liabilities		**111,570**	105,788
Current income tax liabilities		**138,583**	110,494
		33,285,688	32,468,765
Total liabilities		**106,513,614**	98,426,567
Total equity and liabilities		**157,472,401**	149,038,171

1. GENERAL INFORMATION

The Group is principally engaged in the manufacture and sales of packaging paper, printing and writing paper, high value specialty paper products and pulp.

The Company was incorporated in Bermuda on 17 August 2005 under the Companies Act 1981 as an exempt company with limited liability. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in Renminbi thousand, unless otherwise stated. These consolidated financial statements have been approved for issue by the Board on 23 September 2026.

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants and applicable disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

2. ACCOUNTING POLICIES

2.1 New standards, amendments and interpretations to standards

(a) Amendments to standards adopted by the Group

The following amendments to standards are relevant and mandatory for the Group's financial year beginning on 1 July 2025:

Amendments to HKAS 21	Lack of Exchangeability

The adoption of the above amendments to standards does not have any significant impact to the results and financial position of the Group.

(b) ***New standards, amendments and interpretations to standards relevant to the Group have been issued but are not effective***

The following new standards, amendments and interpretations to standards have been issued but are not mandatory for annual period beginning after 1 July 2025 and have not been early adopted:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the classification and measurement of financial instruments, Contracts Referencing Nature-dependent Electricity[1]
Annual Improvements to HKFRS Accounting Standards	Volume 11[1]
HKFRS 18 and HK Interpretation 5	Presentation and Disclosure in Financial Statements[2]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency (amendments)[2]
Amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37	Disclosures about Uncertainties in the Financial Statements[2]
HKFRS 20	Regulatory Assets and Regulatory Liabilities[3]
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture[4]

1 *Effective for the Group for annual periods beginning on or after 1 July 2026*
2 *Effective for the Group for annual periods beginning on or after 1 July 2027*
3 *Effective for the Group for annual periods beginning on or after 1 July 2029*
4 *Effective date to be determined*

The Group will apply the above new standards, amendments and interpretations to standards when they become effective. According to the assessment made by the directors of the Company, these new and amended standards are either not relevant to the Group or not significant to the financial performance and positions of the Group when they become effective, except for HKFRS 18.

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impact has been identified:

Impact on consolidated income statement:

Although the adoption of HKFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the income statement into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:

Foreign exchange differences

Foreign exchange differences currently aggregated in the line item "other gains — net" in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit, unless doing so would involve undue cost or effort.

Gain or loss of investments measured at fair value through profit or loss

The gain or loss of investments measured at fair value through profit or loss currently aggregated in the line item "other gains — net" in operating profit will be presented below operating profit.

Impact on consolidated balance sheet:

The goodwill currently aggregated in the line item "intangible assets" will be presented separately.

Impact on disclosures:

The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for the first annual period of application of HKFRS 18, a reconciliation for each line item in the income statement between the restated amounts presented by applying HKFRS 18 and the amounts previously presented applying HKAS 1.

The Group will apply the new standard from 1 July 2027. Retrospective application is required, and so the comparative information for the financial year ending 30 June 2027 will be restated in accordance with HKFRS 18.

3. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive directors of the Company and used to allocate resources and assess performance.

The Group is principally engaged in the manufacture and sales of packaging paper, printing and writing paper, high value specialty paper products and pulp. The executive directors of the Company review the operating results of the Group's businesses as one segment to make decisions about resources to be allocated and assess performance. Therefore, the directors of the Company regard that there is only one segment which is used to make strategic decisions and assess performance, accordingly, no segment information is presented. The analysis of the Group's revenue by major products is disclosed in Note 4.

The Group is domiciled in the PRC. The revenue from external customers attributable to the PRC for the year ended 30 June 2026 is RMB65,919,370,000 (2025: RMB56,091,036,000), and the total of its revenue from external customers from other countries is RMB9,081,093,000 (2025: RMB7,149,503,000).

As at 30 June 2026, other than deferred income tax assets, the total of non-current assets located in the PRC was RMB106,355,068,000 (30 June 2025: RMB98,277,087,000), and the total of these non-current assets located in other countries was RMB13,540,727,000 (30 June 2025: RMB14,835,935,000).

4. REVENUE

	For the year ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Sales of packaging paper	**66,043,630**	56,899,733
Sales of printing and writing paper	**7,965,799**	5,407,685
Sales of high value specialty paper products	**883,069**	672,906
Sales of pulp	**107,965**	260,215
	75,000,463	63,240,539
Timing of revenue recognition		
At a point in time	**75,000,463**	63,240,539

The Group has a large number of customers, none of whom contributed 10% or more of the Group's revenue during the years ended 30 June 2026 and 2025.

5. EXPENSE BY NATURE

Expenses included in cost of goods sold, selling and marketing costs and administrative expenses are analysed as follows:

	For the year ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Raw materials and consumables used	**55,836,088**	50,091,867
Changes in finished goods	**1,157,601**	(289,067)
Employee benefit expenses	**4,606,160**	4,198,814
Depreciation charges of property, plant and equipment *(Note 11)*	**4,414,616**	3,588,625
Less: amount charged to other expenses	**(11,274)**	(10,314)
	4,403,342	3,578,311
Repairs and maintenance expenses	**737,708**	805,006
Transportation expenses	**1,829,237**	1,322,679
Net reversal of provision for inventory impairment *(Note 12)*	**(18,961)**	(16,507)
Other taxes	**658,083**	607,172
Depreciation charges of right-of-use assets *(Note 11)*	**159,131**	164,508
Less: amount capitalised in property, plant and equipment	**(7,643)**	(18,182)
Less: amount charged to other expenses	**(62,507)**	(63,184)
	88,981	83,142
Rental expenses relating to short-term leases	**25,739**	33,611
Amortisation of intangible assets	**26,881**	14,147
Auditor's remuneration		
— Audit services	**12,900**	10,900
— Non-audit services	**1,969**	447
Others	**353,542**	445,950
	69,719,270	60,886,472

6. OTHER INCOME, OTHER EXPENSES AND OTHER GAINS — NET

	For the year ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Other income		
— VAT refund *(Note (a))*	**1,437,748**	1,438,690
— income from leases	**209,795**	183,800
— subsidy income	**202,836**	184,404
— income from other sales and services	**66,745**	86,146
Other expenses		
— cost of leases	**(138,889)**	(143,337)
— cost of other sales and services	**(55,987)**	(76,332)
Other losses — net		
— Impairment losses on property, plant and equipment *(Note (b))* *(Note 11)*	**(276,550)**	—
— losses on disposal of property, plant and equipment and right-of-use assets	**(134,718)**	(62,692)
— others	**51,907**	(48,152)
Net exchange (losses)/gains on operating activities *(Note (c))*	**(56,368)**	37,748
	1,306,519	1,600,275

(a) Effective from 1 July 2015, pursuant to the preferential VAT policies collectively issued by the Ministry of Finance and the PRC State Administration of Taxation, the Group's VAT paid in relation to the production and sales of paper products using recycled paper as raw materials is eligible for a refund of 50%.

(b) The property, plant and equipment of certain subsidiaries' production lines under temporary suspension were identified by management as having impairment indicators. Based on the results of management's assessment, an impairment loss of approximately RMB276.6 million was recognized against the carrying amount of those property, plant and equipment with impairment indicators in FY2026 (FY2025: Nil).

(c) Net exchange (losses)/gains on operating activities, previously presented as a separate line item, have been presented within "Other income, other expenses and other gains — net" in the current year as the amounts are immaterial. The comparative figures have been reclassified to conform to the current year's presentation.

7. FINANCE INCOME AND FINANCE COSTS

	For the year ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Finance income:		
Interest income from bank deposits	**77,569**	136,444
Finance costs:		
Interest expenses	**(2,207,448)**	(2,262,171)
Amortisation of transaction costs	**(91,001)**	(71,224)
Less: amounts capitalised on property, plant and equipment	**563,767**	645,807
Net exchange (losses)/gains on financing activities *(Note (a))*	**(127,907)**	113,926
	(1,862,589)	(1,573,662)
	(1,785,020)	(1,437,218)

(a) Net exchange (losses)/gains on financing activities, previously presented as a separate line item, have been presented within "Finance costs" in the current year as the amounts are immaterial. The comparative figures have been reclassified to conform to the current year's presentation.

8. INCOME TAX EXPENSE

	For the year ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Current income tax		
— PRC corporate income tax and withholding income tax *(Notes (a) and (b))*	**343,868**	192,076
— Malaysia income tax *(Note (c))*	**475**	21
— Socialist Republic of Vietnam ("Vietnam") income tax *(Note (d))*	**68,169**	24,844
	412,512	216,941
Deferred income tax		
— PRC corporate income tax and withholding income tax	**361,622**	58,469
— Malaysia income tax	**(646)**	(131)
— Vietnam income tax	**4,719**	7,632
	365,695	65,970
	778,207	282,911

(a) PRC corporate income tax

The Group's subsidiaries in Chinese mainland are subject to corporate income tax at the rate of 25% except that certain of these subsidiaries are entitled to preferential rate of 15% for the Group's financial years ended 30 June 2026 and 2025 as those subsidiaries fulfil the requirements of High and New Technology Enterprise ("HNTE") according to relevant rules and regulations. The HNTE designation should be reassessed every three years according to relevant rules and regulations.

In accordance with the announcement on extending the enterprise income tax policy for the western region development (《關於延續西部大開發企業所得稅政策的公告》(財政部稅務總局國家發展改革委公告2020年第23號)), from 1 January 2021 to 31 December 2030, enterprises which located in the western region that fall under the encouraged industries are subject to a 15% enterprise income tax rate. In accordance with the Circular of the People's Government of Guangxi Zhuang Autonomous Region on extending and revising certain policies for promoting the opening-up and development of the Guangxi Beibu Gulf Economic Zone (《廣西壯族自治區人民政府關於延續和修訂促進廣西北部灣經濟區開放開發若干政策規定的通知》(桂政發[2014]5號)), qualified newly set up enterprises are exempt from the local shared portion, which is 40% of the enterprise income tax calculated based on the 15% enterprise income tax rate. Therefore, Nine Dragons Paper Industries (Beihai) Co., Ltd. is qualified for such incentive tax arrangement and entitled to the corporate income tax rate of 9% for the years ended 30 June 2026 and 2025.

In accordance with the Circular of the Ministry of Finance and the State Administration of Taxation on Issues Concerning Implementing the Enterprise Income Tax Incentive Catalogue for Comprehensive Utilization of Resources Cai Shui [2008] No. 47 (《財政部、國家稅務總局關於執行資源綜合利用企業所得稅優惠目錄有關問題的通知》財稅[2008]47號), and the Enterprise Income Tax Incentive Catalogue for Comprehensive Utilization of Resources (2021) (《資源綜合利用企業所得稅優惠目錄(2021年版)》) issued by the Circular of the Ministry of Finance, the State Administration of Taxation, National Development and Reform Commission and Ministry of Ecology and Environment on 16 December 2021, an enterprise, which uses the raw materials under the catalogue to produce recycled resource products under the catalogue and the products meet the national or industrial standards, is entitled to incentive tax arrangement such that only 90% of the sales revenue of the products is subject to the calculation of the taxable income. The Group's sales of recycled products qualify for the incentive tax arrangement and therefore 10% of the Group's revenue from sales of recycled products has been deducted from the taxable income of the Group in the calculation of CIT from 1 January 2021 onwards.

(b) PRC withholding income tax

PRC withholding income tax of 10% shall be levied on the dividends declared by the companies established in the Chinese mainland to their foreign investors out of their profits earned after 1 January 2008. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the mainland China and Hong Kong, the relevant withholding tax rate will be reduced from 10% to 5%. The applicable withholding income tax rate of the intermediate holding company of the Company's mainland China subsidiaries for the year ended 30 June 2026 and 2025 was 5%.

(c) Malaysia income tax

The Group's subsidiaries in Malaysia are subject to corporate income tax at the rate of 24% for the years ended 30 June 2026 and 2025 in respect of operations in Malaysia.

(d) Vietnam income tax

The Group's subsidiaries in Vietnam are subject to corporate income tax at the rates of 20% for the years ended 30 June 2026 and 2025 in respect of operations in Vietnam.

(e) USA income tax

USA income tax has not been provided as the Group did not have any assessable profits for the years ended 30 June 2026 and 2025.

(f) Hong Kong profits tax

Hong Kong profits tax has not been provided as the Group did not have any assessable profits for the years ended 30 June 2026 and 2025.

(g) OECD Pillar Two model rules

The Company is within the scope of the OECD Pillar Two model rules (the "GloBE rules"). The Company applies the mandatory temporary exception under paragraph 4A of HKAS/IAS 12 and, accordingly, has neither recognised nor disclosed deferred tax assets and liabilities related to Pillar Two income taxes.

Pillar Two legislation has been enacted in the jurisdictions in which certain of the Company's constituent entities are incorporated, namely Vietnam, Malaysia and Hong Kong SAR. The global minimum tax, comprising the Income Inclusion Rule (IIR) and the domestic minimum top-up tax (qualify as a Qualified Domestic Minimum Top-up Tax, "QDMTT"), became effective in Vietnam on 1 January 2024, and became effective in both Malaysia and Hong Kong SAR on 1 January 2025.

For the year ended 30 June 2026, based on management's comprehensive assessment, the Company was eligible for the transitional country-by-country reporting (CbCR) safe harbour in Vietnam jurisdiction based on the simplified effective tax rate (ETR) test, which indicated an ETR in excess of 16%. For Hong Kong SAR and Malaysia jurisdictions, the Company was eligible for the transitional country-by-country reporting (CbCR) safe harbour based on the routine profits test under the Pillar Two rules. Accordingly, it is estimated that no top-up tax liabilities arose under the QDMTT for these entities in Vietnam, Hong Kong SAR and Malaysia jurisdictions.

For the Company's constituent entities in other jurisdictions, including Chinese Mainland, the United States, Macau SAR, the British Virgin Islands and the Cayman Islands, management performed a full Pillar Two compliance review: The Company was qualified for the routine profits test in Chinese Mainland, the United States and Macau SAR, while qualified for the de minimis test in the British Virgin Islands and the Cayman Islands. Consequently, it is estimated that no top-up tax was payable by any of these entities under the IIR rules.

Accordingly, the Company recognized no current tax expense/(income) related to Pillar Two income taxes for the year ended 30 June 2026.

9. EARNINGS PER SHARE

— Basic

	For the year ended 30 June	
	2026	2025
Profit attributable to equity holders of the Company *(RMB'000)*	**3,580,551**	1,767,106
Weighted average number of ordinary shares in issue *(shares in thousands)*	**4,692,221**	4,692,221
Basic earnings per share *(RMB per share)*	**0.76**	0.38

— Diluted

Diluted earnings per share is the same as basic earnings per share as there were no potential diluted ordinary shares outstanding during the years ended 30 June 2026 and 2025.

10. DIVIDENDS

At a meeting on 23 September 2026, the Board proposed a final dividend of RMB10.0 cents per ordinary share. The proposed dividend is not reflected as a dividend payable in these financial statements, but will be reflected as an appropriation for the year ending 30 June 2027.

11. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

	Property, plant and equipment *RMB'000*	**Right-of-use assets** *RMB'000*
Year ended 30 June 2026		
Opening net book amount	**107,414,324**	**5,258,558**
Additions	**11,617,732**	**179,052**
Disposals	**(259,718)**	**(45,757)**
Depreciation/amortisation *(Note 5)*	**(4,414,616)**	**(159,131)**
Impairment	**(276,550)**	**—**
Exchange differences	**(502,744)**	**(104,392)**
Closing net book amount	**113,578,428**	**5,128,330**
Year ended 30 June 2025		
Opening net book amount	95,462,861	5,352,769
Additions	15,024,190	51,823
Disposals	(99,721)	—
Depreciation/amortisation *(Note 5)*	(3,588,625)	(164,508)
Exchange differences	615,619	18,474
Closing net book amount	107,414,324	5,258,558

12. INVENTORIES

	30 June 2026 *RMB'000*	30 June 2025 *RMB'000*
Raw materials	**7,128,644**	6,296,340
Finished goods	**3,015,011**	4,172,612
Inventories — gross	**10,143,655**	10,468,952
Provision for impairment	**—**	(18,961)
Inventories — net	**10,143,655**	10,449,991

The cost of inventories recognised as expenses and included in cost of goods sold amounted to RMB64,094,656,000 for the year ended 30 June 2026 (2025: RMB56,011,903,000).

No provision for write-downs of inventories to net realisable value was made for the year ended 30 June 2026 (2025: RMB18,961,000). The write-downs and reversal of write-downs of inventories to net realisable value were recognised in cost of goods sold in the consolidated income statement.

13. TRADE AND BILLS RECEIVABLES

	30 June 2026 *RMB'000*	30 June 2025 *RMB'000*
Trade receivables *(Note (a))*	**4,409,422**	3,277,833
Less: allowance for impairment	**(31,258)**	(51,164)
	4,378,164	3,226,669
Bills receivables *(Note (b))*	**3,157,071**	2,558,206
Less: allowance for impairment	**(4,511)**	(4,729)
	3,152,560	2,553,477

(a) As at 30 June 2026, the ageing analysis of trade receivables based on invoice date is as follows:

	30 June 2026 *RMB'000*	30 June 2025 *RMB'000*
0–60 days (including 60 days)	**4,293,826**	3,089,700
Over 60 days	**115,596**	188,133
	4,409,422	3,277,833

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of customers, which are widely dispersed.

The Group's credit sales to customers are mainly entered into on credit terms of not more than 60 days.

(b) Bills receivables as at 30 June 2026 and 2025 mainly represented bank acceptance note with maturity period of 30 to 180 days.

14. SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares	Nominal value of ordinary shares	Equivalent nominal value of ordinary shares	Share premium	Total
		HK$'000	*RMB'000*	*RMB'000*	*RMB'000*
Issued and fully paid					
Balance as at 30 June 2025 and 30 June 2026	4,692,220,811	469,222	480,531	1,084,720	1,565,251

15. PERPETUAL CAPITAL SECURITIES

	For the year ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Balance as at 1 July	**2,846,329**	2,846,329
Profit attributable to holders of perpetual capital securities	**375,622**	400,395
Distribution to holders of perpetual capital securities	**(393,263)**	(400,395)
Reclassification to borrowings	**(2,828,688)**	—
Balance as at 30 June	**—**	2,846,329

In June 2024, the Company issued US$400,000,000 (equivalent to approximately RMB2,845,400,000) senior perpetual capital securities listed on the Singapore Exchange Securities Trading Limited with the aggregate net proceeds after transaction cost of US$397,084,000 (equivalent to approximately RMB2,824,660,000).

Distribution was payable semi-annually in arrears based on a distribution rate as defined in the subscription agreements. The annual distribution rate was about 14% for the year ended 30 June 2026 (2025: 14%).

During the year ended 30 June 2026, the Company made distribution amounting to US$56,000,000 (equivalent to RMB393,263,000) (2025: US$56,000,000, equivalent to RMB400,395,000) to the holders of perpetual capital securities.

There was no maturity of the securities and the payments of distribution could be deferred at the discretion of the Company, and there was no limit as to the number of times of deferral of distribution. When the Company elects to declare dividends to their respective ordinary shareholders, the Company should make distribution to the holders of perpetual capital securities at the distribution rate as defined in the subscription agreements.

On 15 June 2026, the Company issued an irrevocable public announcement to the holders of the perpetual capital securities regarding the exercise of its redemption option.

Pursuant to HKFRS 9, the irrevocable redemption offer indicates that the Company has effectively assumed a payment obligation that cannot be unconditionally avoided, which meets the definition of a financial liability. Accordingly, the Company reclassified the perpetual capital securities from equity to borrowings which were initially measured at the fair value of the assumed financial liability on 15 June 2026, amounting to US$405,201,000 (equivalent to RMB2,758,950,000). The difference between the carrying amount of the perpetual capital securities and the fair value of the borrowing at the reclassification date, amounting to RMB69,738,000, was recognized in「Other reserves」.

In July 2026, a total of US$399,500,000 of the aggregate principal amount of the securities had been validly tendered and redeemed pursuant to the tender instructions, representing approximately 99.9% of the total amount of the perpetual capital securities outstanding. The redemption of the remaining amount of US$500,000 was completed in August 2026.

16. BORROWINGS

	30 June 2026 *RMB'000*	30 June 2025 *RMB'000*
Current		
— Bank borrowings *(Note (a))*	**11,747,395**	14,191,582
— Perpetual capital securities	**2,758,950**	—
— Outstanding balance of discounted commercial acceptance bills with recourse	**—**	1,674,332
	14,506,345	15,865,914
Non-current		
— Bank borrowings *(Note (a))*	**66,652,437**	59,502,416
— Borrowing from other non-banking financial institutions	**—**	50,109
	66,652,437	59,552,525
	81,158,782	75,418,439

(a) As at 30 June 2026 and 2025, the bank borrowings and borrowings from other non-bank financial institutions of the Group were unsecured borrowings.

(b) The Group's borrowings were repayable as follows:

	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
Within 1 year (including 1 year)	**14,506,345**	15,865,914
Between 1 and 2 years (including 2 years)	**34,935,916**	25,257,211
Between 2 and 5 years (including 5 years)	**27,427,577**	28,831,919
Over 5 years	**4,288,944**	5,463,395
	81,158,782	75,418,439

17. TRADE AND BILLS PAYABLES

	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
Trade payables *(Note (a))*	**4,484,727**	3,400,770
Bills payables *(Note (b))*	**8,143,000**	7,181,496
	12,627,727	10,582,266

(a) The ageing analysis of trade payables based on invoice date as at 30 June 2026 is as follows:

	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
0–90 days (including 90 days)	**4,021,165**	2,957,729
Over 90 days	**463,562**	443,041
	4,484,727	3,400,770

Trade payables are settled in accordance with agreed terms with suppliers.

(b) Bills payables were mainly with maturity period of 90 to 180 days as at 30 June 2026 and 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Operations

During the financial year under review, the global economy remained subdued due to significant changes in trade patterns, ongoing geopolitical tensions, and high energy price volatility. China's economy showed relatively strong resilience, supported by the targeted macroeconomic policies, with exports notably maintaining relatively rapid growth. The paper making industry, having weathered multiple challenges such as stricter environmental protection regulations, cost fluctuations, and increased competition, gradually bottomed out following adjustments, with a noticeable structural divergence in the recovery of industry profitability.

Facing the complex macroeconomic conditions and increasingly diverging industry landscape, the Group adhered to the principle of seeking progress while maintaining stability. By capitalizing on its strengths in cost control and premium product offerings, the Group achieved simultaneous growth in sales volume, prices, and profitability, thereby further strengthening its operational resilience and reinforcing its leading position in the industry. During the year, the sales volume of the Group amounted to approximately 24.5 million tonnes, representing an increase of approximately 14.0% as compared with the corresponding period last year, setting a new record high for the fourth consecutive year. The average selling price rose against the headwinds, increasing by approximately 4.0% as compared with the corresponding period last year. Driven by both volume and price growth, the revenue amounted to approximately RMB75,000.5 million, representing an increase of 18.6% as compared with the corresponding period last year.

At the same time, the profitability of various products in the paper making industry continued to vary. Capitalizing on its advantage of self-supplied raw materials, the Group adopted a two-pronged strategy of "upgrading containerboard and achieving breakthroughs in fine paper". For containerboard, the Group firmly optimized its product mix, further increasing the sales proportion of high-end kraftliner products, which steadily boosted their profit contribution. Regarding fine paper, the Group concentrated its best resources to overcome key technical bottlenecks, successfully developing a series of differentiated and high-value-added products to complete its product transformation and further enhance the market competitiveness of the "Nine Dragons" brand. By vertically integrating its wood pulp raw material supply chain, the Group effectively controlled costs and improved quality, steadily steering its product lineup toward high-end and differentiated segments.

Adhering to high-quality development, the Group continuously refined its lean operations, promoted the integration of business and financial management, and unlocked talent value, leading to a significant increase in profitability. During the year, the Group's gross profit amounted to approximately RMB10,924.8 million, representing an increase of 50.8% as compared with the corresponding period last year. Net profit amounted to approximately RMB4,047.0 million, representing a significant increase of 83.8% as compared with the corresponding period last year, while profit attributable to equity holders of the Company amounted to approximately RMB3,580.6 million, representing a strong increase of 102.6% as compared with the corresponding period last year. The significant improvement in profitability was mainly attributable to the cost advantages strengthened by the vertical integration of the raw material supply chain, as well as the higher average selling prices driven by a greater proportion of high-end products. Notably, the Group's profit growth rate far exceeded its revenue growth, demonstrating its successful conversion of economies of scale into a profitability advantage, with continuous optimization of profit quality. Meanwhile, the Group consistently attached equal importance to development and safety, continuously improving its risk management system, and strengthening budget control and fund management. Through refined management, working capital, cash flow, and exchange rate fluctuation risks were controlled within a reasonable range, solidly securing high-quality sustainable development of the Group.

During the year, the Group's capacity expansion projects, with an annual design capacity of 1.9 million tonnes of high-end paper and 0.7 million tonnes of wood pulp in Beihai, Guangxi Zhuang Autonomous Region and Jingzhou, Hubei Province, successfully commenced production, which further strengthened the Group's raw material advantages and enriched its product portfolio. As of 30 June 2026, the Group's total annual design production capacity for wood pulp amounted to approximately 5.4 million tonnes; the total annual design production capacity for paper amounted to approximately 24.8 million tonnes; and the total annual design production capacity for downstream packaging plants amounted to approximately 2.9 billion sq.m.

Major Capital Expenditure and Expansion Plan

The Group is investing in an annual design production capacity of approximately 3.8 million tonnes of fibre as well as an annual design production capacity of approximately 3.2 million tonnes of paper in Jingzhou, Hubei Province, Chongqing, Tianjin, Beihai, Guangxi Zhuang Autonomous Region, Dongguan, Guangdong Province and Taicang, Jiangsu Province. Upon completion of the above projects, the Group's total annual design production capacity for wood pulp will exceed 8.5 million tonnes, and the total annual design production capacity for paper will be approximately 26.1 million tonnes. By that time, the Group's wood pulp production capacity will be fully established across core regions including South China, Central China, East China, Southwest China, North China, and Northeast China. This will support the Group's product upgrades and create a supply chain network that is closer to the market and more efficient, laying a long-term foundation for unlocking its profitability efficiently and continuously.

The details of our latest plans for capital expenditure and capacity expansion projects are as follows:

Capital expenditure and capacity expansion project — fibre	Annual design capacity (million tpa)	Start-up time (expected)
PRC		
Jingzhou, Hubei Province	(Bleached chemi-thermo mechanical pulp) 0.70	August 2025 (started up)
Chongqing	(Chemical pulp) 0.70	September 2026 (started up)
Tianjin	(Chemical pulp) 0.50	Q4 of 2026 (expected)
Beihai, Guangxi Zhuang Autonomous Region	(Chemical pulp) 0.80	Q2 of 2027 (expected)
Dongguan, Guangdong Province	(Fibre substitute) 0.50	Q3 of 2027 (expected)
Taicang, Jiangsu Province	(Fibre substitute) 0.60	Q2 of 2028 (expected)
Total	**3.80**	

Capital expenditure and capacity expansion project — paper	Annual design capacity (million tpa)	Start-up time (expected)
PRC		
Beihai, Guangxi Zhuang Autonomous Region	(Printing and writing paper) 0.35	July 2025 (started up)
	(Printing and writing paper) 0.35	October 2025 (started up)
	(Linerboard) 0.70	Q2 of 2027 (expected)
Jingzhou, Hubei Province	(Bleached folding boxboard) 1.20	August 2025 (started up)
Dongguan, Guangdong Province	(Linerboard) 0.62	Q4 of 2027 (expected)
Total	**3.22**	

FUTURE OUTLOOK

Looking ahead, we remain cautiously optimistic. The ongoing rollout of various Chinese government policies aimed at boosting domestic demand, encouraging consumption, and stabilizing foreign trade, along with environmental benefits from "replacing plastic with paper" and "expanding coverage of the National Carbon Emissions Trading Market", is expected to further improve the supply-demand balance in the paper making industry. Giving full rein to its advantages in integrated pulp and paper production, the Group will exercise stringent control over production costs, deepen lean management, and focus on transforming its products toward high-end and differentiated segments. It is committed to consistently supplying exemplary quality paper that embodies the characteristics of Nine Dragons Paper. At the same time, the Group will continue to empower talent value, drive digital transformation, optimize production and sales coordination, broaden domestic and overseas sales channels, adhere to prudent financial strategies and reinforce green and compliant operations. These efforts will steadily guide the Group's evolution from being a leader in production capacity to becoming a leader in profitability.

FINANCIAL REVIEW

Revenue

The Group achieved a revenue of approximately RMB75,000.5 million for FY2026, representing an increase of approximately 18.6% as compared with FY2025. The major contributor of the Group's revenue was still its packaging paper business, including linerboard, high performance corrugating medium, coated duplex board and bleached folding boxboard, which accounted for approximately 88.1% of the revenue, with the remaining revenue of approximately 11.9% generated from its printing and writing paper, high value specialty paper and pulp products.

The Group's revenue for FY2026 increased by approximately 18.6% as compared with FY2025, resulting from the combined effect of the increase in sales volume of approximately 14.0% and the increase in average selling price of approximately 4.0%.

The Group's annual design production capacity in packaging paperboard, printing and writing paper, high value specialty paper and pulp products as at 30 June 2026 was approximately 30.9 million tpa in aggregation, comprising approximately 12.8 million tpa of linerboard, approximately 6.4 million tpa of high value specialty paper and pulp products, approximately 3.7 million tpa of high performance corrugating medium, approximately 3.0 million tpa of bleached folding boxboard, approximately 3.0 million tpa of printing and writing paper and approximately 2.0 million tpa of coated duplex board. The four US mills capacity was approximately 1.3 million tpa, including approximately 0.9 million tpa of coated one-side, coated freesheet and coated groundwood grade for printing and writing paper and specialty paper products; and approximately 0.4 million tpa of recycled pulp and wood pulp products.

The Group's sales volume reached approximately 24.5 million tonnes in FY2026, increased by approximately 14.0% as compared with 21.5 million tonnes in FY2025. The increase in sales volume was driven by approximately 2.6 million tonnes increase in China business.

The sales volume of linerboard, bleached folding boxboard, high performance corrugating medium and coated duplex board for FY2026 increased by approximately 7.0%, 95.1%, 9.0% and 2.5% respectively as compared with those in FY2025.

The majority of the Group's revenue continued to be realised from the China market, in particular from the linerboard, high performance corrugating medium, coated duplex board and bleached folding boxboard sectors. For FY2026, revenue related to China consumption represented 87.9% of the Group's total revenue, while the remaining revenue of 12.1% represented sales recorded in other countries outside China.

For FY2026, revenue from the Group's top five customers in aggregate accounted for approximately 7.7% (FY2025: 6.7%) of the Group's total revenue, with that to the single largest customer accounted for approximately 3.1% (FY2025: 2.4%).

Gross profit and Gross profit margin

The gross profit for FY2026 was approximately RMB10,924.8 million, an increase of RMB3,679.7 million or 50.8% as compared with RMB7,245.1 million in FY2025. The gross profit margin increased from 11.5% in FY2025 to approximately 14.6% in FY2026 mainly due to the increase in the selling prices of the products being more significantly and faster than the increase in the cost of raw materials of the products.

Other income, other expenses and other gains — net

Other income, other expenses and other gains decreased by approximately 18.4% from RMB1,600.3 million in FY2025 to approximately RMB1,306.5 million in FY2026 which was mainly attributable to the impairment loss recognized against property, plant and equipment. The property, plant and equipment of certain subsidiaries' production lines under temporary suspension were identified by management as having impairment indicators. Based on the results of management's assessment, an impairment loss of approximately RMB276.6 million was recognized against the carrying amount of those property, plant and equipment with impairment indicators in FY2026 (FY2025: Nil).

Selling and marketing costs

Selling and marketing costs increased by approximately 23.4% from RMB2,635.0 million in FY2025 to approximately RMB3,252.3 million in FY2026 which was mainly contributed by more geographical areas covered and cost incurred to promote sales and marketing to support new paper machines and pulp lines launched in Jingzhou of Hubei Province and Beihai of Guangxi Zhuang Autonomous Region. The total amount of selling and marketing costs as a percentage of the Group's revenue slightly increased from 4.2% in FY2025 to approximately 4.3% in FY2026.

Administrative expenses

Administrative expenses increased by approximately 6.0% from RMB2,256.1 million in FY2025 to approximately RMB2,391.3 million in FY2026 which was mainly contributed by additional management and administrative costs incurred to support the capacity expansion projects in Jingzhou of Hubei Province and Beihai of Guangxi Zhuang Autonomous Region. The total amount of administrative expenses as a percentage of the Group's revenue slightly decreased from 3.6% in FY2025 to approximately 3.2% in FY2026.

Operating profit

The operating profit for FY2026 was approximately RMB6,580.6 million, representing an increase of approximately RMB2,644.0 million or 67.2% over FY2025. The increase in operating profit for FY2026 was mainly due to the increase in gross profit of the Group.

Finance costs — net

The net finance costs increased by approximately RMB347.8 million, or 24.2% from RMB1,437.2 million in FY2025 to approximately RMB1,785.0 million in FY2026. The increase in finance cost was mainly contributed by net exchange difference on financing activities. The net exchange losses on financing activities amounted to approximately RMB127.9 million in FY2026 as compared to the net exchange gains on financing activities amounted to RMB113.9 million in FY2025.

Income tax expense

Income tax expense for the FY2026 amounted to approximately RMB778.2 million, increased by approximately 175.1% or RMB495.3 million as compared with FY2025.

The increase in the effective tax rate this year compared to last year was primarily due to that subsidiaries with relatively low actual income tax rate contributed less to the Group's profit before tax this year as more subsidiaries became profitable, and the Group's sales of recycled products qualified for the incentive tax arrangement for Comprehensive Utilization of Resources contributed less to the total sales.

In accordance with the announcement on extending the enterprise income tax policy for the western region development (《關於延續西部大開發企業所得稅政策的公告》(財政部稅務總局國家發展改革委公告2020年第23號)), from 1 January 2021 to 31 December 2030, enterprises which located in the western region that fall under the encouraged industries are subject to a 15% enterprise income tax rate. In accordance with the Circular of the People's Government of Guangxi Zhuang Autonomous Region on extending and revising certain policies for promoting the opening-up and development of the Guangxi Beibu Gulf Economic Zone (《廣西壯族自治區人民政府關於延續和修訂促進廣西北部灣經濟區開放開發若干政策規定的通知》(桂政發[2014]5號)), qualified newly set up enterprises are exempt from the local shared portion, which is 40% of the enterprise income tax calculated based on the 15% enterprise income tax rate. Therefore, Nine Dragons Paper Industries (Beihai) Co., Ltd. is qualified for such incentive tax arrangement and entitled to the corporate income tax rate of 9% for the years ended 30 June 2026 and 2025.

In accordance with the Circular of the Ministry of Finance and the State Administration of Taxation on Issues Concerning Implementing the Enterprise Income Tax Incentive Catalogue for Comprehensive Utilization of Resources Cai Shui [2008] No. 47 (《財政部、國家稅務總局關於執行資源綜合利用企業所得稅優惠目錄有關問題的通知》財稅[2008]47號), and the Enterprise Income Tax Incentive Catalogue for Comprehensive Utilization of Resources (2021) (《資源綜合利用企業所得稅優惠目錄(2021年版)》) issued by the Circular of the Ministry of Finance, the State Administration of Taxation, National Development and Reform Commission and Ministry of Ecology and Environment on 16 December 2021, an enterprise, which uses the raw materials under the catalogue to produce recycled resource products under the catalogue and the products meet the national or industrial standards, is entitled to incentive tax arrangement such that only 90% of the sales revenue of the products is subject to the calculation of the taxable income. The Group's sales of recycled products qualify for the incentive tax arrangement and therefore 10% of the Group's revenue from sales of recycled products was deducted from the taxable income of the Group in the calculation of CIT from 1 January 2021 onwards.

Net profit

Profit after tax increased from approximately RMB2,201.7 million in FY2025 to approximately RMB4,047.0 million in FY2026, representing an increase of RMB1,845.3 million or 83.8%.

Profit attributable to equity holders of the Company

The profit attributable to equity holders of the Company increased from RMB1,767.1 million in FY2025 to approximately RMB3,580.6 million in FY2026, representing an increase of RMB1,813.5 million or 102.6%, mainly attributable to the increase in revenue and in gross profit margin.

Working capital

The level of inventory as at 30 June 2026 decreased by 2.9% to approximately RMB10,143.7 million from RMB10,450.0 million as at 30 June 2025. Inventories mainly comprise of raw materials (mainly recovered paper, wood chip, coal and spare parts) of approximately RMB7,128.7 million and finished goods of approximately RMB3,015.0 million.

In FY2026, raw material (excluding spare parts) turnover days decreased to approximately 30 days as compared to 32 days for FY2025 while the finished goods turnover days decreased to approximately 20 days as compared to 26 days for FY2025.

Trade receivables as at 30 June 2026 were approximately RMB4,378.2 million, increased by 35.7% from RMB3,226.7 million as at 30 June 2025. The turnover days of trade receivables were approximately 19 days and 20 days for FY2026 and FY2025 respectively.

Trade payables were approximately RMB4,484.7 million as at 30 June 2026, increased by 31.9% from RMB3,400.8 million in FY2025. The turnover days of trade payables were approximately 22 days and 27 days for FY2026 and FY2025 respectively.

Liquidity and financial resources

The working capital and long-term funding required by the Group in FY2026 primarily comes from its operating cash flows and borrowings, while the Group's financial resources are used in its capital expenditures, operating activities and repayment of borrowings.

In terms of available financial resources as at 30 June 2026, the Group had bank and cash balances, short-term bank deposits and restricted cash amounted to approximately RMB12,051.0 million and total undrawn bank facilities of approximately RMB62,043.9 million.

As at 30 June 2026, the total equity was approximately RMB50,958.8 million, an increase of RMB347.2 million or 0.7% from that as at 30 June 2025.

On 15 June 2026, the Company issued an irrevocable public announcement to the holders of the perpetual capital securities regarding the exercise of its redemption option. The Company reclassified the perpetual capital securities from equity to borrowings which were initially measured at the fair value of the assumed financial liability on 15 June 2026, amounting to US$405,201,000 (equivalent to RMB2,758,950,000). For details, please refer to Note 15 — PERPETUAL CAPITAL SECURITIES of this announcement.

Debts Management

The Group's outstanding borrowings increased by approximately RMB5,740.4 million from RMB75,418.4 million as at 30 June 2025 to RMB81,158.8 million as at 30 June 2026 to support the capacity expansion plan of the Group. As at 30 June 2026, the short-term and long-term borrowings amounted to approximately RMB14,506.3 million and RMB66,652.5 million respectively, accounting for 17.9% and 82.1% of the total borrowings respectively.

Treasury policies

The Group has established a treasury policy with the objective of achieving better control of treasury operations and lowering cost of funds. Therefore, funding for all its operations and foreign exchange exposure have been centrally reviewed and monitored at the Group level. To manage the Group's exposure to fluctuations in foreign currency exchange rates and interest rates on specific transactions, foreign currency borrowings, currency structured instruments and other appropriate financial instruments will be used to hedge material exposure.

It is the policy of the Group not to enter into any derivative products for speculative activities.

The treasury policies followed by the Group aim to:

(a) Minimise interest risk

This is accomplished by loan re-financing and negotiation. The Board will continue to closely monitor the Group's loan portfolio and compare the loan margin spread under its existing agreements against the current borrowing interest rates under different currencies and new offers from banks.

(b) Minimise currency risk

In view of the current volatile currency market, the Board closely monitors the Group's foreign currency borrowings and will consider arranging for monetary and interest rate hedge at appropriate time to mitigate the corresponding risk. As at 30 June 2026, total foreign currency borrowings amounted to the equivalent of approximately RMB3,291.3 million and loans denominated in RMB amounted to approximately RMB77,867.5 million, representing 4.1% and 95.9% of the Group's borrowings respectively.

Cost of borrowing

The effective interest rates of long-term borrowings and short-term borrowings both were stable at approximately 2.8% and 2.8% per annum as at 30 June 2026 and 2.9% and 2.6% per annum as at 30 June 2025 respectively. The gross interest and finance charges (including interest capitalised and amortisation of financial instrument but before interest income and exchange gains or losses on financing activities) decreased to approximately RMB2,298.4 million in FY2026 from RMB2,333.4 million in FY2025.

DIVIDEND

The Company did not distribute an interim dividend for the six months ended 31 December 2025 (six months ended 31 December 2024: Nil) to the shareholders.

The Board has resolved to recommend the payment of a final dividend of RMB10.0 cents (equivalent to approximately HK11.6 cents) per share for FY2026, which are expected to be paid on or about Tuesday, 19 January 2027 subject to the approval of the forthcoming annual general meeting ("2026 AGM"). The translation of RMB into Hong Kong dollars is made at the exchange rate of HK$1.00 = RMB0.86015 as at 23 September 2026 for illustration purpose only. The actual translation rate for the purpose of dividend payment in Hong Kong dollars will be subject to exchange rate at the remittance date.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The 2026 AGM will be held on or before 31 December 2026. A notice convening the 2026 AGM and the book closure of register of members, for the purpose of ascertaining shareholders' entitlement to attend the 2026 AGM, will be published and despatched in the manner as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") in due course.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 30 June 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of its listed securities.

During the year ended 30 June 2026 and as of 30 June 2026, the Company did not have any treasury shares (as defined under the Listing Rules).

AUDIT COMMITTEE REVIEW

The audit committee, which comprises four independent non-executive directors, has reviewed with Company's management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters of the Group for the year.

The consolidated financial statements of the Group for FY2026 have been reviewed by the audit committee.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the announcement of the Group's results for the year ended 30 June 2026 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the results announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company strives to attain and maintain high standards of corporate governance best suited to the needs and interests of the Group as it believes that effective corporate governance practices are fundamental to safeguarding interests of shareholders and other stakeholders and enhancing shareholder value.

During FY2026, the Group has complied with all the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Specific enquiries have been made to all directors, who have confirmed that, during FY2026, they were in compliance with provisions of the Model Code.

APPRECIATION

In addition to my gratitude to our management and staff, I would like to express my sincere appreciation to governments of various levels for providing a business-friendly environment that has allowed us to prosper and positively influence the lives of our employees while contributing to the success of our industry. We would also like to thank our shareholders, investors, bankers, customers and business partners for their support and look forward to sharing our continued success.

By Order of the Board
Nine Dragons Paper (Holdings) Limited
Cheung Yan
Chairlady

Hong Kong, 23 September 2026

As at the date of this announcement, the Board of the Company comprises five Executive Directors, being Ms. Cheung Yan, Mr. Liu Ming Chung, Mr. Zhang Cheng Fei, Mr. Ken Liu and Mr. Zhang Lianpeng; and four Independent Non-Executive Directors, being Ms. Chan Man Ki, Maggie, Dr. Li Huiqun, Dr. Cao Zhenlei and Mr. Sun Po Yuen.

* *For identification purposes only*