



ND Paper LLC Announces Strategic Capital Equipment Upgrades

Biron, Rumford, Oct. 8 2019 – ND Paper LLC, a wholly-owned subsidiary of Nine Dragons Paper (Holdings) Limited, today announced it will strategically inject investment capital to improve the asset quality of its mills in Maine and Wisconsin in the coming year.

ND Paper LLC strives to be a leading North American producer of pulp and paper products, including coated two-side, coated one-side, and uncoated printing papers; containerboard; and market pulp. A strategic modernization of mill assets will ensure these two facilities can operate efficiently for decades to come.

“We have four mills, three of which were built more than 100 years ago,” said Group Deputy Chairman and Chief Executive Officer Ken Liu. “By focusing on high-return strategic investments, we are building world class, first-quartile mills that deliver innovative, high quality products for our customers.”

Rumford Division

At our Rumford, Maine facility, our pulp dryer and all three paper machines will undergo significant upgrades.

- R9, the pulp dryer at Rumford, will take downtime in the first quarter of 2020 for a rebuild to increase pulp production.
- R10 machine will pause operation in late March to install a new headbox and shoe press, as well upgrade the forming section. Upon restart, these improvements will enhance product quality for our printing and C1S paper customers, as well as increase capacity and productivity.
- R12 machine will convert out of printing and writing grades to focus on specialty packaging products.
- R15 machine will take an extended outage in the summer months for the installation of a new shoe press. This addition, combined with calender enhancements completed earlier this year, will transform the machine into a top quartile producer of C1S and printing grades.
- Note, the upgrades on R10 and R15 will increase production output to effectively absorb R12’s exit; Rumford’s printing and writing papers capacity will be the same post-conversion with two machines as it is today with three.

This investment will not only enhance the quality of our printing and writing and C1S grades, but also ensure the long-term viability of the Rumford Division.

Biron Division

As previously announced in October 2018, we will complete the conversion of the B25 machine from lightweight coated mechanical papers to recycled linerboard and corrugating medium in the first quarter of 2020. This project will serve as ND Paper LLC's entry into new markets, as well as stabilize the Biron Division and solidify the job security of our dedicated employees.

The months ahead will be transformative for our mills as we build a safe, scaled, and sustainable company.

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