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玖龍紙業(控股)有限公司*

NINE DRAGONS PAPER (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 2689)

POSITIVE PROFIT ALERT FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the inside information provisions under Part XIVA of the SFO.

The Board of the Company wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review of the management accounts of the Group, if the exchange gains on operating and financing activities net of tax were excluded, the profit attributable to equity holders of the Company for the Period is expected to increase not less than 60% as compared to the Corresponding Period, due to stable growth of the sales revenue and increase in gross profit margin.

The profit attributable to equity holders of the Company for the Corresponding Period was RMB2,406.3 million if the exchange losses on operating and financing activities net of tax amounted to RMB127.6 million were excluded.

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

This announcement is made by Nine Dragons Paper (Holdings) Limited (the “**Company**”, together with its subsidiaries, collectively, the “**Group**”) pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (“**SFO**”) (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review of the management accounts of the Group, if the exchange gains on operating and financing activities net of tax were excluded, the profit attributable to equity holders of the Company for the six months ended 31 December 2020 (the “**Period**”) is expected to increase not less than 60% as compared to the six months ended 31 December 2019 (the “**Corresponding Period**”), due to stable growth of the sales revenue and increase in gross profit margin.

The profit attributable to equity holders of the Company for the Corresponding Period was RMB2,406.3 million if the exchange losses on operating and financing activities net of tax amounted to RMB127.6 million were excluded.

As the Company is in the course of preparing its unaudited interim results for the Period, the information contained in this announcement is only a preliminary assessment by the Board based on the information currently available. The preliminary interim results of the Group for the Period as provided in this announcement have not been audited or reviewed by the Company's auditor or the audit committee of the Board, and will be subject to change and finalisation. The interim results announcement of the Group for the Period is expected to be published before the end of February 2021.

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

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

Hong Kong, 28 January 2021

As at the date of this announcement, the Executive Directors of the Company are Ms. Cheung Yan, Mr. Liu Ming Chung, Mr. Zhang Cheng Fei, Mr. Ken Liu, Mr. Lau Chun Shun, Mr. Zhang Lianpeng and Mr. Zhang Yuanfu and the Independent Non-Executive Directors are Ms. Tam Wai Chu, Maria, Mr. Ng Leung Sing, Mr. Lam Yiu Kin and Mr. Chen Kefu.

** For identification purposes only*