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)

Executive Directors:
Mr. Wang Dongxing *(Chairman)*
Mr. Shi Weixin *(Vice chairman)*
Mr. Wang Changhai *(General manager)*
Mr. Ci Xiaolei *(Deputy general manager)*

Non-executive Directors:
Ms. Wu Rong
Mr. Zhang Xiaohui

Independent non-executive Directors:
Ms. Zhang Tao
Mr. Wang Zefeng
Mr. Sun Junchen

Registered office:
Cricket Square, Hutchins Drive
P.O. Box 2681,
Grand Cayman KY1-1111
Cayman Islands

Head office and principal place of business in the PRC:
Changle Economic Development Zone
Weifang 262400
Shandong
China

Principal place of business in Hong Kong:
Room 702, 7/F
Java Commercial Centre
128 Java Road
North Point
Hong Kong

25 November 2025

To the Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS SUPPLEMENTAL AGREEMENTS TO PREVIOUS FRAMEWORK AGREEMENTS

* *For identification purposes only*

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the Supplemental Purchase Framework Agreement, the Supplemental Sales Framework Purchase Agreement and their respective Proposed Annual Caps and to seek approval of the Independent Shareholders in respect of the ordinary resolutions set out in the notice of the EGM on pages 43 to 45 of this circular.

In respect of the Supplemental Purchase Framework Agreement, the Supplemental Sales Framework Purchase Agreement and their respective Proposed Annual Caps, the recommendation of the Independent Board Committee to the Independent Shareholders is set out on pages 22 to 23 of this circular and the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its advice is set out on pages 24 to 36 of this circular.

SUPPLEMENTAL AGREEMENTS

Supplemental Purchase Framework Agreement

On 24 October 2025 (after trading hours), Ramble Paper and Xiamen C&D entered into the Supplemental Purchase Framework Agreement. The principal terms of the Previous Purchase Framework Agreement (as revised by Supplemental Purchase Framework Agreement) are described below:

Date:	24 October 2025 (after trading hours)
Parties:	(i) Ramble Paper, as the purchaser; and (ii) Xiamen C&D, as the seller
Revised Subject Matter:	Any member of Ramble Paper Group may place individual orders or enter into individual contracts with any member of Xiamen C&D Group to purchase coal and chemical auxiliary materials, in addition to wood pulp materials and packaging paper products that Xiamen C&D Group is the main distributor.

The packaging paper products to be purchased by Ramble Paper Group from Xiamen C&D Group under the Previous Purchase Framework Agreement (as revised by the Supplemental Purchase Framework Agreement) include (i) white board paper (白板紙), containerboard (箱板紙) and certain specialised paper products, which cannot be produced by the Group with its existing production lines but are main materials for the Group to produce other paper products; and (ii) corrugated paper (瓦楞紙) of certain gram weight specifications, which are to be purchased by Ramble Paper Group only in certain regions where Ramble Paper Group can lower its delivery costs while maintaining good quality of the products.

Revised Annual Caps: Pursuant to the Supplemental Purchase Framework Agreement, the parties have agreed to revise the annual caps under the Previous Purchase Framework Agreement (the "**Purchase Annual Caps**") as follows: (i) for the financial year ending 31 December 2025, the Purchase Annual Cap shall be increased from RMB426,800,000 to RMB490,400,000; and (ii) for the financial year ending 31 December 2026, the Purchase Annual Cap shall be increased from RMB714,700,000 to RMB1,096,400,000.

Pricing Principles: The price of the products purchased by Ramble Paper Group from Xiamen C&D Group shall be determined after arm's length negotiations between the parties with reference to the following factors. In any event, such prices or purchase terms shall be no less favourable than those provided by third-party suppliers to Ramble Paper and/or Ramble Paper Group.

(i) current market price for similar products: the prevailing market price of the coal and chemical auxiliary materials, wood pulp materials and packaging paper products of comparable quality, specifications, quantities and related delivery costs based on the market information collected by the Group through the market price information from the public domains. The two main websites that are widely used by paper manufactures in the industry are www.umpaper.com and www.sci99.com which provide pricing information in relation to the current and historical market price of pulp and paper products and continuously monitor and update such market prices on a daily basis. The WeChat subscription accounts, namely Thermal Coal Price Index Website* (動力煤價格指數網), Power Coal Circle* (電煤圈), Northern Coal Resources Network* (北方煤炭資源網), CCTD China Coal Market Network* (CCTD中國煤炭市場網), and Today's Coal Price (今日煤炭價格), are commonly being used in the industry for the market price of coal, and the website of Oilchem (隆眾資訊) is widely used in the industry for the market price of chemical auxiliary materials. Based on the information available to the Board, the information provided by the aforementioned public websites and subscription accounts (collectively, "**Public Sources**") are highly recognised by industry end-users and suppliers globally therefore they are able to conduct market analysis and provide reliable price assessments in the pulp and paper products markets;

(ii) third-party suppliers' offers: purchase quotations for similar products of similar qualities provided by at least two other third-party suppliers to Ramble Paper Group would also be taken into account for reference, relying on the business network of Ramble Paper Group as well as the recent public quotations provided by certain market players through the Public Websites; and

(iii) purchase policies of Ramble Paper Group: through convening regular procurement meetings, the management team of Ramble Paper Group with over 20 years of experience in the paper industry and therefore with the ability to make objective purchase policies for the Group shall generate and periodically update purchase policies of Ramble Paper Group which set out (a) a purchase price range after considering the prevailing market price on the Public Sources and quotations from at least two suppliers for similar products of similar qualities. The prices under the Previous Purchase Framework Agreement (as revised by the Supplemental Purchase Framework Agreement) shall be within such price range; and (b) order quantities after collecting purchase plan of the business departments of Ramble Paper Group and taking into consideration of the market trend, delivery costs and production plan and capacity of Ramble Paper Group.

Settlement and Payment Method: The settlement and payment method shall be agreed and elaborated in the specific individual orders or contracts to be entered into between any member of Ramble Paper Group and any member of Xiamen C&D Group after arm's length negotiations and on a normal commercial basis, provided that, in each case, the relevant settlement and payment methods shall be no less favourable than those provided by third-party suppliers to Ramble Paper and/or Ramble Paper Group.

Generally, Ramble Paper Group shall make payment within 90 days (in relation to imported wood pulp materials) after the materials being loaded onto the ship or within 30 days (in relation to other materials and products not to be imported) after Xiamen C&D Group begins delivery unless otherwise agreed in the individual orders and contracts between them. Such payment terms are the same as those provided by third-party suppliers to Ramble Paper Group. As such, the settlement and payment methods for Xiamen C&D Group are no less favourable than those provided by third-party suppliers of the Group.

As in no event will the payment terms of the individual orders or contracts under the Previous Purchase Framework Agreement (as revised by the Supplemental Purchase Framework Agreement) be less favourable than those provided by third-party suppliers to Ramble Paper Group, the Board is of the view that the abovementioned general payment term of the Purchase Framework Agreement is fair and reasonable and on normal commercial terms or better.

Effective Date: The Supplemental Purchase Framework Agreement shall become effective after being signed by the parties and all necessary approvals (including the approval of the Independent Shareholders at the EGM) being obtained by the parties.

Save as disclosed above, all other terms of the Previous Purchase Framework Agreement remain unchanged.

Historical Transaction Amounts

The unaudited historical purchase amounts for the coal, chemical auxiliary materials, wood pulp materials and packaging paper products paid by Ramble Paper Group to Xiamen C&D Group are set out below:

	For the financial year ended 31 December			**For the nine months ended 30 September**
	2022	**2023**	**2024**	**2025**
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB' 000)*
Historical transaction amounts	156,227	160,719	164,400	159,938

Annual Caps and Basis of Determination

The proposed revised Purchase Annual Caps are set out below:

	For the financial year ended 31 December	
	2025	**2026**
	(RMB'000)	*(RMB'000)*
Annual caps	490,400	1,096,400

The annual caps set out above have been determined after taking into account:

(i) the addition of coal and chemical auxiliary materials to be purchased by Ramble Paper Group under the Supplemental Purchase Framework Agreement;

(ii) the prevailing public market price ranges for coal, chemical auxiliary materials and other relevant materials from publicly available sources, as well as internal supplier quotations and comparative pricing data obtained via the Company's internal information system. The Directors expect that the prices of such materials will continue to increase in the following years as the PRC is accelerating the pace of economic recovery and actively adjusting its industrial development strategy to provide active support for corporate development;

(iii) the expected increasing demand for chemical auxiliary materials of Ramble Paper Group during the term of the Previous Purchase Framework Agreement (as revised by the Supplemental Purchase Framework Agreement) as they are one of the main raw materials for the production of Oji Shouguang the financial results of which was only consolidated into that of the Group recently in June 2025. Oji Shouguang has an existing annual production capacity of 120,000 tons;

(iv) the anticipated increasing demand of Ramble Paper Group for the wood pulp materials: it is expected that the demand for the wood pulp materials from Xiamen C&D Group will increase in late 2025 and 2026 as such wood pulp materials are one of the main raw materials for the Group's new production lines, in particular, (a) Oji Shouguang, the financial results of which was only consolidated into that of the Group recently in June 2025, has an existing annual production capacity of 120,000 tons with wood pulp materials being one of their main raw materials. The Group's demand for wood pulp materials will therefore be increased significantly in late 2025 and 2026; (b) the construction of two new production lines of the Group which were originally expected to be put into operation by late 2025 were delayed, which explains the reason for the relatively low transaction amount for the nine months ended 30 September 2025 compared to the existing annual cap for the year 2025. However, one of these two new production lines, with an expected full annual output of 120,000 tons, will be completed and enter into trail production stage in early 2026, resulting in an expected increasing demand for wood pulp materials in 2026; and (c) one new production line of the Group with an expected annual output of 45,000 tons has been completed and entered into trial production stage in the third quarter of 2025;

(v) the expected demand for coal of Ramble Paper Group during the term of the Previous Purchase Framework Agreement (as revised by the Supplemental Purchase Framework Agreement) as coal is the main raw material for the Group's thermal power plant. As the main company responsible for providing winter heating to local urban residents, Changle Shengshi Thermoelectricity Co., Ltd.* (昌樂盛世熱電有限責任公司), a member of Ramble Paper Group, requires a stable coal supply. Xiamen C&D Group, as a leading supplier in China, can further guarantee the Ramble Paper Group's coal procurement and stable supply; and

(vi) the products previously supplied by Xiamen C&D Group are with stable and reliable quality: Xiamen C&D Group, as a leading enterprise in the industry, has established stable cooperation relationship with various coal and chemical auxiliary material suppliers across the globe, the Directors consider that Xiamen C&D Group could provide the Group with sufficient source of products with high quality upon request, therefore the management team of Ramble Paper Group intend to increase its purchase amount of coal and chemical auxiliary material sourced by Xiamen C&D Group in substitution of certain orders directly placed with independent suppliers especially given the lower cost for the Group for purchasing such materials from Xiamen C&D Group compared to directly purchasing from sellers.

Supplemental Sales Framework Agreement

On 24 October 2025 (after trading hours), Century Sunshine and Xiamen C&D entered into the Supplemental Sales Framework Agreement. The principal terms of the Previous Purchase Framework Agreement (as revised by Supplemental Sales Framework Agreement) are described below:

Date:	24 October 2025 (after trading hours)
Parties:	(i) Xiamen C&D, as the purchaser; and (ii) Century Sunshine, as the seller
Revised Annual Caps:	Pursuant to the Supplemental Sales Framework Agreement, the parties have agreed to revise the annual caps under the Previous Sales Framework Agreement (the "**Sales Annual Caps**") as follows: (a) for the financial year ending 31 December 2025, the Sales Annual Cap shall be increased from RMB590,100,000 to RMB682,000,000; and (b) for the financial year ending 31 December 2026, the Sales Annual Cap shall be increased from RMB657,200,000 to RMB851,000,000.

Subject Matter:

Pursuant to the Previous Sales Framework Agreement (as revised by the Supplemental Sales Framework Agreement), any member of Xiamen C&D Group may place individual orders or enter into individual contracts with any member of Century Sunshine Group to purchase the packaging paper products that Century Sunshine Group produces.

The packaging paper products to be sold by Century Sunshine Group to Xiamen C&D Group under the Previous Sales Framework Agreement (as revised by the Supplemental Sales Framework Agreement) are packaging paper and paper products that are produced by Century Sunshine Group based on its patented technology, which include (i) white top linerboard (白面牛卡紙), coated-white top linerboard (塗布白面牛卡紙) and core board (紙管原紙), which are not to be purchased by Ramble Paper Group from Xiamen C&D Group under the Previous Purchase Framework Agreement (as revised by the Supplemental Sales Framework Agreement); and (ii) corrugated paper (瓦楞紙) of different gram weight with those to be purchased by Ramble Paper Group from Xiamen C&D Group in the same region. Production and sale of such products are principal activities of the Group. Therefore, provision of such products to Xiamen C&D Group for its further distribution to its customers can further expand the income stream of the Group within its existing and expected production capacity as well as achieve mutual benefits of the two groups.

Pricing Principles:

The price of the products sold by Century Sunshine Group to Xiamen C&D Group shall be determined after arm's length negotiations between the parties with reference to the following factors. In any event, such prices or sale terms shall be no more favourable than those provided by Century Sunshine and/or Century Sunshine Group to third-party customers.

(i) current market price for similar products: the prevailing market price of the packaging paper products of comparable quality, specifications, quantities and related delivery costs based on the market information collected by the staff of the business departments of the Group through multiple channels, including via public WeChat subscription account Yimao Paper Consulting* (易貿紙詢);

(ii) third-party customers' offers: selling prices for similar products of similar qualities provided by Century Sunshine Group to other third-party customers would also be taken into account for reference, relying on the sales agreements entered into between Century Sunshine Group and other third-party customers; and

(iii) selling policies of Century Sunshine Group: through convening regular selling price meetings, the management team of Century Sunshine Group with over 20 years of experience in the paper industry and therefore with the ability to make objective selling policies for the Group shall generate and periodically update selling policies of Century Sunshine Group which set out (a) selling price ranges for different selling regions after considering the prevailing market price obtained by the business departments of the Group, market analysis on the business trend of paper manufacturing industry, production and delivery costs, recent demand of customers, production plan and capacity of the Group, etc. The prices under the Previous Sales Framework Agreement (as revised by the Supplemental Sales Framework Agreement) shall be within such price ranges; and (b) order quantities which shall be confirmed after taking into consideration of the customers' demands, production plan and capacity of Century Sunshine Group.

Settlement and Payment Method: The settlement and payment method shall be agreed and elaborated in the specific individual orders or contracts to be entered into between any member of Century Sunshine Group and any member of Xiamen C&D Group after arm's length negotiations and on a normal commercial basis, provided that, in each case, the relevant settlement and payment methods shall be no more favourable than those provided by Century Sunshine and/or Century Sunshine Group to third-party customers.

Generally, Century Sunshine Group shall begin delivery of the products within seven (7) days upon receiving payment from Xiamen C&D Group unless otherwise agreed in the individual orders and contracts between them. Such payment terms are the same as those provided to other third-party customers who purchase corrugated paper products from Century Sunshine Group. For third-party customers who purchase other packaging paper products from Century Sunshine Group, they shall make the payment at the end of the calendar month in which Century Sunshine Group begins delivery of the products. As such, the settlement and payment methods for Xiamen C&D Group is no more favourable than those provided by the Group to other third-party customers.

As in no event will the payment terms of the individual orders or contracts under the Previous Sales Framework Agreement (as revised by the Supplemental Sales Framework Agreement) be more favourable than those provided by Century Sunshine Group to third-party customers, the Board is of the view that the abovementioned general payment term of the Previous Sales Framework Agreement (as revised by the Supplemental Sales Framework Agreement) is fair and reasonable and on normal commercial terms or better.

Effective Date: The Supplemental Sales Framework Agreement shall become effective after being signed by the parties and all necessary approvals (including the approval of the Independent Shareholders at the EGM) being obtained by the parties.

Save as disclosed above, all other terms of the Previous Sales Framework Agreement remain unchanged.

Historical Transaction Amounts

The unaudited historical purchase amounts for the packaging paper products paid by Xiamen C&D Group to Century Sunshine Group are set out below:

	For the financial year ended 31 December			**For the nine months ended 30 September**
	2022	**2023**	**2024**	**2025**
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB' 000)*
Historical transaction amounts	167,639	412,382	518,100	471,010

Annual Caps and Basis of Determination

The proposed revised Sales Annual Caps are set out below:

	For the financial year ended 31 December	
	2025	**2026**
	(RMB'000)	*(RMB'000)*
Annual caps	682,000	851,000

The annual caps set out above have been determined after taking into account:

(i) the production capacity and supply volume of Century Sunshine Group: the annual production capacity of Century Sunshine Group has been increased from 2,100,000 tons in 2024 to approximately of 2,300,000 tons in 2025, which is expected to be able to satisfy the increasing needs of all customers, including Xiamen C&D Group;

(ii) the prevailing market price ranges of comparable packaging paper products obtained by the management of Century Sunshine: the average prices of packaging paper products used in the determination of the revised Sales Annual Caps fall within the ranges of market prices of the respective products for 2025. For example, the average market price of corrugated paper for 2025 was with in a range from RMB2,560/ton to RMB2,995/ton. The average price of corrugated paper used in the determination of the revised Sales Annual Caps is approximately RMB2,671/ton for the two years ending 31 December 2026, which is within the abovementioned range. The Directors expect that the prices of the packaging paper products will continue to improve which is in line with the economic improvement in the PRC with reference to the increasing period-on-period GDP growth rate for the third quarter of 2025;

(iii) the historical demand from Xiamen C&D Group for packaging paper products manufactured by Century Sunshine Group: the purchase amount of approximately RMB471 million for the packaging paper products paid by Xiamen C&D Group to Century Sunshine Group during the nine months ended 30 September 2025 represents over 79.82% of the existing annual cap for the year 2025, equivalent to an annualised utilisation rate of over 106%. The existing Sales Annual Caps are expected to be exceeded based on the actual transaction amount under the Previous Sales Framework Agreement and the anticipated rise in demand from Xiamen C&D Group;

(iv) the anticipated increase in the quantity of packaging paper products required by Xiamen C&D Group during the term of the Supplemental Sales Framework Agreement; and

(v) the credit assessment of customers in light of the current market conditions: given Century Sunshine Group usually grants a credit term of approximately 30 days to certain of its third-party customers but generally requests payment of Xiamen C&D Group before delivery of products, the Company considers the settlement and payment methods for Xiamen C&D Group are more favourable to the Group and the increase of Sales Annual Caps is in the interest of the Group and shareholders in a whole.

REASON FOR AND BENEFITS OF ENTERING INTO THE FRAMEWORK AGREEMENTS

Xiamen C&D Group is one of the leading enterprises engaged in the sales and/or import of paper products and pulp and has strong strength and reputation advantages in the industry and it has a well-established supply chain system. The Group has been procuring from and selling to Xiamen C&D Group certain materials and packaging paper products for a number of years. As a result of such long-term business relationship, the parties have been familiar with the standards and specifications of products and services set by each other and have been able to respond quickly in a cost-efficient manner to any new requirements that the other group may request. By entering into the Supplemental Agreements, the Group is able to secure a stable and reliable supply of materials and fulfill its relevant business needs and utilize the supply chain funds of Xiamen C&D Group to improve procurement efficiency and control production costs.

The Directors (excluding the independent non-executive Directors who will form their views after considering the recommendation from the independent financial adviser) consider that (i) the entering into of the Supplemental Agreements is in the ordinary and usual course of business of the Group; and (ii) the terms of the Supplemental Agreements, together with the transactions contemplated thereunder and their respective Proposed Annual Caps, are on normal commercial terms, fair and reasonable, and in the interests of the Group and the Shareholders as a whole.

Mr. Zhang Xiaohui, a non-executive Director, is the general manager of Xiamen C&D, and therefore has a material interest in the Supplemental Agreements. Mr. Zhang Xiaohui has abstained from voting on the Board resolutions to approve such transactions. Save as disclosed above, none of other Directors has a material interest in the Supplemental Agreements which would require them to abstain from voting on the relevant Board resolutions.

INTERNAL CONTROL MEASURES

In order to effectively implement the Previous Framework Agreements, as revised by the Supplemental Agreements, the Group has adopted the following internal control measures:

(1) relevant members of staff of the business department of the Company (or its subsidiaries) have been designated to monitor the market price of the products and materials to be purchased and sold under the Previous Framework Agreements, as revised by the Supplemental Agreements:

(A) as for the products to be purchased by Ramble Paper Group, the relevant staff will, before the entering into of each individual order or contract in accordance with the Previous Purchase Framework Agreement, as revised by the Supplemental Purchase Framework Agreement, (a) check quotations on th public domain on a daily basis for similar coal, chemical auxiliary materials, wood pulp materials and packaging paper products as those to be purchased by Ramble Paper Group; and (b) obtain quotations of similar coal, chemical auxiliary materials, wood pulp materials and packaging paper products from other third suppliers from time to time; and

(B) as for the products to be sold by Century Sunshine Group, the staffs will, before the entering into of each individual order or contract in accordance with the Previous Sales Framework Agreement, as revised by the Supplemental Sales Framework Agreement, (a) collect and organize quotations for similar packaging paper products as those to be sold by Century Sunshine Group; and (b) obtain the final contract prices of the packaging paper products sold to other third party customers by Century Sunshine Group from time to time;

(2) the financial department of the Company (or its subsidiaries) will continuously monitor the continuing connected transactions to ensure that the total transaction amount will not exceed the respective Proposed Annual Caps. If the accumulated transaction amount is close to the respective Proposed Annual Caps, the management of the Company (or its subsidiaries) will renew the proposed annual cap or suspend the transaction, as appropriate;

(3) the Company's external auditors will conduct an annual review of the transactions contemplated under the Previous Framework Agreements, as revised by the Supplemental Agreements, to ensure that the transaction amounts fall within the respective Proposed Annual Caps and that such transactions are conducted in accordance with the terms set out in the Previous Framework Agreements, as revised by the Supplemental Agreements;

(4) the independent non-executive Directors will conduct an annual review of the status of the transactions contemplated under the Previous Framework Agreements, as revised by the Supplemental Agreements, to ensure that the Company has complied with the internal approval procedures, the terms of the Previous Framework Agreements, as revised by the Supplemental Agreements, and the relevant requirements under the Listing Rules; and

(5) the internal audit function of Group will, from time to time, review and conduct sample checks on the relevant transaction documents and ensure that the pricing basis and internal control procedures are complied with.

IMPLICATION UNDER THE LISTING RULES

As at the Latest Practicable Date, Xiamen C&D holds 100% shares of Hong Kong Paper Sources Co., Limited (香港紙源有限公司), which holds 162,000,000 Shares, representing approximately 15.21% of the Company's total issued share capital, and is a substantial shareholder of the Company. Xiamen C&D is therefore a connected person of the Company under the Listing Rules and the transactions contemplated under the Supplemental Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the annual caps under each of the Previous Purchase Framework Agreement and the Previous Sales Framework Agreement exceed 5%, the entering into of the Supplemental Agreements and the transactions contemplated thereunder will be subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

An Independent Board Committee has been established to advise the Independent Shareholders on the Supplemental Agreements, the transactions contemplated thereunder and their respective Proposed Annual Caps. The Company has appointed Rainbow Capital (HK) Limited as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Supplemental Agreements and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of business of the Company, and in the interests of the Company and the Shareholders as a whole.

GENERAL INFORMATION

1. Information of the Company

The Company is a limited company incorporated in the Cayman Islands as an exempted company with limited liability and the Shares are listed on the main board of the Stock Exchange. The principal activities of the Company, together with its subsidiaries, are production/generation and sale of paper products, electricity and steam.

2. Information of Xiamen C&D

Xiamen C&D is a limited company established in the PRC and is principally engaged in the business of forestry, pulp and paper products. Xiamen C&D is directly and indirectly wholly-owned by Xiamen C&D Inc.* (廈門建發股份有限公司), the shares of which are listed on the Shanghai Stock Exchange (stock code: 600153.SH). Xiamen C&D Inc.* is principally engaged in supply chain operations, real estate development and home decoration and furniture mall operation. Xiamen C&D Group Co., Ltd.* (廈門建發集團有限公司), being the controlling shareholder of Xiamen C&D Inc., is directly wholly-owned by the State-owned Assets Supervision and Administration Commission of Xiamen Municipal People's Government (廈門市人民政府國有資產監督管理委員會). Xiamen C&D Group Co., Ltd.* is a conglomerate principally engaged in, among other things, supply chain operation, municipal construction and operations, hospitality and expos, medical and health and emerging industry investment.

3. Information of Century Sunshine

Century Sunshine is a limited company established in the PRC and is indirectly owned as to 99.9% by the Company. Century Sunshine is principally engaged in manufacture of paper products and a subsidiary of the Company.

4. Information of Ramble Paper

Ramble Paper is a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. It is an investment holding company.

EGM

A notice convening the EGM to be held at China Sunshine Paper Office Tower, Changle Economic Development Zone, Weifang, Shandong, China on Wednesday, 10 December 2025 at 10:00 a.m. is set out on pages 43 to 45 of this circular.

Pursuant to Rule 14A.36 of the Listing Rules, any connected person and any Shareholder and their respective associates with a material interest (other than by virtue of being a Shareholder) in the transactions contemplated under the Supplemental Agreements are required to abstain from voting at the EGM. Hong Kong Paper Sources Co., Limited (香港紙源有限公司), being a substantial shareholder of the Company, held 162,000,000 Shares which accounts for approximately 15.21% of the Company's total share capital as at the Latest Practicable Date, will abstain from voting at the EGM on the ordinary resolutions to approve the Supplemental Agreements and the transactions contemplated thereunder (including the Proposed Annual Caps thereto). The relevant resolutions to be proposed at the EGM will be voted on by poll in compliance with the Listing Rules. Save as disclosed above and to the best knowledge of the Directors, as at the Latest Practicable Date, no other Shareholder has a material interest in the Supplemental Agreements and the transactions contemplated thereunder, and therefore no other Shareholder is required to abstain from voting on relevant resolutions at the EGM.

A proxy form is enclosed with this circular. Whether or not you are intending to attend and vote at the EGM, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed on such form to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shop 1712–16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event no later than 48 hours before the time appointed for the holding of the EGM or any adjournment of such meeting. Completion and return of the proxy form will not preclude you from subsequently attending and voting at the EGM in person or any adjourned meeting, as the case may be, should you so desire.

VOTING BY POLL AT THE EGM

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at a general meeting must be taken by poll except where, the chairman, in good faith decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands. The chairman of the meeting will demand a poll for all resolutions put to the vote at the EGM pursuant to Article 66 of the Articles. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 5 December 2025 to Wednesday, 10 December 2025, both days inclusive, for the purpose of determining entitlement to attend the EGM, during which no transfer of shares of the Company will be registered. The record date for entitlement to attend and vote at the EGM is Wednesday, 10 December 2025. In order to qualify for attending and voting at the EGM, shareholders must ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Hong Kong, no later than 4: 30 pm on Thursday, 4 December 2025.

RECOMMENDATION

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that the terms of the Supplemental Agreements are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

In light of the above, the Directors believe that all the proposed resolutions at the EGM are in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the EGM.

GENERAL

Your attention is drawn to the letter from the Independent Board Committee, the letter from the Independent Financial Adviser, the additional information set out in the appendix to this circular and the notice of the EGM.

Yours faithfully,
For and on behalf of
China Sunshine Paper Holdings Company Limited

Wang Dongxing
Chairman