



# 玖龍紙業(控股)有限公司

## NINE DRAGONS PAPER (HOLDINGS) LIMITED

For Immediate Release

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### **Nine Dragons Paper (Holdings) Limited (2689)**

Recently, there has been incorrect coverage made by certain companies on the white top linerboard production capacity of Nine Dragons Paper (Holdings) Limited (“ND Paper” or the “Company”). The following are the correct information provided by ND Paper to the public for their reference.

Currently, PM3 of ND Paper in Dongguan, Guangdong, which is capable of producing white top linerboard, has a production capacity of 400,000 tonnes per annum (“tpa”). PM 20 in Taicang, Jiangsu, which will also be capable of producing white top linerboard, will have a production capacity of 450,000 tpa, and is expected to commence production at the Taicang Plant by mid-2008. By then (June 2008), the total production capacity of white top linerboard by ND Paper will reach 850,000 tpa.

Moreover, ND Paper’s PM4 and PM11 in Dongguan, which mainly produce coated duplex board, are also capable of producing white top linerboard and coated white top linerboard. The total production capacity of the two paper machines is 950,000 tpa.

At present, market demand for white top linerboard and unbleached linerboard are both growing. However, the consumption of white top linerboard is substantially less than unbleached linerboard. If PM3 only produces white top linerboard now, there will be an excess supply of white top linerboard in the market. Hence, the machine is at the moment using part of its capacity to produce unbleached linerboard. Besides, instead of employing small scale, slow speed paper machines of low technology, the Company’s existing paper machine (PM3) for the production of white-top linerboard comprises a high quality, high speed production line provided by METSO Corporation, Finland, so as to maintain long term competitiveness as well as scale and cost advantages.

All of Nine Dragons’ products, including unbleached linerboard, white top linerboard, coated duplex board, high performance corrugating medium and coated white top linerboard, rank the largest in terms of production capacity in China. ND Paper is a truly one-stop packaging board producer with a uniquely large scale and diversified products. Its present total production capacity is 5.35 million tpa, and is expected to reach 7.75 million tpa in June 2008. By June 2009, its production capacity will reach 10.15 million tpa.

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This press release is distributed by Wonderful Sky Financial Group Co. Ltd. for Nine Dragons Paper (Holdings) Limited

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