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SAMSON PAPER HOLDINGS LIMITED

森信紙業集團有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 731)

Disclosure pursuant to Rule 13.09 of the Listing Rules

The Company is considering a possible disposal of one of its warehouses.

The Board wishes to emphasise that such consideration remains at a preliminary stage and no agreement has been entered into in respect of the Possible Disposal as at the date of this announcement. As such, the Possible Disposal may or may not proceed. If the Possible Disposal is materialised, it may constitute a very substantial disposal for the Company under the Listing Rules. Further announcement will be made by the Company as and when appropriate and necessary if the Possible Disposal is materialised.

As the Possible Disposal may or may not proceed, investors and shareholders of the Company should exercise caution when dealing in the shares of the Company.

This announcement is made pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The board of directors (the “**Board**”) of Samson Paper Holdings Limited (the “**Company**”) announces that the Company is considering the feasibility of a possible disposal of one of its warehouses located in Hong Kong by way of public tender (the “**Possible Disposal**”). An independent property valuer has been appointed by the Company to explore such feasibility. The Possible Disposal, if proceeds, might constitute a very substantial disposal for the Company under the Listing Rules.

The Board wishes to emphasise that such consideration still remains at a preliminary stage and no final decision has been made regarding the Possible Disposal, including but not limited to, the terms of the disposal and the valuation of the asset to be disposed of. No agreement has been entered into in respect of the Possible Disposal as at the date of this announcement. As such, the Possible Disposal may or may not proceed. If the Possible Disposal is materialised, it may constitute a very substantial disposal for the Company under the Listing Rules. Further announcement(s) will be made by the Company as and when appropriate and necessary if the Possible Disposal is materialised.

As the Possible Disposal may or may not proceed, investors and shareholders of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board
Samson Paper Holdings Limited
SHAM Kit Ying
Chairman

Hong Kong, 7 September 2006

As at the date of this announcement, the Board comprises five executive directors, namely Mr. SHAM Kit Ying, Mr. LEE Seng Jin, Mr. CHOW Wing Yuen, Ms. SHAM Yee Lan, Peggy and Mr. LEE Yue Kong, Albert, one non-executive director, Mr. LAU Wang Yip, Eric and three independent non-executive directors, namely Mr. PANG Wing Kin, Patrick, Mr. TONG Yat Chong and Mr. NG Hung Sui, Kenneth.

Please also refer to the published version of this announcement in The Standard.