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)

DISCLOSEABLE TRANSACTIONS
FINANCE LEASE ARRANGEMENT

SALES AGREEMENT AND FINANCE LEASE AGREEMENT

The Board is pleased to announce that, on 21 July 2026 (after trading hours), Numat Paper (a wholly-owned subsidiary of the Company), as the seller and the lessee, entered into the Sales Agreement and the Finance Lease Agreement with Hai Fa Bao Cheng, as the purchaser and the lessor, pursuant to which, Hai Fa Bao Cheng has agreed to, among other things, (i) acquire the Leased Assets from Numat Paper at a consideration of RMB160,000,000; and (ii) lease the Leased Assets to Numat Paper during the Lease Term for a total lease amount of RMB173,076,000.

IMPLICATIONS OF THE LISTING RULES

As one or more of the applicable percentage ratios (as defined in the Listing Rules) of the transactions under the Finance Lease Arrangement are more than 5% but less than 25%, the transactions under the Finance Lease Arrangement constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules, and are subject to the announcement and reporting requirements under the Listing Rules.

The Board is pleased to announce that, on 21 July 2026 (after trading hours), Numat Paper, a wholly-owned subsidiary of the Company, entered into the Sales Agreement and the Finance Lease Agreement with Hai Fa Bao Cheng in respect of the Finance Lease Arrangement. The principal terms of the Finance Lease Arrangement are summarized as follows:

FINANCE LEASE ARRANGEMENT

1. Sales Agreement

Date: 21 July 2026 (after trading hours)

Parties: (i) Numat Paper (as the seller); and

(ii) Hai Fa Bao Cheng (as the purchaser)

Sale of the Leased Assets:

The Leased Assets comprise certain equipment owned by Numat Paper, which are mainly used for coated white top linerboard production and are currently stored at its factory located in Changle Economic Development Zone, Weifang, Shandong, China, including the headbox, slitter, DCS system and other related equipment.

Pursuant to the Sales Agreement, Numat Paper agreed to sell and Hai Fa Bao Cheng agreed to purchase the Leased Assets at a consideration of RMB160,000,000, which was determined after arm's length negotiation between the parties with reference to the unaudited book value of the Leased Assets of approximately RMB202,687,715.01 as at 11 July 2026, the appraised value of the Leased Assets of approximately RMB162,150,172.02 as at 11 July 2026, and the fair market price of the similar assets.

Delivery of the Leased Assets:

The legal title of the Leased Assets shall be transferred to Hai Fa Bao Cheng upon its payment of the consideration for the purchase of the Leased Assets and shall be vested in Hai Fa Bao Cheng throughout the Lease Term.

2. Finance Lease Agreement

Date: 21 July 2026 (after trading hours)

Parties: (i) Numat Paper (as the lessee); and

(ii) Hai Fa Bao Cheng (as the lessor)

Lease Term: Three years from the Lease Commencement Date

Lease Payment:

Pursuant to the Finance Lease Agreement, the Leased Assets shall be leased back to Numat Paper for the Lease Term at the total lease payment of approximately RMB173,076,000, which comprises of (i) the amount of the lease principal in the sum of RMB160,000,000; and (ii) a total interest component to the lease payments of RMB13,076,000. The interest rate has been agreed after arm's length negotiations between the parties, taking into account factors including (i) the consideration payable by Hai Fa Bao Cheng for the purchase of the Leased Assets ; (ii) lease term and payment schedule; (iii) the credit risks associated with Numat Paper; and (iv) prevailing market interest rates and trading terms of the similar finance lease arrangements. The lease payment shall be paid by Numat Paper to Hai Fa Bao Cheng every three months in 12 installments during the Lease Term.

Transfer of Ownership of the Leased Assets back to the Lessee:

Subject to full payment of all lease payments and other amounts payable by Numat Paper to Hai Fa Bao Cheng under the Finance Lease Agreement, Hai Fa Bao Cheng shall transfer the ownership of the Leased Assets to Numat Paper at nil consideration.

Guarantee for the Finance Lease Agreement:

Shandong Century Sunshine Paper Group Company Limited* (山東世紀陽光紙業集團有限公司), Shandong Wamat Paper Company Limited (山東華邁紙業有限公司) and Changle Shengshi Thermoelectricity Company Limited* (昌樂盛世熱電有限責任公司), the subsidiaries of the Company, shall provide joint liability guarantees in favor of Hai Fa Bao Cheng in respect of Numat Paper's obligations under the Finance Lease Agreement.

REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCE LEASE ARRANGEMENT

The terms of the Finance Lease Arrangement and the transactions contemplated thereunder are determined after arm's length negotiations with reference to, among others, the prevailing market price of similar assets and the prevailing market interest rates and trading terms of similar finance lease arrangement. The Directors are of the opinion that the Group will be able to supplement its working capital through the Finance Lease Arrangement.

According to the International Financial Reporting Standards, the transactions contemplated under the Finance Lease Arrangement do not constitute a disposal of assets and will not give rise to any gain or loss to be recorded in the Group's income statement. Upon expiry of the Lease Term and subject to the Finance Lease Agreement, the ownership of the Leased Assets will be transferred to the Group at nil consideration. Accordingly, in substance and for accounting purposes, the Finance Lease Arrangement is substantially similar to a secured borrowing arrangement. The Directors are of the view that the terms and conditions of which are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ABOUT THE PARTIES TO THE FINANCE LEASE ARRANGEMENT

The Company is a limited company incorporated in the Cayman Islands under the Companies Act as an exempted company with limited liability on 22 August 2007 and its shares have been listed on the main board of the Stock Exchange since 12 December 2007. The principal activities of the Company, together with its subsidiaries (including the three subsidiaries which provided guarantees under the Finance Lease Agreement), are production/generation and sale of paper products, electricity and steam.

Numat Paper is a wholly-owned subsidiary of the Company, and is principally engaged in production and sale of machine-made paper, premium paperboard and raw materials of papermaking, and sale of paper additives, as well as export and import for the above.

Hai Fa Bao Cheng is a company incorporated in the PRC with limited liability (previously known as COSCO Shipping Leasing Co., Limited "中遠海運租賃有限公司") and is principally engaged in financial leasing, commercial factoring and provision of related financial services across various fields, including the medical sector, education, energy, construction, industrial equipment, electronic information, transportation and logistics, and automobile financing. Hai Fa Bao Cheng is owned as to approximately 40.81% by COSCO SHIPPING Development Co., Ltd.* (中遠海運發展股份有限公司), a PRC company listed on the main board of the Stock Exchange (stock code: 2866) and Shanghai Stock Exchange (stock code: 601866); approximately 36.99% by China Insurance Investment Co., Ltd.* (中保投資有限責任公司) ("**China Insurance**"); and approximately 22.20% by China State-owned Enterprises Mixed Ownership Fund Co., Ltd.* (中國國有企業混合所有制改革基金有限公司). The direct shareholders of China Insurance are widely dispersed, with no single shareholder holding more than 5% of its equity interest. The largest ultimate shareholder of China Insurance is the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council, which indirectly holds a total of 18.41% equity interest therein.The ultimate beneficial owner of China State-owned Enterprises Mixed Ownership Fund Co., Ltd.* (中國國有企業混合所有制改革基金有限公司) is the SASAC of the State Council. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Hai Fa Bao Cheng and its ultimate beneficial owners (if applicable) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

IMPLICATIONS OF THE LISTING RULES

As one or more of the applicable percentage ratios (as defined in the Listing Rules) of the transactions under the Finance Lease Arrangement are more than 5% but less than 25%, the transactions under the Finance Lease Arrangement constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules, and are subject to the announcement and reporting requirements under the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

"Board"	the board of Directors;
"Company"	China Sunshine Paper Holdings Company Limited (中國陽光紙業控股有限公司), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the main board of the Stock Exchange (stock code: 2002);
"Companies Act"	the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands;
"connected person(s)"	has the meaning ascribed to it under the Listing Rules;
"Director(s)"	the director(s) of the Company;
"Finance Lease Agreement"	the finance lease agreement dated 21 July 2026 and entered into between Hai Fa Bao Cheng and Numat Paper in relation to the Finance Lease Arrangement;
"Finance Lease Arrangement"	the purchase of the Leased Assets by Hai Fa Bao Cheng and the lease back of the Leased Assets to Numat Paper pursuant to the terms of the Sales Agreement and the Finance Lease Agreement;
"Group"	the Company and its subsidiaries of the PRC;
"Hai Fa Bao Cheng"	Hai Fa Bao Cheng Financial Leasing Co., Limited* (海發寶誠融資租賃有限公司), a limited liability company incorporated in the PRC on 29 August 2013;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;

"Lease Commencement Date"	the date of payment of the consideration by Hai Fa Bao Cheng to Numat Paper for the purchase of the Leased Assets;
"Lease Term"	the lease term of three years from the Lease Commencement Date under the Finance Lease Agreement;
"Leased Assets"	certain equipment owned by Numat Paper (mainly for coated white top linerboard production) and currently stored in the Lessee's factory located in Changle Economic Development Zone, Weifang, Shandong, China, which will be sold by Numat Paper to Hai Fa Bao Cheng and shall be leased back to Numat Paper according to the Finance Lease Arrangement;
"Listing Rules"	the Rules Governing the Listing of the Securities on the main board of the Stock Exchange (as amended from time to time);
"Numat Paper"	Changle Numat Paper Industry Co., Ltd.* (昌樂新邁紙業有限公司), a company established in the PRC with limited liability, which is a wholly-owned subsidiary of the Company;
"PRC" or "China"	the People's Republic of China, for the purpose of this announcement only, excluding Hong Kong, Macau Special Administrative Region and Taiwan;
"RMB"	Renminbi, the lawful currency of the PRC;
"Sales Agreement"	the sales agreement dated 21 July 2026 entered into between Numat Paper and Hai Fa Bao Cheng where Numat Paper agreed to sell and Hai Fa Bao Cheng agreed to purchase the Leased Assets pursuant to the terms of the agreement;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;

"%" per cent.

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

Weifang, China, 21 July 2026

As at the date of this announcement, the executive Directors are Mr. Wang Dongxing (Chairman), Mr. Shi Weixin and Mr. Wang Changhai; the non-executive Directors are Ms. Wu Rong and Mr. Chen Dongxu; and the independent non-executive Directors are Ms. Zhang tao, Mr. Li Hengyuan and Mr. Sun Junchen.

* *For identification purposes only*