SAMSON PAPER HOLDINGS LIMITED

森信紙業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 731)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2022

The board of directors (the "**Board**") of Samson Paper Holdings Limited (the "**Company**") hereby announces the audited annual consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 March 2022, together with the comparative figures for the year ended 31 March 2021, as follows.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 HK$'000	2021 HK$'000 (Re-presented)
Continuing operations			
Revenue	3	**1,229,456**	549,988
Cost of sales		**(1,132,386)**	(604,714)
Gross profit/(loss)		**97,070**	(54,726)
Other gains and income, net		**14,958**	10,850
Selling expenses		**(2,185)**	(13,039)
Administrative expenses		**(109,848)**	(95,536)
Impairment losses of financial assets, net		**(1,067)**	(395,628)
Impairment losses of property, plant and equipment		—	(774,582)
Release/(recognition) of financial guarantee liabilities		**14,460**	(14,460)
Loss on deconsolidation of a subsidiary	11	—	(109,342)
Gain on re-consolidation of a deconsolidated subsidiary	12	**465,899**	—
Profit/(loss) from operations		**479,287**	(1,446,463)
Finance costs		**(7,516)**	(9,489)
Profit/(loss) before tax		**471,771**	(1,455,952)
Income tax credit	5	**720**	—
Profit/(loss) for the year from continuing operations	4	**472,491**	(1,455,952)
Discontinued operations	6		
Profit/(loss) for the year from discontinued operations		**2,086,411**	(2,568,637)
Profit/(loss) for the year		**2,558,902**	(4,024,589)

	Note	2022 *HK$'000*	2021 *HK$'000* (Re-presented)
Attributable to:			
Owners of the Company		**2,558,902**	(3,768,764)
Non-controlling interests		**—**	(255,825)
		2,558,902	(4,024,589)
Earnings/(loss) per share	7		
From continuing and discontinued operations			
Basic		**HK747.9 cents**	HK(3,302.8) cents
Diluted		**HK747.9 cents**	HK(3,302.8) cents
From continuing operations			
Basic		**HK138.1 cents**	HK(1,051.7) cents
Diluted		**HK138.1 cents**	HK(1,051.7) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 HK$'000	2021 HK$'000
Profit/(loss) for the year		**2,558,902**	(4,024,589)
Other comprehensive income, net of tax:			
Items that will not be reclassified to profit or loss:			
Changes in the fair value of financial assets at fair value through other comprehensive income ("FVTOCI")		**—**	131
		—	131
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		**138,675**	154,957
Exchange reserves reclassified to profit or loss on disposal and deconsolidation of subsidiaries		**(163,957)**	179,011
		(25,282)	333,968
Other comprehensive income for the year, net of tax		**(25,282)**	334,099
Total comprehensive income for the year		**2,533,620**	(3,690,490)
Attributable to:			
Owners of the Company		**2,533,620**	(3,438,308)
Non-controlling interests		**—**	(252,182)
		2,533,620	(3,690,490)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Note	2022 HK$'000	2021 HK$'000
Non-current assets			
Property, plant and equipment		**873,520**	124,115
Investment properties		—	17,321
Right-of-use assets		**222,550**	34,291
Other intangible assets		**187**	—
Financial assets at FVTOCI		—	1,831
Non-current deposits and prepayments	9	—	1,854
Deferred tax assets		—	5,399
		1,096,257	184,811
Current assets			
Properties under development		—	227,384
Inventories		**352,634**	11,023
Accounts and other receivables	9	**122,636**	452,482
Taxation recoverable		—	26,598
Bank and cash balances		**5,274**	195,066
		480,544	912,553
Total assets		**1,576,801**	1,097,364
Current liabilities			
Accounts and other payables	10	**334,563**	513,293
Contract liabilities		**37,035**	—
Taxation payable		—	12,565
Borrowings		**314,976**	404,121
Lease liabilities		—	3,728
Financial guarantee liabilities		—	2,284,136
Amounts due to related parties		**122,778**	—
Amount due to ultimate holding company		**179**	—
Provision		**19,732**	—
		829,263	3,217,843
Net current liabilities		**(348,719)**	(2,305,290)
Total assets less current liabilities		**747,538**	(2,120,479)

	Note	**2022** *HK$'000*	2021 *HK$'000*
Non-current liabilities			
Accounts and other payables	10	**212,410**	—
Lease liabilities		**—**	1,349
Borrowings		**—**	6,696
Amounts due to related parties		**4,246**	—
Deferred tax liabilities		**22,027**	49,670
		238,683	57,715
NET ASSETS/(LIABILITIES)		**508,855**	(2,178,194)
Equity			
Share capital		**70,730**	127,315
Reserves		**438,125**	(2,307,914)
		508,855	(2,180,599)
Non-controlling interests		**—**	2,405
TOTAL EQUITY/(CAPITAL DEFICIENCY)		**508,855**	(2,178,194)

Notes:

1. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). HKFRSs comprises Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards ("HKAS") and Interpretations. These consolidated financial statements also comply with applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are discussed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

Going Concern

As at 31 March 2022, the Group's current liabilities exceeded its current assets by HK$348,719,000. Current portion of the Group's borrowings amounted to approximately HK$314,976,000 including accrued interest borrowed from Shandong Bairun Pulp & Paper Co. Ltd ("Shandong Bairun"), which is under the common control of the shareholders of NCD Investment Holding Limited ("NCD"). These conditions indicate that material uncertainties exist which may cast significant doubt on the Group's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Group's ability to continue as a going concern largely depends on the sufficiency of financial resources available to the Group. The Board are of the view that the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the next twelve months from 31 March 2022, based on the following considerations:

- The Group is expected to remain profitable and continue to generate operating cash inflows from its future business operations;

- In November 2021, a letter of intent was entered into between Universal Pulp and Paper (Shandong) Co. Ltd ("UPPSD") and a reputable commercial bank (which is dual listed on both the Main Board of HKEx and the Shanghai Stock Exchange) for a financing plan for the facilities amounted to RMB300,000,000. According to the latest negotiation with the commercial bank, the Board expect that the agreement and related documentations for the first installment of financing plan in the amount of RMB100,000,000 will be executed and delivered on or before 30 September 2022; and

- An undertaking has been provided by the NCD, the ultimate parent, that NCD will first procure Bairun to extend the term of the loan of approximately HK$308,313,000, if deemed insufficient, NCD will provide further loans required for the operation of UPPSD until bank financing becomes available. On 20 June 2022, UPPSD has entered into an extension agreement with Bairun to extend the amounts due to related parties of approximately HK$91,863,000 for 1 year. To conclude, the ultimate parent, together with its subsidiaries, has granted extension of its short term facilities in an aggregate amount of approximately HK$400,176,000;

In view of the above, the Board are confident that there will be sufficient financial resources available to the Group to enable it to continue as a going concern and hence have prepared the consolidated financial statements on a going concern basis. Should the Group be unable to continue as going concern, adjustments would have to be made to write down the carrying value of the assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify non-current assets and liabilities as current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

Listing status of the Company

By way of letters dated 21 July 2020, 26 November 2020 and 11 June 2021, the Stock Exchange imposed the following resumption guidance (the "Resumption Guidance") for the Company:

1. Address all audit issues raised by the Former Auditors (the "Audit Issues");

2. Conduct an appropriate independent investigation into the Audit Issues, announce the findings and take appropriate remedial actions;

3. Publish all outstanding financial results required under the Listing Rules and address any audit modifications;

4. Have the winding-up petition (or winding-up order, if made) against the Company withdrawn or dismissed;

5. Announce all material information for the Company's shareholders and investors to appraise the Company's position;

6. Demonstrate its compliance with Rule 13.24 of the Listing Rules;

7. Conduct an independent internal control review and demonstrate adequate internal control systems being put in place to meet the obligations under the Listing Rules; and

8. Re-comply with Rules 3.05, 3.10(1), 3.21 and 3.25 of the Listing Rules.

For details, please refer to the announcements made by the Company dated 23 July 2020, 27 November 2020, 18 June 2021 and 25 January 2022.

Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Company, the 18-month period expires on 1 January 2022 (the "Delisting Deadline"). If the Company fails to remedy the issue(s) causing its trading suspension, fully comply with the Listing Rules to the Stock Exchange's satisfaction and resume trading in its shares by 1 January 2022, the Listing Division will recommend the Listing Committee to proceed with the cancellation of the Company's listing. Under Rules 6.01 and 6.10 of the Listing Rules, the Stock Exchange also has the right to impose a shorter specific remedial period, where appropriate.

The Group has fulfilled the Resumption Guidance imposed by the Stock Exchange on 26 January 2022. Trading in the Shares on the Stock Exchange has resumed on the same date.

For details, please refer to the announcement made by the Company dated 26 January 2022.

Restructuring of the Group

On 13 April 2021, the Company, the Lai Kar Yan (Derek) and Ho Kwok Leung (Glen), both of Deloitte Touche Tohmatsu, and Rachelle Ann Frisby of Deloitte Ltd. (collectively, the "JPLs"), Xiamen C&D Paper & Pulp Co., Ltd.* ("Xiamen C&D Paper") and Zhejiang Xinshengda Holding Group Co., Ltd.* ("Zhejiang Xinshengda") entered into the term sheet in relation to the proposed restructuring of the Group ("Term Sheet"). For details, please refer to the announcement made by the Company dated 13 April 2021.

On 30 July 2021, the Company, the JPLs, Xiamen C&D Paper, Zhejiang Xinshengda, NCD (the "Investor") (a company incorporated in the British Virgin Islands owned by Xiamen C&D Paper as to 55% and Zhejiang Xinshengda as to 45%) and Shandong Bairun (background of which is set out in the paragraphs under the section headed "UPPSD Bankruptcy Reorganisation" below) entered into a restructuring agreement (as amended by a supplemental restructuring agreement dated 22 November 2021) (the "Restructuring Agreement") in relation to the restructuring of the Group (the "Proposed Restructuring") involving, inter alia, (i) the Capital Reorganisation; (ii) the Subscription; (iii) the Group Reorganisation; (iv) the Placement; (v) the ListCo Scheme; (vi) the UPPSD Bankruptcy Reorganisation; and (vii) the Resumption.

Details of the Restructuring Agreement has been announced in an announcement dated 22 November 2021.

1. Capital Reorganisation

The Board proposes to implement, subject to the approval by the shareholders, the capital reorganisation (the "Capital Reorganisation"), which comprises of:

a. the reduction of the issued capital of the Company by cancelling the paid up capital to the extent of HK$0.095 on each of the issued ordinary shares in the issued capital of the Company before the Capital Reorganisation becoming effective (the "Existing Shares") such that the par value of each of the Existing Shares shall be reduced from HK$0.10 to HK$0.005 (the "Capital Reduction");

b. the cancellation of the authorised but unissued ordinary share capital of the Company in its entirety upon the Capital Reduction becoming effective (the "Authorised Share Capital Diminution");

c. the cancellation of entire amount standing to the credit of the share premium account of the Company (the "Share Premium Cancellation") of approximately HK$161,000,000, being the aggregate amount subscribed for the Existing Shares in excess of such Existing Shares' par value at that time, and credit the amount cancelled to the contributed surplus reserve account of the Company;

d. the consolidation of every ten issued and unissued shares of HK$0.005 each into one new ordinary share of the Company of HK$0.05 (the "New Share") upon the Capital Reduction, the Authorised Share Capital Diminution and the Share Premium Cancellation becoming effective (the "Share Consolidation"); and

e. the increase in authorised share capital — upon the Capital Reduction, the Authorised Share Capital Diminution, the Share Premium Cancellation and the Share Consolidation becoming effective, the Company's authorised ordinary share capital will be increased from approximately HK$5,710,000 divided into 114,107,582 New Shares of HK$0.05 each to HK$100,000,000 divided into 2,000,000,000 New Shares of HK$0.05 each.

2. *Subscription*

The Company shall issue and allot, and the Investor shall subscribe for 990,220,583 New Shares (the "Subscription Shares"), representing 70% of the enlarged ordinary share capital of the Company upon the completion of the Capital Reorganisation and the issue and allotment of the Subscription Shares, Creditors' Shares (as defined below) and Placement Shares (as defined below) and assuming all issued preference shares of the Company have been converted into ordinary shares of the Company, at the subscription price of HK$0.121056 per shares (the "Subscription Price") for a total consideration of HK$119,872,142 (the "Subscription Proceeds"). The Subscription Proceeds shall be used for settling the costs and expenses for implementing the Proposed Restructuring and discharging debts of the Company under the ListCo Scheme.

3. *Group Reorganisation*

Pursuant to the Restructuring Agreement, the group reorganisation (the "Group Reorganisation") shall involve:

a. the incorporation of Greater Paper Development Limited ("SPV1"), a company incorporated in Hong Kong with limited liability, owned as to 100% by the Company;

b. the incorporation of Greater Paper (Shenzhen) Paper Limited ("SPV2"), a company incorporated in the People's Republic of China (the "PRC") with limited liability and owned as to 100% by SPV1;

c. SPV2 becoming the sole registered shareholder of UPPSD through the UPPSD Bankruptcy Reorganisation;

d. upon the completion of all the transactions under the Restructuring Agreement (the "Closing"), to effectuate the transfer of the subsidiaries of the Group other than SPV1, SPV2 and UPPSD (the "Excluded Subsidiaries") to the SchemeCo (as defined below) for the benefit of the Scheme Creditors (as defined below) pursuant to the terms of the ListCo Scheme by transferring the entire equity interests of Samson Paper (BVI) Ltd (being the holding company of the Excluded Subsidiaries and a directly wholly-owned subsidiary of the Company) held by the Company to the SchemeCo at a nominal consideration of HK$1.0. The Retained Group shall comprise of the Company, SPV1, SPV2 and UPPSD and will be principally engaged in manufacturing of paper product;

e. provision of a loan not less than RMB80,000,000 by Shandong Bairun to SPV2 which will be used in the daily business operations of UPPSD (which forms part of the loan of not less than RMB250,000,000 to be provided by Shandong Bairun to SPV2 under the UPPSD Bankruptcy Reorganisation, the remaining RMB170,000,000 of which will be used for the first instalment payment under the UPPSD Bankruptcy Reorganisation plan);

f. the completion of the implementation of the UPPSD Bankruptcy Reorganisation plan; and

g. the above-mentioned loan would be secured by charge over the shares of SPV1, SPV2 and UPPSD and the appropriate assets of UPPSD created in favour the Investor or Shandong Bairun (as the case may be) by way of a first priority fixed charge, which shall be discharged upon the completion of the Group Reorganisation.

4. Placement

Pursuant to the Restructuring Agreement, the Company shall enter into a placing agreement with the Investor and a placing agent (the "Placing Agent for Placement"), pursuant to which the Placing Agent for Placement undertakes to place, on a fully underwritten basis, 56,584,032 placement shares (the "Placement Shares") to no less than six placees at HK$0.121056 per Placement Share (the "Placement").

The gross proceeds from the Placement will be approximately HK$6,849,837, and shall be used for discharging debts of the Company under the ListCo Scheme.

5. ListCo Scheme

The Company shall restructure its indebtedness by ListCo Scheme under Hong Kong Law involving:

a. upon the ListCo Scheme become effective, the scheme administrators shall incorporate a special purpose vehicle (the "SchemeCo") to hold and realise assets of the SchemeCo for distribution to the creditors of the Company with unsecured claims admitted by the scheme administrators in accordance with the terms of the ListCo Scheme (the "Scheme Creditors") and settle the costs and expenses arising from the implementation of the ListCo Scheme in accordance with the terms of the ListCo Scheme;

b. all the claims against the Company shall be fully and finally discharged under ListCo Scheme by way of the SchemeCo accepting and assuming an equivalent liability in place of the Company in respect of the claims of the creditors of the Company. In return, the Scheme Creditors will be entitled to receive dividends from the realization of the assets of the SchemeCo pursuant to the ListCo Scheme in full and final settlement of their claims against the SchemeCo;

c. the assets of the SchemeCo to be realised for the benefit of the Scheme Creditors shall include:

    (i) the remaining balance of the gross Subscription Proceeds of approximately HK$119,872,142 after deducting the costs of implementing the Proposed Restructuring;

    (ii) 240,482,142 New Shares to be issued and allotted by the Company to the SchemeCo (the "Creditors' Shares") for the benefit of the Scheme Creditors, representing approximately 17% of the issued ordinary share capital of the Company after the completion of the Capital Reorganisation and as enlarged by the issue and allotment of the Subscription Shares, Placement Shares and Creditors' Shares and assuming all preference shares have been converted, subject to the right to dispose the Creditors' Shares as detailed in paragraph (viii) below;

    (iii) gross proceeds from the Placement of approximately HK$6,849,837;

(iv) the shares and/other assets of the Excluded Subsidiaries;

(v) the inter-company account receivables due from the Excluded Subsidiaries to the Retained Group in the amount of approximately HK$300 million;

(vi) the cash, bank deposits and account receivables of the Company as at the effective date of the ListCo Scheme (apart from the account receivables due from the Retained Group);

(vii) all claims or litigations and all potential claims or litigation rights against third parties raised by the Retained Group (to the extent transferrable under the applicable law and approved by the relevant party);

(viii) a right to the SchemeCo exercisable by the scheme administrators in their absolute discretion (for the benefit of the Scheme Creditors other than the Scheme Creditors who elected to hold the Creditors' Shares in their own names or through CCASS) to dispose the Creditors' Shares on behalf of the relevant Scheme Creditors, either (i) in the open market at the market price; or (ii) instructing a placing agent (the "Placing Agent for Placing Out") at one or more times during the 12 months from the Closing to place such number of the Creditors' Shares to independent placees at price(s) procured by the Placing Agent for Placing Out on a best effort basis (the "Placing Price for Placing Out") and, given the guarantee by the Investor (the "Price Protection") to pay the shortfall between the Placing Price for Placing Out and the issue price of the Creditors' Shares (i.e. HK$0.121056 per Share) should the Placing Price for Placing Out be lower than the issue price of the Creditors' Shares, to realise such Creditors' Shares at a price not less than the issue price of the Creditors' Shares, thereby offering a certain minimum realization from the Creditors' Shares in exchange for the relevant Scheme Creditors releasing their admitted claims against the Company.

On 30 September 2021, the Company held a meeting of the creditors of the Company (the "Scheme Meeting") pursuant to the order dated 1 September 2021 granted by the Hong Kong Court. The resolution to approve the ListCo Scheme was duly passed. Subsequently, the ListCo Scheme was sanctioned by the Hong Kong Court on 28 October 2021.

6. *UPPSD Bankruptcy Reorganisation*

Upon completion of the Proposed Restructuring, the Retained Group shall continue to be engaged in paper manufacturing business conducted through UPPSD.

As set out in the Company's announcement dated 22 November 2021, due to the then liquidity shortage of the Group and the eventual suspension of production of UPPSD in late September 2020, in order to provide and ring-fence working capital to resume UPPSD's operation so as to preserve its operational value, UPPSD, Xiamen C&D Paper and Shandong Herun Holding Group Co., Ltd.* ("Shandong Herun") (a PRC company wholly owned by Mr. Li Shengfeng, the majority ultimate beneficial owner of Zhejiang Xinshengda) entered into the an agreement dated 24 October 2020 (the "Entrusted Operation Agreement"), pursuant to which, Xiamen C&D Paper and Shandong Herun formed their joint venture Shandong Bairun (owned by Xiamen C&D Paper as to 55% and owned by Shandong Herun as at 45%) in November 2020 to operate the paper manufacturing facility of UPPSD (the "Entrusted Assets") on an entrusted basis (the "Entrusted Operation").

The resumption of manufacturing operations of UPPSD was funded by Shandong Bairun on the bases that UPPSD was paid/reimbursed the costs of its staff and Shandong Bairun would pay all operating expenses (including raw material and maintenance costs). Shandong Bairun would not, however, bear liabilities (trade or otherwise) that arose prior to the commencement of the Entrusted Operation. Shandong Bairun would not be entitled to any increase in value of the Entrusted Assets and the operations of UPPSD. Also, Shandong Bairun would not bear any risk of deterioration in value of the Entrusted Assets and risks of seizure of the Entrusted Assets (e.g. Shandong Bairun could terminate the Entrusted Operation Agreement if major assets of UPPSD were under bankruptcy proceedings or enforcement action such that it became impractical for Xiamen C&D Paper, Shandong Herun and Shandong Bairun to continue production in accordance to the terms of the Entrusted Operation Agreement).

The Company/UPPSD also retained control over UPPSD/the Entrusted Assets, including but not limited to selling assets of and/or interests in UPPSD and rights to reject any proposed addition/upgrade to the Entrusted Assets.

In view of the above, the Company is of the view that there is no impact on the accounting treatment of UPPSD in the Company's consolidated financial statements after entering into the Entrusted Operation Agreement.

On 23 December 2020, UPPSD received the notice from the People's Court of Xuecheng District, Zaozhuang City, Shandong Province (the "Shandong Court"), informing that a creditor of UPPSD had filed a bankruptcy application against UPPSD (the "UPPSD Bankruptcy Application"). Despite the objection filed by UPPSD to the Shandong Court, UPPSD received a civil judgement issued by the Shandong Court, advising that the UPPSD Bankruptcy Application was accepted and that a bankruptcy administrator (the "UPPSD Bankruptcy Administrator") was appointed on 30 December 2020. UPPSD Bankruptcy Administrator had taken custody of UPPSD's assets and company seal in accordance to the relevant rules and regulations. Accordingly, the Company lost control over UPPSD and financial results and position of UPPSD were deconsolidated from the Group with effect from 31 December 2020 in accordance with the requirements of HKFRS 10 Consolidated Financial Statements.

Following the execution of the Term Sheet, UPPSD submitted an application to the Shandong Court and the UPPSD Bankruptcy Administrator to seek for a conversion of the bankruptcy proceedings of UPPSD into a bankruptcy reorganisation, which was approved by the Shandong Court with effect from 20 April 2021.

On 29 July 2021, the UPPSD Bankruptcy Administrator convened the second meeting of creditors of UPPSD for the purpose of considering and approving the UPPSD Bankruptcy Reorganisation plan as summarised below:

a. UPPSD shall become a wholly-owned subsidiary of the Company (through SPV1 and SPV2) through the UPPSD Bankruptcy Reorganisation;

b. settlement of four creditors' priority claims with an aggregate amount of RMB4,960,533.58 in one lump sum payment by cash in priority to other creditors with unsecured claims, with their unsecured claims totalling RMB1,084,101,760.80 settled in the method as provided in (d), (e) and (f) below;

c. settlement of two creditors' verified tax claims with an aggregate amount of RMB48,333,787.65 in one lump sum payment by cash;

d. settlement of each creditor's unsecured claims with principal amount of RMB200,000 (inclusive) or below in full by way of cash;

e. for each creditor's unsecured claims with principal amount exceeding RMB200,000, settlement will be completed within four (4) years in five (5) instalments of 20% every year. The first instalment payment shall be made to repay creditor's unsecured claim of principal amount below RMB200,000 (inclusive) and 20% of the principal amount in excess of RMB200,000. The four subsequent instalments of 20% of the principal amount in excess of RMB200,000 shall be paid on or before the first, second, third and fourth anniversary date of the first instalment payment. Remaining debts shall not bear any interest for the period of settlement in instalments;

f. the settlement of the inter-company debts due by UPPSD to the Excluded Subsidiaries in the total sum of RMB741,989,908.38 as recognised by the UPPSD Bankruptcy Administrator in one lump sum payment of RMB50,000,000;

g. upon the completion of UPPSD Bankruptcy Reorganisation, UPPSD shall forfeit its all accounts receivables, prepayments and other receivables due by the Group to UPPSD, which amounted to RMB156,943,268.36 based on the liquidation audit on UPPSD commissioned by the UPPSD Bankruptcy Administrator; and

h. termination of the Entrusted Operation Agreement.

The UPPSD Bankruptcy Reorganisation was approved by its creditors and the Shandong Court on 29 July 2021 and 31 July 2021 respectively and the UPPSD Bankruptcy Administrator was discharged with effect from 1 August 2021. The Entrusted Operation Agreement has also been terminated with effect from 1 August 2021 and UPPSD resumed its self-operation. Financial results and position of UPPSD were consolidated into those of the Group in accordance with the requirements of HKFRS 10 Consolidated Financial Statements with effect from 1 August 2021.

On 11 October 2021, following the first instalment payment by UPPSD in accordance to the UPPSD Bankruptcy Reorganisation plan, the Shandong Court handed down a judgment confirming that the UPPSD Bankruptcy Reorganisation has been successfully implemented and ordered the termination of the UPPSD's bankruptcy reorganisation proceedings.

7. Resumption

To satisfy the Resumption Guidance as imposed by the Stock Exchange before the Delisting Deadline, the details of which are set out in the preceding paragraph.

The Restructuring has been completed upon taking effect of the Listco Scheme and the withdrawal of the Petition. Completion of the Capital Reorganisation, the Subscription, the Group Reorganisation, the Placement, and the taking effect of the Listco Scheme all took place on 26 January 2022. Accordingly, on 26 January 2022, the Company simultaneously issued to (i) the Investor the Subscription Shares, (ii) the Placees the Placement Shares; and (iii) the SchemeCo the Creditors' Shares.

For details, please refer to the announcement made by the Company dated 26 January 2022.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2022. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary; (ii) the carrying amount of any non-controlling interest; and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received; (ii) the fair value of any investment retained; and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

During the year ended 31 March 2021 and year ended 31 March 2022, the Group had deconsolidated certain subsidiaries as set out below.

Paper trading segment

The Group's paper trading business was primarily carried out by Samson Paper Company Limited ("SMHK") (an indirectly wholly-owned subsidiary of the Company incorporated in Hong Kong) and its subsidiaries; Samson Paper (China) Company Limited ("SMC") (an indirectly wholly-owned subsidiary of the Company incorporated in the Hong Kong) and its subsidiaries in the PRC (the "PRC Paper Trading Subsidiaries") and indirectly wholly-owned subsidiaries of the Company incorporated in the South East Asia (e.g. Malaysia).

The paper trading business of the Group was most severely and immediately impacted by the withdrawal of banking facilities and acceleration of repayment obligations by certain creditors of the Group as a result of the suspension of trading in shares of the Company with effect from 2 July 2020, in particular, it was unable to make new purchases for maintaining normal trading operations. Some employees of the paper trading segment left the Group in light of the disruptions and uncertainty surrounding the Group's operation. The Board and the JPLs decided to wind down or dispose the paper trading business in view of its substantial working capital requirement and the Group's then liquidity position and its vulnerability against business interruption.

SMHK was the principal borrower of the Group with most of its indebtedness being guaranteed by the Company. Some of the SMHK's creditors had issued proceedings in the Hong Kong court against SMHK. On 10 August 2020, SMHK received a demand letter from a supplier demanding an immediate payment of approximately US$355,000 and HK$623,586,000.

With a view to protecting interests of all unsecured creditors of SMHK and to maintain the prospect of a holistic approach to the restructuring of the Company's indebtedness, the sole shareholder of SMHK passed a special resolution on 14 August 2020 to put SMHK into creditors' voluntary liquidation because it could not, by reason of its liabilities, continue in business. Messrs. Lai Kar Yan (Derek) and Ho Kwok Leung, Glen of Deloitte Touche Tohmatsu were appointed as the joint and several liquidators of SMHK (the "SMHK Liquidators") and their appointment was subsequently confirmed at a creditors' meeting on 25 August 2020. Upon the commencement of its liquidation, SMHK laid off all remaining employees with immediate effect but re-employed a small number of sales personnel on a short-term basis to facilitate the collection of accounts receivable.

Similarly, The PRC Paper Trading Subsidiaries had been wound down since September 2020. Most staff were made redundant and a limited number of staff were re-employed on a short-term basis to assist with the winding down. Following the cessation of business of the PRC Paper Trading Subsidiaries, SMC was put into creditors' voluntary liquidation on 30 June 2021. Messrs. Lai Kar Yan (Derek), Ho Kwok Leung, Glen and Kam Chung Hang (Forrest) of Deloitte Touche Tohmatsu were appointed as the joint and several liquidators of SMC (the "SMC Liquidators") and their appointment was confirmed at a creditors' meeting on 9 July 2021.

Upon appointment of the SMHK Liquidators and the SMC Liquidators, the Group lost control over SMHK and SMC. SMHK and its subsidiaries (the "Deconsolidated Group A") and SMC and its subsidiaries (the "De-consolidated Group B") were therefore deconsolidated from the consolidated financial statements of the Group with effect from 15 August 2020 and 1 July 2021 respectively in accordance with the requirements of HKFRS 10 Consolidation Financial Statements.

The SMHK Liquidators, SMC Liquidators and the Board had taken all reasonable steps to preserve and maintain the books and records of the De-consolidated Group A and De-consolidated Group B respectively that were left behind by the former management and accounting departments of the De-consolidated Group A and De-consolidated Group B, including but not limited to management accounts, ledgers and sub-ledgers account, vouchers, bank statements, agreements and documentation (collectively referred to as the "Basic Records"). However, despite the SMHK Liquidators, the SMC Liquidators and the Board used their best endeavours to locate (i) certain supporting documents, such as invoices, receipts and purchaser orders, regarding certain business transactions; (ii) detailed explanations on the journal entries (collectively referred to as the "Specific Records"), they were unable to access the Specific Records as a result of the resignation or redundancy of the relevant senior management and accounting staff. The Company was unable to determine whether these Specific Records were absent in the first place or they were updated due to the departure of the former management and the accounting staff.

Apart from those in De-consolidated Group A and De-consolidated Group B, certain subsidiaries of the Company were disposed during the year ended 31 March 2021. The books and records of these subsidiaries available to the Group at the material time which were retained by the Group upon the disposal were not found to be of a sufficient level for audit purposes. Despite the Board have taken all reasonable steps and have used their best endeavours to resolve the matter, including but not limited to repeated verbal and written requests to the disposed subsidiaries, the Company has been unable to access to the complete set of books and records of these subsidiaries and detailed explanations on the accounting records and is unable to determine whether the records retained by the Group upon disposal was updated.

Other than the subsidiaries mentioned above, certain subsidiaries have been deregistered during the years ended 31 March 2021 or 31 March 2022 and transferred to the SchemeCo upon the completion of the Group Restructuring during the year ended 31 March 2022 following staff redundancy and the cessation of business, the books and records of these subsidiaries available to the Group at the material time which were retained by the Group were not found to be of a sufficient level for audit purposes.

Set out below the financial results for the years ended 31 March 2022 and 2021 and financial positions of paper trading segment of the Group:

Statement of profit or loss

	2022	2021
	HK$'000	*HK$'000*
Revenue	**23**	1,675,344
Cost of sales	**(438)**	(1,661,332)
Gross (loss)/profit	**(415)**	14,012
Other gains and income, net	**1,548**	15,840
Selling expenses	**(524)**	(104,822)
Administrative expenses	**(12,586)**	(136,505)
Impairment losses of financial assets	**(116,644)**	(872,088)
Recognition of financial guarantee liabilities	**—**	(2,269,676)
Other operating expenses	**(34,984)**	(34,825)
Loss from operations	**(163,605)**	(3,388,064)
Finance costs	**(94)**	(27,927)
Loss before tax	**(163,699)**	(3,415,991)
Income tax credit/(expense)	**1**	(3,222)
Loss for the year	**(163,698)**	(3,419,213)
Gain on deconsolidation/disposal/deregistration of subsidiaries	**1,974,290**	1,661,755
Profit/(loss) for the year	**1,810,592**	(1,757,458)

Statement of financial position

	As at 31 March 2021 *HK$'000*
Non-current assets	
Property, plant and equipment	97,767
Right-of-use assets	16,527
Non-current deposits and prepayments	1,854
Deferred tax assets	5,397
	121,545
Current assets	
Inventories	7,388
Accounts and other receivables	331,787
Taxation recoverable	26,552
Bank and cash balances	186,237
	551,964
Total assets	673,509
Current liabilities	
Accounts and other payables	493,462
Taxation payable	12,560
Borrowings	1,275
Lease liabilities	3,571
	510,868
Net current assets	41,096
Total assets less current liabilities	162,641
Non-current liabilities	
Lease liabilities	1,286
Borrowings	6,696
Deferred tax liabilities	18,367
	26,349
NET ASSETS	136,292

Property development and investment ("PID") segment

The Group was also engaged in the PID business including (i) the development of Nantong Business Park through subsidiaries of Seng Jin Group Limited ("SJ Limited"), namely SJ (China) Company Limited ("SJ (China)") and Jordan Property (Nantong) Co Ltd ("Jordan Nantong"); (ii) investment in warehouses and offices in the PRC for rental income through certain PRC subsidiaries of SJ Limited.

Following the financial turmoil experienced by the Group in July 2020, SJ (China) has had limited access to working capital from the Group and defaulted payments to its creditors. Creditors have since taken action to freeze land and buildings owned by SJ (China) in Nantong Business Park, causing suspension in construction and certain phases of the development to be suspended from sale. There was increasing pressure from the local government on SJ (China) to resume construction. Certain management of the Group overseeing the operations of SJ (China) have departed the Group. The local management and staff were distressed by the disruptions to SJ (China)'s operation and uncertainties over its prospect and appealed to the Group to resolve the indebtedness of SJ (China) and maintain job stability.

On 16 September 2021, the shareholder of SJ Limited passed a qualifying resolution to wind up SJ Limited by way of an insolvent liquidation. Messrs. Lai Kar Yan (Derek) and Kam Chung Hang (Forrest) of Deloitte Touche Tohmatsu and Mr. Ryan Jarvis of Deloitte Ltd. were appointed as the joint and several liquidators of SJ Limited (the "Seng Jin Liquidators").

Upon appointment of the Seng Jin Liquidators, the Group lost control over SJ Limited (including SJ (China) and Jordon Nantong). Financial results and positions of SJ Limited and its subsidiaries (the "De-consolidated Group C") were therefore deconsolidated from the Group with effect from 17 September 2021 in accordance with the requirements of HKFRS 10 Consolidated Financial Statements.

The Company had maintained limited books and records of the De-consolidated Group C. Despite the repeated requests from the Company and its auditors during the course of the audit of the Group's consolidated financial statements for the year ended 31 March 2021 and up to the date of deconsolidation, the local management and the staff of the De-consolidated Group C, in view of the disruptions surrounding the operations of SJ (China), did not provide sufficient supporting documents and detailed explanations for the accounting entries to the auditors of the Company. The Seng Jin Liquidators and the Board consider that it was impracticable to provide the complete accounting records of the De-consolidated Group C given (i) the supporting documents were kept in the local PRC office where the remaining staff and management were not supportive in view of the crisis of the Group and SJ (China); (ii) the Seng Jin Liquidators and the Board were unable to determine whether those records were being updated in the first place; and (iii) the Seng Jin Liquidators and the Board had no other access to such records despite the fact that the Seng Jin Liquidators and Board have taken all reasonable steps and have used their best endeavor to access such records.

Other than the De-consolidated Group C, SMHK and one of its subsidiaries were also engaged in the PID business during the year ended 31 March 2021. Due to the reasons set out above in the paper trading segment, the Company was unable to access to the Specific Records of SMHK and its subsidiary in relation to the PID business.

Set out below the financial results for the years ended 31 March 2022 and 2021 and financial positions of the PID segment of the Group:

Statement of profit or loss

	2022	2021
	HK$'000	*HK$'000*
Revenue	**1,634**	16,078
Cost of sales	**(1,180)**	(3,870)
Gross profit	**454**	12,208
Fair value losses on investment properties	**—**	(17,300)
Other gains and income, net	**520**	1,436
Selling expenses	**(205)**	(233)
Administrative expenses	**(1,874)**	(3,975)
Other operating expenses, net	**—**	(12,020)
Loss from operations	**(1,105)**	(19,884)
Finance costs	**—**	—
Loss before tax	**(1,105)**	(19,884)
Income tax expense	**—**	—
Loss for the year	**(1,105)**	(19,884)
Loss on deconsolidation of subsidiaries	**(64,902)**	(788,914)
Loss for the year	**(66,007)**	(808,798)

Statement of financial position

	As at 31 March 2021 *HK$'000*
Non-current assets	
Property, plant and equipment	26,328
Investment properties	17,321
Right-of-use assets	16,208
	59,857
Current assets	
Properties under development	227,384
Accounts and other receivables	2,192
Bank and cash balances	5,241
	234,817
Total assets	294,674
Current liabilities	
Accounts and other payables	1,186
Net current assets	233,631
Total assets less current liabilities	293,488
Non-current liabilities	
Deferred tax liabilities	8,208
NET ASSETS	285,280

Others segment

Following the Suspension and the defaults of the Group, there was limited working capital available to fund the overheads of other business. In the circumstances, the Group disposed its marine vessels repair business in Singapore which was carried out by Hypex International Pte Ltd ("Hypex International") and its subsidiaries (the "De-Consolidated Group D") in September 2020.

The books and records of the De-consolidated Group D available to the Group at the material time which were retained by the Group were not found to be of a sufficient level for audit purposes. Despite the directors have taken all reasonable steps and have used their best endeavours to resolve the matter, including repeated requests to Hypex International, the Company has been unable to access to the complete set of books and records of these subsidiaries and is unable to determine whether the records retained by the Group upon disposal was updated and complete.

Other than Hypex International, certain subsidiaries were disposed or deregistered during the year ended 31 March 2021 or 31 March 2022 and were transferred to the SchemeCo upon the completion of the Group Restructuring during the year ended 31 March 2022. Due to the resignation of the former management and majority of the accounting staff, the Company was unable to determine whether these Specific Records of these subsidiaries were absent in the first place nor was it able to access the Specific Records of these subsidiaries for audit purposes.

Certain other subsidiaries which form past of the others segment were held under De-consolidated Group A and De-consolidated Group B. Due to the reasons set out above in the paper trading segment, the Company was unable to obtain access to the Specific Records at these subsidiaries in the others segment.

Set out below the financial results for the years ended 31 March 2022 and 2021 and financial positions of others segment of the Group:

Statement of profit or loss

	2022	2021
	HK$'000	*HK$'000*
Revenue	**1,789**	22,054
Cost of sales	**(1,668)**	(21,356)
Gross profit	**121**	698
Other gains and income, net	**1,026**	2,613
Selling expenses	**(569)**	(4,602)
Administrative expenses	**(9,973)**	(28,286)
Reversal of impairment losses/(impairment losses) of financial assets	**32**	(12,740)
Other operating (expenses)/income, net	**(25,509)**	129,130
(Loss)/profit from operations	**(34,872)**	86,813
Finance costs	**—**	(2,297)
(Loss)/profit before tax	**(34,872)**	84,516
Income tax expense	**(9)**	(22)
(Loss)/profit for the year	**(34,881)**	84,494
Gain/(loss) on deconsolidation/deregistration of subsidiaries	**376,707**	(86,875)
Profit/(loss) for the year	**341,826**	(2,381)

Statement of financial position

	As at 31 March 2021 *HK$'000*
Non-current assets	
Property, plant and equipment	20
Right-of-use assets	1,556
Financial assets at FVTOCI	1,831
Deferred tax assets	2
	3,409
Current assets	
Inventories	3,635
Accounts and other receivables	118,415
Taxation recoverable	14
Bank and cash balances	3,487
	125,551
Total assets	128,960
Current liabilities	
Accounts and other payables	10,348
Taxation payable	5
Borrowings	402,846
Lease liabilities	157
	413,356
Net current liabilities	(287,805)
Total assets less current liabilities	(284,396)
Non-current liabilities	
Lease liabilities	63
Deferred tax liabilities	23,095
	23,158
NET LIABILITIES	(307,554)

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

(a) Application of new and revised HKFRSs

The Group has applied the Amendments to Reference to the Conceptual Framework in HKFRS Standards and the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2021 for the preparation of the consolidated financial statements:

Amendments to HKFRS 9, HKAS 39 and HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform — Phrase 2

Except as described below, the application of the Amendments to References to the Conceptual Framework in HKFRS Standards and the amendments to HKFRSs in the current year had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16, Interest Rate Benchmark Reform — Phrase 2

The amendments provide targeted reliefs from (i) accounting for changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities as modifications, and (ii) discontinuing hedge accounting when an interest rate benchmark is replaced by an alternative benchmark rate as a result of the reform of interbank offered rates ("IBOR reform").

The application of the amendments had no significant impact on the consolidated financial statements.

(b) New and revised HKFRSs in issue but not yet effective

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 April 2021. These new and revised HKFRSs include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 3 Business Combination — Reference to the Conceptual Framework	1 January 2022
Amendments to HKAS 16 Property Plant and Equipment — Proceeds before Intended Use	1 January 2022
Annual Improvements to HKFRSs 2018–2020 Cycle	1 January 2022
Amendments to HKAS 1 Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to HKAS 1 Presentation of Financial Statements and HKFRS Practice Statement 2 Making Materiality Judgements — Disclosure of Accounting Policies	1 January 2023
Amendments to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors — Definition of Accounting Estimates	1 January 2023
Amendments to HKAS 12 Income Taxes — Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	1 January 2023

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

3. SEGMENT INFORMATION

The chief operating decision-makers have been identified as the executive directors of the Company. The executive directors review the Group's financial information mainly from business nature and geographical perspectives. From a perspective on business nature, the Group has a single reportable segment, namely paper manufacturing and selling segment. From a geographical perspective, management mainly assesses the performance of operations in the People's Republic of China (the "PRC").

The Group has carried on a single business under continuing operations, which is manufacturing and selling of paper products. Accordingly there is only one single reportable segment of the Group which is regularly reviewed by the executive directors.

Three operations (paper trading, property development and investment and others) were discontinued in the current year. The segment information reported does not include any amounts of these discontinued operations, which are described in more detail in note 6.

Geographical information:

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

	Revenue		**Non-current assets**	
	2022	2021	**2022**	2021
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**—**	—	**—**	8,160
The PRC *(note)*	**1,229,456**	549,988	**1,096,257**	169,099
Singapore	**—**	—	**—**	20
Korea	**—**	—	**—**	302
Consolidated total	**1,229,456**	549,988	**1,096,257**	177,581

Note: The PRC, for the presentation purpose in these consolidated financial statements, excludes Hong Kong Special Administrative Region of the PRC, Macau Special Administrative Region of the PRC and Taiwan.

Revenue from major customers:

Revenue from customers contributing over 10% of the total revenue of the Group is as follows:

	2022	2021
	HK$'000	*HK$'000*
Continuing operations		
Customer A	**324,158**	—
Customer B	**N/A[1]**	69,571

[1] The corresponding revenue did not contribute over 10% of total revenue of the Group.

4. PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS

The Group's profit/(loss) for the year from continuing operations is stated after charging/(crediting) the following:

	2022	2021
	HK$'000	*HK$'000*
Amortisation of other intangible assets (included in administrative expenses)	**28**	41
Depreciation on property, plant and equipment	**40,026**	50,157
Depreciation on right-of-use assets	**5,448**	3,820
(Gains)/losses on disposal/write-off of property, plant and equipment	**(1,138)**	210
Cost of inventories sold *(note)*	**1,079,550**	601,595
Auditor's remuneration	**2,400**	1,750
Impairment losses on financial assets, net	**1,067**	395,628
Impairment losses on property, plant and equipment	**—**	774,528
(Reversal of impairment losses)/impairment losses on inventories	**(4,920)**	52,414

Notes: Cost of inventories sold includes depreciation of approximately HK$33,592,000 (2021: HK$47,989,000) which are included in the amounts disclosed separately.

5. INCOME TAX CREDIT

Income tax relating to continuing operations has been recognised in profit or loss as following:

	2022	2021
	HK$'000	*HK$'000*
Deferred tax	**720**	—
	720	—

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit for the year (2021: Nil).

The Group's PRC subsidiaries are subject to the PRC corporate income tax rate of 25% except as follows. UPPSD, a PRC subsidiary of the Group, was entitled to the preferential tax rate of 15% from years 2016 to 2018, being accredited as a High and New Technology Enterprise according to the PRC Corporate Income Tax Law and its relevant regulations. As UPPSD has renewed the qualification of High and New Technology Enterprise and approved on 28 November 2019 with an effective period of three years starting from 2019, and therefore the tax rate used to recognise deferred tax assets and liabilities as at 31 March 2022 was 15% (2021: 15%).

Pursuant to the rules and regulations of Bermuda, the Group is not subject to any income tax in Bermuda.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

6. DISCONTINUED OPERATIONS

With reference to note 1(3)(d), the Company transferred the Excluded subsidiaries to the SchemeCo for the Scheme Creditors (as defined below) pursuant to the terms of the ListCo Scheme by transferring the entire equity interests of Samson Paper (BVI) Ltd (being the holding company of the Excluded Subsidiaries and a directly wholly-owned subsidiary of the Company) held by the Company to the SchemeCo at a nominal consideration of HK$1.0. The taking effect of the Listco Scheme took place on 26 January 2022.

For details, please refer to the announcement made by the Company dated 26 January 2022.

(a) Discontinued operations from paper trading segment

	2022	2021
	HK$'000	*HK$'000*
Profit/(loss) for the year from discontinued operations:		
Revenue	**23**	1,675,344
Cost of sales	**(438)**	(1,661,332)
Other gains and income, net	**1,548**	15,840
Selling expenses	**(524)**	(104,822)
Administrative expenses	**(12,586)**	(136,505)
Impairment losses of financial assets, net	**(116,644)**	(872,088)
Recognition of financial guarantee liabilities	**—**	(2,269,676)
Other operating expenses	**(34,984)**	(34,825)
Finance costs	**(94)**	(27,927)
Loss before tax	**(163,699)**	(3,415,991)
Income tax credit/(expense)	**1**	(3,222)
Loss for the year	**(163,698)**	(3,419,213)
Gain on deconsolidation, disposal and deregistration of subsidiaries	**1,974,290**	1,661,755
Profit/(loss) for the year from discontinued operations (attributable to owners of the Company)	**1,810,592**	(1,757,458)

Profit/(loss) for the year from discontinued operations include the following:

	2022	2021
	HK$'000	*HK$'000*
Depreciation of property, plant and equipment	**3,249**	5,924
Depreciation of right-of-use assets	**3,342**	9,656
Amortisation of other intangible assets	**—**	322

Cash flows from discontinued operations:

	2022 *HK$'000*	2021 *HK$'000*
Net cash outflows from operating activities	**(4,391)**	(2,175,470)
Net cash outflows from investing activities	**(176,995)**	(52,890)
Net cash outflows from financing activities	**(3,240)**	(131,613)
Net cash outflows	**(184,626)**	(2,359,973)

(b) Discontinued operations from PID segment

	2022 *HK$'000*	2021 *HK$'000*
Loss for the year from discontinued operations:		
Revenue	**1,634**	16,078
Cost of sales	**(1,180)**	(3,870)
Fair value losses on investment properties	**—**	(17,300)
Other gains and income, net	**520**	1,436
Selling expenses	**(205)**	(233)
Administrative expenses	**(1,874)**	(3,975)
Other operating expenses	**—**	(12,020)
Loss before tax	**(1,105)**	(19,884)
Income tax expense	**—**	—
Loss for the year	**(1,105)**	(19,884)
Loss on deconsolidation of subsidiaries	**(64,902)**	(788,914)
Loss for the year from discontinued operations (attributable to owners of the Company)	**(66,007)**	(808,798)

Loss for the year from discontinued operations include the following:

	2022 *HK$'000*	2021 *HK$'000*
Depreciation of property, plant and equipment	**—**	648
Depreciation of right-of-use assets	**2,610**	3,132

Cash flows from discontinued operations:

	2022 HK$'000	2021 HK$'000
Net cash outflows from operating activities	**(1,644)**	(478,051)
Net cash (outflows)/inflows from investing activities	**(735)**	28
Net cash outflows	**(2,379)**	(478,023)

(c) Discontinued operations from others segment

	2022 HK$'000	2021 HK$'000
Profit/(loss) for the year from discontinued operations:		
Revenue	**1,789**	22,054
Cost of sales	**(1,668)**	(21,356)
Other gains and income, net	**1,026**	2,613
Selling expenses	**(569)**	(4,602)
Administrative expenses	**(9,973)**	(28,286)
Impairment losses of financial assets, net	**32**	(12,740)
Other operating (expenses)/income	**(25,509)**	129,130
Finance costs	**—**	(2,297)
(Loss)/profit before tax	**(34,872)**	84,516
Income tax expense	**(9)**	(22)
(Loss)/profit for the year	**(34,881)**	84,494
Gain/(loss) on deconsolidation, disposal and deregistration of subsidiaries	**376,707**	(86,875)
Profit/(loss) for the year from discontinued operations (attributable to owners of the Company)	**341,826**	(2,381)

Profit/(loss) for the year from discontinued operations include the following:

	2022 HK$'000	2021 HK$'000
Depreciation of property, plant and equipment	**2**	1,283
Depreciation of right-of-use assets	**616**	8,012

Cash flows from discontinued operations:

	2022	2021
	HK$'000	*HK$'000*
Net cash inflows from operating activities	**6,016**	52,348
Net cash inflows/(outflows) from investing activities	**1,053**	(4,714)
Net cash outflows from financing activities	**—**	(7,529)
Net cash inflows	**7,069**	40,105

7. EARNINGS/(LOSS) PER SHARE

From continuing and discontinued operations

The calculation of the basic and diluted earnings/(loss) per share is based on the following:

	2022	2021
	HK$'000	*HK$'000*
Profit/(loss)		
Profit/(loss) for the purpose of calculating basic and diluted earnings/(loss) per share	**2,558,902**	(3,768,764)

	2022	2021
	'000	*'000*
		(Restated)
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic/diluted earnings/(loss) per share	**342,139**	114,108

The corresponding weighted average number of ordinary shares for the year ended 31 March 2021 has been retrospectively adjusted to reflect the said share consolidation.

The weighted average numbers of ordinary shares used as denominators in calculating the basic and diluted earnings/(loss) per share are the same for the year ended 31 March 2022. The effect of all potential ordinary shares is anti-dilutive for the year ended 31 March 2021 due to loss making for the year ended 31 March 2021.

From continuing operations

The calculation of the basic and diluted earnings/(loss) per share from continuing operations is based on the following:

	2022	2021
	HK$'000	*HK$'000*
		(Re-presented)
Profit/(loss)		
Profit/(loss) for the purpose of calculating basic and diluted earnings/(loss) per share	**472,491**	(1,200,127)

From discontinued operations

Basic earnings per share from the discontinued operations is HK609.8 cents per share (2021: basic loss per share of HK2,251.1 cents per share) and diluted earnings per share from the discontinued operations is HK609.8 cents per share (2021: diluted loss per share of HK2,251.1 cents per share), based on the profit for the year from discontinued operations attributable to the owners of the Company of approximately HK$2,086,411,000 (2021: loss for the year of approximately HK$2,568,637,000) and the denominators used are the same as those detailed above for both basic and diluted earnings per share.

8. DIVIDENDS

The directors of the Company did not recommend payment of any final dividend for the year ended 31 March 2022 (2021: Nil).

9. ACCOUNTS AND OTHER RECEIVABLES

	2022	2021
	HK$'000	*HK$'000*
Accounts receivable	**18,770**	229,410
Bills receivable	**1,207**	27,922
Allowance for impairment losses	**(4,100)**	(46,292)
	15,877	211,040
Other receivables	**64,735**	233,095
Deposits	**99**	6,377
Prepayments	**41,925**	3,824
	122,636	454,336
Analysed as:		
Current assets	**122,636**	452,482
Non-current assets	**—**	1,854
	122,636	454,336

The credit terms of account receivables generally range from 0 to 90 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

The ageing analysis of accounts and bills receivable, based on the invoice date, and net of allowance, is as follows:

	2022	2021
	HK$'000	*HK$'000*
Current to 60 days	**15,877**	37
61 to 90 days	**—**	7
Over 90 days	**—**	210,996
	15,877	211,040

10. ACCOUNTS AND OTHER PAYABLES

	2022	2021
	HK$'000	*HK$'000*
Accounts payable	**102,999**	381,871
Bills payable	**—**	2,789
	102,999	384,660
Accruals and other payables	**160,761**	128,633
Debt restructuring *(note)*	**283,213**	—
	546,973	513,293
Analysed as:		
Current liabilities	**334,563**	513,293
Non-current liabilities	**212,410**	—
	546,973	513,293

Note: According to the UPPSD's bankruptcy reorganisation plan approved by the Shandong Court ("UPPSD Bankruptcy Reorganisation Plan"), for each creditor's unsecured claims with principal amount exceeding RMB200,000, settlement will be completed within four (4) years in five (5) instalments of 20% every year. The first instalment payment shall be made to repay creditor's unsecured claim of principal amount below RMB200,000 (inclusive) and 20% of the principal amount in excess of RMB200,000. The four subsequent instalments of 20% of the principal amount in excess of RMB200,000 shall be paid on or before the first, second, third and fourth anniversary date of the first instalment payment. Remaining debts shall not bear any interest for the period of settlement in instalments.

The ageing analysis of account and bills payables, based on invoice date, is as follows:

	2022	2021
	HK$'000	*HK$'000*
0 to 90 days	**102,984**	—
Over 90 days	**15**	384,660
	102,999	384,660

11. DECONSOLIDATION OF A SUBSIDIARY

On 23 December 2020, UPPSD was informed by the Shandong Court, that a bankruptcy application was filed by a creditor of UPPSD, Weifang Red Automation Equipment Co., Ltd, who was an equipment provider to UPPSD, against UPPSD. UPPSD filed an objection letter to the Shandong Court against the bankruptcy application.

On 30 December 2020, UPPSD received a civil judgement issued by the Shandong Court, advising that the bankruptcy application filed from a creditor was accepted. A bankruptcy administrator was appointed by Shandong Court on 30 December 2020. UPPSD is the principal operating subsidiary of the Group's paper manufacturing segment.

In accordance to the relevant rules and regulations, UPPSD Bankruptcy Administrator had taken custody of UPPSD's assets and company seal. Therefore, the Group was considered to have lost control on UPPSD and the financial results and position of UPPSD was deconsolidated from those of the Group with effect from 31 December 2020 in accordance with the requirement of HKFRS 10 Consolidated Financial Statements. UPPSD remained in operation through the Entrusted Operation, the term of which was extended by an agreement dated 19 January 2021 entered into between UPPSD, the UPPSD Bankruptcy Administrator and Shandong Bairun.

Assets and liabilities of UPPSD as at the date of deconsolidation (i.e. 31 December 2020) are as follows:

	HK$'000
Property, plant and equipment	975,557
Right-of-use assets	155,969
Other intangible assets	243
Inventories	10,034
Accounts and other receivables	183,246
Bank and cash balances	22,819
Accounts and other payables	(1,086,652)
Taxation payable	(68,160)
Borrowings	(175,407)
Deferred tax liabilities	(77,413)
	(59,764)
Release of foreign currency translation reserve	156,185
Less: non-controlling interests	12,921
Loss on deconsolidation of subsidiaries	(109,342)
Total consideration	—
Consideration satisfied by	
Cash	—
Net cash outflow arising on deconsolidation:	
Cash consideration received	—
Cash and cash equivalents deconsolidated of	(22,819)
	(22,819)

12. GAIN ON RE-CONSOLIDATION OF A DECONSOLIDATED SUBSIDIARY

On 29 July 2021, the UPPSD Bankruptcy Administrator convened the second meeting of creditors of UPPSD for the purpose of considering and approving the UPPSD Bankruptcy Reorganisation plan. The UPPSD Bankruptcy Reorganisation plan was approved by its creditors and the Shandong Court on 29 July 2021 and 1 August 2021 respectively and the UPPSD Bankruptcy Administrator was discharged with effect from 1 August 2021. UPPSD resumed its self-operation with effect from 1 August 2021. Financial results and position of UPPSD were consolidated into those of the Group in accordance with the requirements of HKFRS 10 Consolidated Financial Statements with effect from 1 August 2021.

Assets and liabilities as at the date of regain of control are as follows:

	HK$'000
Property, plant and equipment	848,550
Right-of-use assets	222,466
Other intangible assets	210
Inventories	2,601
Accounts and other receivables	74,763
Bank and cash balances	1,566
Accounts and other payables	(642,815)
Provisions	(19,244)
Deferred tax liabilities	(22,198)
Gain on re-consolidation of a deconsolidated subsidiary	465,899
Net cash inflow arising on acquisition:	
Cash and cash equivalents re-consolidated of	1,566

AUDIT OPINION

RSM Hong Kong (the "**Auditor**"), the independent auditor of the Company, has issued a disclaimer of opinion on the consolidated financial statements of the Group for the year ended 31 March 2022. An extract of the independent auditor's report is set out below.

EXTRACT OF THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Disclaimer of Opinion

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified opinion on the consolidated statement of financial position of the Group as at 31 March 2022. We do not express an opinion on the consolidated statement of profit or loss, consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the consolidated statement of profit or loss, consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Group. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Disclaimer of Opinion on the Profit or Loss and Cash Flows

Insufficient accounting records of certain subsidiaries of the Group in paper trading segment

As explained in the section entitled "Basis of consolidation" in note 2* to the consolidated financial statements, the joint and several liquidators (the "**SMHK Liquidators**") were appointed to Samson Paper Company Limited ("**SMHK**"), a former indirect wholly-owned subsidiary of the Company, pursuant to written resolutions of the sole shareholder of SMHK dated 14 August 2020. The SMHK Liquidators are empowered to, inter alia, preserve the assets of SMHK and take control of and exercise all rights which SMHK may have in relation to entities in which SMHK holds an interest. SMHK and its subsidiaries (the "**De-consolidated Group A**") were deconsolidated from the consolidated financial statements of the Group with effect from 15 August 2020.

* Being note 1 in this announcement

The joint and several liquidators (the "**SMC Liquidators**") were appointed for Samson Paper (China) Company Limited ("**SMC**"), a former indirect wholly-owned subsidiary of the Company, pursuant to the written resolutions of the sole shareholder of SMC dated 30 June 2021. The SMC Liquidators are empowered to, inter alia, preserve the assets of SMC and take control of and exercise all rights which SMC may have in relation to entities in which SMC holds an interest. SMC and its subsidiaries (the "**De-consolidated Group B**") were deconsolidated from the consolidated financial statements of the Group with effect from 1 July 2021.

The SMHK Liquidators, the SMC Liquidators and the Directors of the Company advised that since the appointment of the liquidators, the Company has retained the basic business records of the De-consolidated Group A and the De-consolidated Group B, including but not limited management accounts, ledgers and sub-ledgers account, vouchers, bank statements, agreements and documentation (collectively referred to as the "**Basic Records**"), that were left behind by the former management and accounting departments of the De-consolidated Group A and the De-consolidated Group B as far as possible. The Basic Records were not found to be of a sufficient level for our audit purposes. More specific business records and the supporting explanations of the De-consolidated Group A's and De-consolidated Group B's accounting records were needed, including but not limited to, (i) certain supporting documents of certain business transactions, such as invoices, receipts and purchase orders; and (ii) detailed explanation on the accounting entries made (collectively, the "**Specific Records**").

The SMHK Liquidators, SMC Liquidators and the Directors of the Company consider that it was impracticable to provide the Specific Records given that (i) the former management and the majority of the accounting staff responsible for keeping the books and records of the De-consolidated Group A and De-consolidated Group B have departed from the Group; (ii) the SMHK Liquidators, SMC Liquidators and the Directors of the Company could only use their best endeavours to preserve the books and records that were left behind by the former management and the accounting department and were unable to determine whether these Specific Records were complete in the first place; and (iii) the SMHK Liquidators, SMC Liquidators and the Directors of the Company had no other access to such Specific Records despite they have taken all reasonable steps and have used their best endeavours to locate such Specific Records. Other than the De-consolidated Group A and De-consolidated Group B, we were unable to obtain sufficient appropriate audit evidence for certain subsidiaries of the Group in the paper trading segment that were disposed of, deregistered or transferred to the scheme company during the years ended 31 March 2021 or 31 March 2022 as the books and records were either not available to us or not of a sufficient level for audit purposes as explained note 2* in the section entitled "Paper trading segment". As a result, we were unable to carry out audit procedures to satisfy ourselves as to whether the income and expenses for the year ended 31 March 2022 as detailed in note 2* in the section entitled "Paper trading segment", the discontinued operation and other related disclosure notes in

* Being note 1 in this announcement

relation to the Group's paper trading segment, as included in the consolidated financial statements of the Group, have been accurately recorded and properly accounted for in the consolidated financial statements.

As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transactions and the elements making up the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 March 2022.

Unavailability of accounting records of certain subsidiaries of the Group in property development and investment segment

As explained in the section entitled "Basis of consolidation" in note 2* to the consolidated financial statements, the joint and several liquidators (the "**Seng Jin Liquidators**") were appointed to Seng Jin Group Limited ("**SJ Limited**"), a former indirect wholly-owned subsidiary of the Company, pursuant to written resolutions of the sole shareholder of SJ Limited dated 16 September 2021. The Seng Jin Liquidators are empowered to, inter alia, preserve the assets of SJ Limited and take control of and exercise all rights which SJ Limited may have in relation to entities in which SJ Limited holds an interest. SJ Limited and its subsidiaries (the "**De-consolidated Group C**") were deconsolidated from the consolidated financial statements of the Group with effect from 17 September 2021.

Due to the non-cooperation of the local management and staff of the De-consolidated Group C, neither the Company nor the Auditor were able to access the sufficient books and records of De-consolidated Group C for purpose of the audit, despite the fact that the Directors of the Company and the Seng Jin Liquidators have taken all reasonable steps and have used their best endeavours to resolve the matter. Other than De-consolidated Group C, we were unable to obtain sufficient audit evidence for certain subsidiaries in the property development and investment segment that were in liquidation under the De-consolidated Group A during the year ended 31 March 2021, due to the insufficient accounting records of these subsidiaries. As a result, we were unable to carry out audit procedures to satisfy ourselves as to whether the income and expenses for the year ended 31 March 2022 as detailed in note 2* in the section entitled "Property development and investment segment", the discontinued operation and other related disclosure notes in relation to the Group's property development and investment segment, as included in the consolidated financial statements of the Group, have been accurately recorded and properly accounted for in the consolidated financial statements.

As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transactions and the elements making up the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 March 2022.

* Being note 1 in this announcement

Unavailability of accounting records of certain subsidiaries of the Group in others segment

As explained in the section entitled "Basis of consolidation" in note 2* to the consolidated financial statements, the Group has disposed Hypex International Pte Ltd. and its subsidiaries ("**Hypex International**") during the year ended 31 March 2021. The books and records of Hypex International available to the Group at the material time and which were retained by the Group, were not found to be of a sufficient level for audit purposes, despite the fact that the Directors of the Company have taken all reasonable steps and have used their best endeavours to resolve the matter. Other than Hypex International, we were unable to obtain sufficient audit evidence for certain subsidiaries in others segment that were under De-consolidated Group A and De-consolidated Group B, disposed of during the year ended 31 March 2021, deregistered or transferred to the scheme company during the year ended 31 March 2021 or 31 March 2022 as the books and records were not at a sufficient level for audit purposes as explained in note 2* in the section entitled "Others segment". As a result, we were unable to carry out audit procedures to satisfy ourselves as to whether the income and expenses for the year ended 31 March 2022 as detailed in note 2* in the section entitled "Others segment", the discontinued operation and other related disclosure note in relation to the Group's others segment, as included in the consolidated financial statements of the Group, have been accurately recorded and properly accounted for in the consolidated financial statements.

As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transactions and the elements making up the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 March 2022.

Opening balances and the comparative information

As described in the preceding paragraphs, due to the absence of sufficient supporting documents and more detailed explanations in relation to the accounting records in connection to the opening balances and comparative information made available to the Directors of the Company from the former management of the Group in respect of certain subsidiaries of the paper trading, property development and investment and others segment of the Group, we were unable to obtain sufficient appropriate audit evidence over the account balances as at 31 March 2021 and the profit or loss, cash flows, changes in equity and notes to financial statements of the Group and Company for the year then ended. Any adjustments that might have been found necessary to the Group's consolidated statement of financial position as at 31 March 2021 and 1 April 2021 would have a consequential effect on the Group's consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 31 March 2022.

* Being note 1 in this announcement

Unmodified opinion on the consolidated statement of financial position

In our opinion, the consolidated financial statements give a true and fair view of the consolidated statement of financial position of the Group as at 31 March 2022 in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA.

Material uncertainties related to going concern

As disclosed in note 2* to the consolidated financial statements, as at 31 March 2022, the Group's current liabilities exceeded its current assets by approximately HK$348,719,000. Current portion of the Group's borrowings amounted to approximately HK$314,976,000 including accrued interest, while its cash and cash equivalents amounted to approximately HK$5,274,000. These conditions indicate that material uncertainties exist which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Business Performance Review

In 2021, Covid-19 continued to spread across the globe. In the absence of uniformity in Covid-19 policies among different countries, the pandemic control failed to yield promising results. The global economic recovery still lingered in uncertainty. High energy prices and inflation, caused by geopolitical struggles and national energy policies, continued to impede business operation.

Mainland China continued to lead in the pandemic control, which was generally in control among the society at large. Overall, the economy is trending upwards and the consumer confidence is recovering. In the meantime, the logistic industry is booming in the pandemic, which benefited the packaging industry. The audited total revenue of the Company was approximately HK$1,229 million and the production volume was approximately 314,000 tons. The Group recorded profit for the year amounted to approximately HK$2,559 million for the year ended 31 March 2022 as compared to loss for the year amounted to approximately HK$4,025 million for the year ended 31 March 2021. The turnaround from loss to profit of the Company for the year ended 31 March 2022 was mainly attributable to (i) the significant one-off net gain on deconsolidation, disposal and deregistration of certain subsidiaries of the Group's discontinued operations and discharge of the respective financial guarantee liabilities arising from the scheme of arrangement entered into between the Company and the scheme creditors of approximately HK$2,086 million; (ii) the one-off gain on re-consolidation of 遠通紙業(山東)有限公司 (Universal Pulp and Paper (Shandong) Co., Ltd.*) ("**UPPSD**") in the year ended 31 March 2022 of approximately HK$466 million; and (iii) the increase in revenue and operating profit of the Group derived from its paper manufacturing business.

* Being note 1 in this announcement

Industry and Business Review

In 2021, Mainland China fully implemented the "waste ban" on any import of waste paper. Therefore, the domestic waste paper, as the main source of raw material, has been in short supply. International waste paper businesses, such as that from the United States or Europe, started to emerge in the Southeast Asia market, producing recovered pulp board and subsequently selling the same to Mainland China, which resulted in recycled pulp's price surge. Under the domestic policies of "carbon peak and carbon neutrality", the "dual-control" of energy consumption and energy intensity, energy price continued to rise, which increased costs for paper production. Meanwhile, the policies of prevention and control of the "high pollution and high energy-consuming" projects as well as market-oriented reform in the energy sector further aggravated increase in energy costs, resulting in a significant increase in costs for paper production. Against this background, it has become more meaningful and far reaching to accelerate carbon reduction, promote development in a green and energy-conserving fashion, promote technological innovation in China's manufacturing industry, increase market competitiveness and fulfill social responsibilities. Facing the shift of the market supply and demand as well as changes in policies, the Company responded proactively by continuing to integrate upstream and downstream resources. By leveraging on the Group's platform, the Company developed a vertical business model of waste paper recycling, which targeted to integrate production, supply and sales, ensure a stable supply of raw materials, comprehensively improve the management and operation quality and optimize the supply chain, with the goal of enhancing the market recognition, ensuring high-quality development, and creating a new profile in China's paper production industry and even in its manufacturing industry.

Financial Review

Revenue from continuing operations

Our revenue increased by approximately 123.5% from approximately HK$550 million for the year ended 31 March 2021 to approximately HK$1,229 million for the year ended 31 March 2022. Such increase was primarily due to the increase in the revenue of the paper trading business of approximately HK$679 million during the year.

Costs of sales from continuing operations

Our costs of sales increased by approximately 87.3% from approximately HK$605 million for the year ended 31 March 2021 to approximately HK$1,132 million for the year ended 31 March 2022. Such increase was in line with the increase in revenue.

Gross profit from continuing operations

Our gross profit from continuing operations was approximately HK$97 million for the year ended 31 March 2022 as compared to gross loss from continuing operations of approximately HK$55 million for the year ended 31 March 2021. This is mainly attributable to re-consolidation of the deconsolidated core paper manufacturing subsidiary of the Company, UPPSD, in the year ended 31 March 2022 which enhanced the paper manufacturing productivity of the Group.

Our gross (loss)/profit margin were approximately (10.0%) and 7.9% for the years ended 31 March 2021 and 31 March 2022, respectively.

Selling expenses

Our selling expenses for the year ended 31 March 2022 amounted to approximately HK$2 million, representing a decrease of approximately 83.2% as compared with approximately HK$13 million for the year ended 31 March 2021. The decrease was primarily attributable to the decrease in transportation cost of approximately HK$9 million during the year.

Administrative expenses

Our administrative expenses increased by approximately 15.0% from approximately HK$96 million for the year ended 31 March 2021 to approximately HK$110 million for the year ended 31 March 2022. Such increase was mainly due to net effect of the increase in research and development expenses of approximately HK$14 million, increase in depreciation of right-of-use assets of approximately HK$2 million, increase in legal and professional fee of approximately HK$24 million and no loss on suspension of operation of a subsidiary (2021: approximately HK$32 million) during the year.

Finance costs

Our finance costs for the year ended 31 March 2022 amounted to approximately HK$8 million, representing a decrease of approximately 20.8% as compared with approximately HK$10 million for the year ended 31 March 2021. Such decrease was in line with the decrease in bank loans and other borrowings during the year.

Income tax expense

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit for the year ended 31 March 2022 (2021: Nil).

The Company's PRC subsidiaries are subject to the PRC corporate income tax rate of 25% except as follows. UPPSD, a PRC subsidiary of the Company, was entitled to the preferential tax rate of 15% from years 2016 to 2018, being accredited as a High and New Technology Enterprise according to the PRC Corporate Income Tax Law and its relevant regulations. As UPPSD has renewed the qualification of High and New Technology Enterprise and approved on 28 November 2019 with an effective period of three years starting from 2019, the tax rate used to recognise deferred tax assets and liabilities as at 31 March 2022 was 15% (2021: 15%).

Pursuant to the rules and regulations of Bermuda, the Group is not subject to any income tax in Bermuda.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

Profit/(loss) for the year for continuing operations

The Group recorded profit for the year for continuing operations amounted to approximately HK$472 million for the year ended 31 March 2022 as compared to loss for the year for continuing operations amounted to approximately HK$1,456 million for the year ended 31 March 2021.

Such turnaround was mainly due to the gain on re-consolidation of a deconsolidated subsidiary of approximately HK$466 million, decrease in impairment losses of financial assets of approximately HK$395 million and no impairment losses of property, plant and equipment (2021: approximately HK$775 million) during the year.

Liquidity and Financial Resources

Bank loans and other borrowings

As at 31 March 2022, the Group's bank loans and other borrowings were approximately HK$315 million, representing a decrease of approximately 23.3% as compared with approximately HK$411 million as at 31 March 2021.

Pledge of assets

At 31 March 2022, no asset was pledged as security for the Group's other borrowings.

At 31 March 2021, the carrying amount of property, plant and equipment of approximately HK$17 million was pledged as security for the Group's bank borrowings of approximately HK$9 million.

Gearing ratio

As at 31 March 2022, our gearing ratio was 37.8% as compared with that of (11.3%) as at 31 March 2021. The gearing ratio is calculated by net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings and lease liabilities) less bank and cash balances. Total capital is calculated as total equity plus net debt.

Current ratio

As at 31 March 2022, our current ratio was 0.58 times as compared with that of 0.28 times as at 31 March 2021. The current ratio is calculated by current assets divided by current liabilities.

Contingent liabilities

As at 31 March 2022, the Group did not have any material contingent liabilities or guarantees.

Employees and Staff Costs

As at 31 March 2022, we had a total of 837 employees excluding directors (31 March 2021: 71 employees). For the year ended 31 March 2022, the Group incurred staff costs (excluding directors' remuneration) of approximately HK$68 million, representing a decrease of approximately 42.9% as compared with approximately HK$119 million for the year ended 31 March 2021. The decrease was mainly attributable to the decrease in staff costs incurred by the excluded subsidiaries during the year.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

As disclosed in the circular of the Company dated 31 December 2021, the Group reorganisation, as part of the restructuring, involved the transfer of subsidiaries (the "**Excluded Subsidiaries**") to a scheme company for the benefit of the scheme creditors by transferring the entire equity interests of Samson Paper (BVI) Ltd (being the holding company of the Excluded Subsidiaries) held by the Company to the scheme company at a nominal consideration of HK$1.0. The Excluded Subsidiaries were principally engaged in (i) paper trading business; (ii) fast moving consumer goods business; (iii) property investment and development business; and (iv) other businesses including trading of consumable aeronautic parts and the provision of related services, and provision of logistic services and marine services. Upon completion of the Group reorganisation on 26 January 2022, the Excluded Subsidiaries ceased to be subsidiaries or associates of the Company. For further details, please refer to the circular of the Company dated 31 December 2021 and the announcement of the Company dated 26 January 2022.

Save as disclosed above, there was no material acquisition or disposal of subsidiaries, associates and joint venture by the Group during the year ended 31 March 2022.

Foreign exchange risk

The Group's transaction currencies are principally denominated in Renminbi and Hong Kong dollars. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors foreign exchange exposure and the Group will hedge foreign currency exposure when considered necessary.

The Management's Position, View and Assessment on the Disclaimer of Opinion

The Auditor gave a disclaimer opinion on the consolidated financial statements for the year ended 31 March 2022 in relation to (i) insufficient accounting records of certain subsidiaries of the Group in paper trading segment, (ii) unavailability of accounting records of certain subsidiaries of the Group in PID segment, (iii) unavailability of accounting records of certain subsidiaries of the Group in others segment, and (iv) opening balances and the comparative information.

Measures to address the disclaimer of opinion

The Board considered that these were factual descriptions in nature as set out in details in note 1 to the consolidated financial statements. Despite the effort made by the Company to address the concern, the Auditor issued the disclaimer of opinion. The Board has considered the Auditor's rationale and understood their consideration in arriving the disclaimer of opinion.

Set out below are the basis for the disclaimers of opinion/conclusion issued by the Auditor on the consolidated financial statements of the Company for the year ended 31 March 2022, and actions taken/to be taken by the Company to address each of the basis for the disclaimers of opinion/conclusion:

	Disclaimer of opinion/conclusion	Basis of disclaimer	Actions taken/to be taken
1	Insufficient accounting records of certain subsidiaries of the Group in paper trading segment	The SMHK Liquidators were appointed to SMHK, a former indirect wholly-owned subsidiary of the Company, pursuant to written resolutions of the sole shareholder of SMHK dated 14 August 2020. The De-consolidated Group A were deconsolidated from the consolidated financial statements of the Group with effect from 15 August 2020. The SMC Liquidators were appointed to SMC, a former indirect wholly-owned subsidiary of the Company, pursuant to the written resolutions of the sole shareholder of SMC dated 30 June 2021. The De-consolidated Group B were deconsolidated from the consolidated financial statements of the Group with effect from 1 July 2021.	Matters relating to the disclaimer of opinion in relation to insufficient accounting records of the paper trading segment have been addressed by: — the deconsolidation of the financial results and position of the De-consolidated Group A and the De-consolidated Group B from those of the Group with effect from 15 August 2020 and 1 July 2021 respectively following the commencement of insolvent liquidation of SMHK and SMC. — the deconsolidation of the financial results and position of certain subsidiaries in the segment that were disposed, deregistered or transferred to the SchemeCo during the year ended 31 March 2021 or 31 March 2022.

Disclaimer of opinion/conclusion	**Basis of disclaimer**	**Actions taken/to be taken**
	Basic business records that were left behind by the former management and accounting departments of the De-consolidated Group A and the De-consolidated Group B and retained by the SMHK Liquidators, SMC Liquidators and the Directors of the Company were not found to be of a sufficient level for the Auditors' audit purposes. The Specific Records are required. The SMHK Liquidators, the SMC Liquidators and the Directors of the Company consider that it was impracticable to provide the Specific Records to the Auditors for carrying audit work given that: (i) the former management and the majority of the accounting staff responsible for keeping the books and records of the De-consolidated Group A and the De-consolidated Group B have departed from the Group; (ii) the SMHK Liquidators, the SMC Liquidators and the Directors of the Company could only use their best endeavor to preserve the books and records that were left behind by the former management and the accounting department and were unable to determine whether the Specific Records were complete in the first place; and (iii) the SMHK Liquidators, the SMC Liquidators and the Directors of the Company had no other access to the Specific Records despite having taken all reasonable steps and have used their best endeavor to locate such Specific Records.	Disclaimer of opinion relating to the accounting treatment in relation to the deconsolidation has been issued on the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Group for the year ended 31 March 2022. Based on the discussion with the Auditors, in view of the subsidiaries deconsolidated during the year ended 31 March 2021 and the year ended 31 March 2022, it is expected that the consolidated financial statements of the Group for the year ending 31 March 2023 will not carry any audit modifications in this regard.
	Unable to obtain sufficient appropriate audit evidence for certain subsidiaries of the Group in paper trading segment that were disposed of, deregistered or transferred to the SchemeCo during the year ended 31 March 2021 or 31 March 2022.	

	Disclaimer of opinion/conclusion	Basis of disclaimer	Actions taken/to be taken
2	Unavailability of accounting records of certain subsidiaries of the Group in Property Development and Investment segment	The Seng Jin Liquidators were appointed to SJ Limited, an indirect wholly-owned subsidiary of the Company, pursuant to written resolutions of the sole shareholder of SJ Limited dated 16 September 2021. The De-consolidated Group C were deconsolidated from the consolidated financial statements of the Group with effect from 17 September 2021. Due to the non-cooperation of the local management and staff of the De-consolidated Group C, neither the Company nor the Auditors were able to access the sufficient books and records of the De-consolidated Group C for purpose of the audit. Other than the De-consolidated Group C, the Auditors were unable to obtain sufficient audit evidence for certain subsidiaries in the property development and investment segment that were under the De-consolidated Group A.	Matters relating to the disclaimer of opinion in relation to unavailability of accounting records of the Property Development and Investment segment have been addressed by: — the deconsolidation of the financial results and position of the De-consolidated Group C from those of the Group on 17 September 2021 following the commencement of insolvent liquidation of SJ Limited. — the deconsolidation of the financial results and position of the De-consolidated Group A from those of the Group with effect from 15 August 2020 following the commencement of insolvent liquidation of SMHK. Disclaimer of opinion relating to the accounting treatment in relation to the deconsolidation has been issued on the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Group for the year ended 31 March 2022. Based on the discussion with the Auditors, in view of the above subsidiaries deconsolidated during the year ended 31 March 2021 and the year ended 31 March 2022, it is expected that the consolidated financial statements of the Group for the year ending 31 March 2023 will not carry any audit modifications.

	Disclaimer of opinion/conclusion	Basis of disclaimer	Actions taken/to be taken
3	Unavailability of accounting records of certain subsidiaries of the Group in others segment	The De-consolidated Group D were disposed during the year ended of 31 March 2021. Books and records of the De-consolidated Group D available to the Group at the material time and which were retained by the Group, were not found to be of a sufficient level for audit purposes. Other than Hypex Group, the Auditors were unable to obtain sufficient audit evidence for certain subsidiaries in others segment that were under the De-consolidated Group A and the De-consolidated Group B, disposed of, deregistered or transferred to the SchemeCo during the year ended 31 March 2021 and 31 March 2022 as the books and records were not at a sufficient level for audit purposes.	Matters relating to the disclaimer of opinion in relation to unavailability of accounting records of certain subsidiaries of the Group in Others segment have been addressed by the deconsolidation of the financial results and position of the De-consolidated Group A, the De-consolidated Group B, the De-consolidated Group D and subsidiaries of the Group in the others segment that were disposed or deregistered, from those of the Group. Disclaimer of opinion relating to the accounting treatment in relation to the deconsolidation has been issued on the consolidated statement of profit or loss, consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Group for the year ended 31 March 2022. Based on the discussion with the Auditors, in view of the above deconsolidation recognized in the year ended 31 March 2021 and the year ended 31 March 2022, it is expected that the consolidated financial statements of the Group for the year ending 31 March 2023 will not carry any audit modifications in this regard.

	Disclaimer of opinion/conclusion	Basis of disclaimer	Actions taken/to be taken
4	Opening balances and the comparative information	Unable to obtain sufficient appropriate audit evidence over the account balances as at 31 March 2021 and the transactions and notes to financial statements of the Group, due to the absence of sufficient supporting documents and more detailed explanation in relation to the accounting records in connection to the opening balances and comparative information in respect of the paper trading segment, property development and investment segment and others segment of the Group that were made available to the Directors of the Company from the former management of the Group.	Upon the completion of the Restructuring as at 31 March 2022, with the exception of SPV1, SPV2 and UPPSD, the Excluded Subsidiaries were transferred to the SchemeCo and their financial results and position were deconsolidated from the Group. Only the paper manufacturing segment of the Group (i.e. SPV1, SPV2 and UPPSD) ("Retained Group") were retained in the consolidated financial statements of the Group. Therefore, the matters relating to the disclaimer of opinion in relation to the opening balance and the comparative information, which relate to the paper trading segment, property development and investment segment and others segment, will be resolved following the deconsolidation of the aforesaid segments as explained in items 1-3 above and the ultimate transfer of the Excluded Subsidiaries to the SchemeCo upon the completion of the Restructuring. An unmodified opinion has been issued on the consolidated statement of financial position of the Retained Group as at 31 March 2022, with a disclaimer of opinion on the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Retained Group for the year ended 31 March 2022 for the accounting treatment in relation to the deconsolidation. Based on the discussion with the Auditors, it is expected that, unqualified opinion will be issued for the consolidated financial statements for the year ending 31 March 2023.

The Auditors agreed that in the absence of the unforeseen circumstances, the consolidated financial statements of the Company for the year ending 31 March 2023 will not carry the audit modifications.

Prospects

Looking forward to 2022, the impact of the COVID-19 pandemic will still exist, as there are uncontrollable factors such as lockdown and travel restrictions caused by the pandemic prevention and control policies. At present, the PRC government is actively exploring more precise pandemic prevention and control policies to reduce the possible economic impact, while actively promoting a more stable economic recovery policy to provide a positive impact on corporate development. By doing so, the Group will continue to promote capacity upgrade, increase capacity through production increase and speed up, equipment upgrade and process optimization. We will also evaluate the feasibility of establishing new capacity to strengthen our market position and competitiveness.

Subsequent Events after the Financial Year End Date

The Group has no significant events occurred from 1 April 2022 to the date of this announcement which require additional disclosures.

FINAL DIVIDEND

The Board has resolved not to recommend a final dividend for the year ended 31 March 2022.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 March 2022, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

REVIEW OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group for the year ended 31 March 2022, including the accounting principles and practices adopted by the Group, have been reviewed by the audit committee of the Company (the "**Audit Committee**"), together with the Board, and audited by the auditor of the Company, RSM Hong Kong.

REVIEW OF THIS ANNUAL RESULTS ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position as at 31 March 2022, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2022 as set out in this preliminary announcement have been agreed by the Group's auditors, RSM Hong Kong, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by RSM Hong Kong 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 RSM Hong Kong on this preliminary announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding the Directors' dealings in the Company's securities. Specific enquiries have been made to all Directors and all Directors have confirmed that they have complied with the Model Code throughout the year ended 31 March 2022.

COMPLIANCE WITH THE LISTING RULES AND THE CORPORATE GOVERNANCE CODE

The new Corporate Governance Code has come into effect on 1 January 2022. The Company has adopted the principles and code provisions as set out in the new Corporate Governance Code in Appendix 14 to the Listing Rules. The requirements under the new Corporate Governance Code will apply to corporate governance reports for financial year commencing on or after 1 January 2022.

None of the Directors is aware of any information which would reasonably indicate that the Company is not, or was not, throughout the year under review, in compliance with the Listing Rules and the code provisions (the "**Code Provision(s)**") under the former Corporate Governance Code (the "**Former CG Code**") as set out in Appendix 14 to the Listing Rules, except the following deviations:

Rule 3.05

Rule 3.05 of the Listing Rules stipulated that every listed issuer shall appoint two authorised representatives who shall act at all times as the listed issuer's principal channel of communication with the Stock Exchange. Rule 3.05 was not complied with from 21 May 2021 until the appointment of Mr. Cheng Dongfang and Dr. Wong Chi Ho, Raymond as the authorised representatives of the Company with effect from 26 January 2022. For further details, please see the announcement of the Company dated 26 January 2022.

Rules 3.10(1), 3.21 and 3.25 and Code Provision A.5.1

Rule 3.10(1) of the Listing Rules stipulates that every board of directors of a listed issuer must include at least three independent non-executive directors. Rule 3.21 of the Listing Rules stipulates that, among others, the audit committee must comprise a minimum of three members, and the audit committee must be chaired by an independent non-executive director. Rule 3.25 of the Listing Rules provides that an issuer must establish a remuneration committee chaired by an independent non-executive director and comprising a majority of independent non-executive directors. Code Provision A.5.1 of the Former CG Code stipulates that issuers should establish a nomination committee which is chaired by the chairman of the board or an independent non-executive director and comprises a majority of independent non-executive directors.

Upon resignation of each of Mr. Lee Seng Jin and Ms. Sham Yee Lan as executive Director with effect from 20 May 2021 and the re-designation of each of Mr. Choi Wai Hong, Clifford and Mr. Lau Wai Leung, Alfred from independent non-executive Director to executive Director with effect from 21 May 2021, the number of independent non-executive Directors and the members of Audit Committee fell below the minimum number required under Rules 3.10(1) and 3.21 of the Listing Rules. In addition, the number of members of each of the Remuneration Committee and the Nomination Committee no longer comprised a majority of independent non-executive Directors required under Rule 3.25 of the Listing Rules and under code provision A.5.1 of the Former CG Code contained in Appendix 14 to the Listing Rules. The Company identified suitable candidates to fill the vacancies in January 2022, which was more than three months from 21 May 2021 as required under Rules 3.11, 3.23 and 3.27 of the Listing Rules.

Following the appointment of Mr. Zhao Lin, Mr. Wong Yiu Kit, Ernest and Ms. Cho Mei Ting as independent non-executive Directors with effect from 26 January 2022, Rule 3.10(1) of the Listing Rules has been re-complied. Following the appointment of Mr. Choi Wai Hong, Clifford (being the non-executive Director) and Ms. Cho Mei Ting (being the former independent non-executive Director) as members of the Audit Committee and Mr. Wong Yiu Kit, Ernest (being the independent non-executive Director) as chairman of the Audit Committee, Rule 3.21 of the Listing Rules has been re-complied. Following the appointment of Mr. Cheng Dongfang (being the non-executive Director) and Ms. Cho Mei Ting (being the former independent non-executive Director) as members of Remuneration Committee and Mr. Zhao Lin (being the independent non-executive Director) as chairman of the Remuneration Committee, Rule 3.25 of the Listing Rules has been complied with. Following the appointment of Mr. Cheng Dongfang (being the non-executive Director) and Ms. Cho Mei Ting (being the former independent non-executive Director) as members of the Nomination Committee and Mr. Zhao Lin (being the independent non-executive Director) as chairman of the Nomination Committee, Code Provision A.5.1 of the Former CG Code has been complied with. For further details, please refer to the announcements of the Company dated 21 May 2021 and 26 January 2022.

Code Provision A.2.1

Code Provision A.2.1 of the Former CG Code provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Since 9 December 2019 and prior to the resignation of Mr. Lee Seng Jin with effect from 20 May 2021, Mr. Lee Seng Jin was the chairman and chief executive officer. The primary role of the chairman is to provide leadership for the Board, and the primary role of the chief executive officer is to take up responsibilities over business direction and operational decisions of the Group. As the roles of both chairman and chief executive officer were performed by Mr. Lee Seng Jin, the Group deviated from the code provision. Nonetheless, the Board considered that the vesting of roles of chairman and chief executive officer on the same person was beneficial to the management of the Group for effective execution of long-term strategies. The then independent non-executive Directors, namely Mr. Choi Wai Hong, Clifford, Mr. Lau Wai Leung, Alfred and Mr. Leung Vincent Gar-gene, provided independent and professional opinions on matters proposed at the meetings of the Board, which was sufficient to ensure check and balance of power on the Board.

Since 26 January 2022, the position of chairman has been held by Mr. Cheng Dongfang and chief executive officer has been held by Mr. Shi Yaofeng, which is in compliance with the code provision.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This audited annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.samsonpaper.com). The annual report will be dispatched to the shareholders of the Company and will be published on the websites of the Stock Exchange and the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

The Company will hold an annual general meeting ("**AGM**") on Friday, 2 September 2022. In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 30 August 2022 to Friday, 2 September 2022, both days inclusive, during which period no transfer of Shares will be registered. In order to be qualified to attend and vote at the AGM, all completed transfers forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong no later than 4:30 p.m. on Monday, 29 August 2022.

By order of the Board
SAMSON PAPER HOLDINGS LIMITED
Mr. SHI Yaofeng
Executive Director

Hong Kong, 21 June 2022

As at the date of this announcement, the Board comprise three executive Directors, namely Mr. SHI Yaofeng, Mr. HUANG Tiansheng and Ms. SHI Chenye; three non-executive Directors, namely Mr. CHENG Dongfang, Mr. LI Shengfeng and Mr. CHOI Wai Hong, Clifford; and three independent non-executive Directors, namely Mr. ZHAO Lin, Mr. WONG Yiu Kit, Ernest and Mr. Lam John Cheung-wah.

* *for identification purpose only*