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**玖龍紙業(控股)有限公司\***

**NINE DRAGONS PAPER (HOLDINGS) LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2689)**

**RE-DESIGNATION OF A DIRECTOR  
AND  
APPOINTMENT OF A DIRECTOR**

The Board is pleased to announce the following changes in directorships of the Company with effect from 15 June 2018:

(1) Mr. Zhang Cheng Fei has been re-designated from an executive director and Deputy Chief Executive Officer to an executive director, Deputy Chairman and Deputy Chief Executive Officer; and

(2) Mr. Ken Liu has been appointed as an executive director and Deputy Chairman.

**RE-DESIGNATION OF A DIRECTOR**

Mr. Zhang Cheng Fei has been re-designated from an executive director and Deputy Chief Executive Officer of the Company to an executive director, Deputy Chairman and Deputy Chief Executive Officer of the Company with effect from 15 June 2018.

Mr. Zhang Cheng Fei, 50, has been the executive director and Deputy Chief Executive Officer of the Company since 2006. He is a director of various subsidiaries of the Company. He is one of the founders of the Group and is responsible for the overall management of the Group's operations and business including marketing, finance, procurement, sales and information technology departments. Mr. Zhang Cheng Fei has over 23 years of experience in procurement, marketing and distribution and is a member of the Third Committee of the Chinese People's Political Consultative Conference of Chongqing.

Mr. Zhang Cheng Fei did not hold directorship in other listed companies as at the date of this announcement. Mr. Zhang Cheng Fei is the father of Mr. Zhang Lianpeng, the younger brother of Ms. Cheung, Mr. Liu Ming Chung's brother-in-law and the uncle of Mr. Lau Chun Shun and Mr. Ken Liu. Save as disclosed above, Mr. Zhang Cheng Fei does not have any relationship with any other director, senior management, substantial shareholder or controlling shareholder of the Company.

As at the date of this announcement, Mr. Zhang Cheng Fei through the trustee, BNP Paribas Jersey Trust Corporation Limited, had 25.874% interest in Best Result. In addition, Mr. Zhang

Cheng Fei had personal interest in 29,899,821 Shares, representing approximately 0.64% interest of the total issued share capital of the Company, and 4,500,000 share options, representing approximately 0.10% interest of the total issued share capital of the Company. Save as aforesaid, Mr. Zhang Cheng Fei did not have any other interests (within the meaning of Part XV of the SFO) in the Shares.

## **APPOINTMENT OF A DIRECTOR**

Mr. Ken Liu has been appointed as an executive director and Deputy Chairman of the Company with effect from 15 June 2018. He has also been appointed as the Chief Executive Officer (North America) of a subsidiary of the Company in charge of business in North America with effect from 15 June 2018.

Mr. Ken Liu, aged 26, graduated cum laude in Government from Harvard University. He was previously a consultant at PricewaterhouseCoopers in U.S. where he advised technology, telecom, and banking companies for approximately two years. Since March 2016, Mr. Ken Liu has been the vice chairman of ACN, one of the largest recovered paper suppliers to the Group, where he was responsible for overseeing its corporate development, marketing strategy and general management.

Mr. Ken Liu has not held any directorship in any listed companies in the last three years. Mr. Ken Liu is the son of Ms. Cheung and Mr. Liu Ming Chung, the brother of Mr. Lau Chun Shun, the nephew of Mr. Zhang Cheng Fei and the cousin of Mr. Zhang Lianpeng. Save as disclosed above, Mr. Ken Liu does not have any other relationship with other directors, senior management or substantial shareholders or controlling shareholders of the Company.

At the date of this announcement, Mr. Ken Liu had personal interest in 1,382,000 Shares within the meaning of Part XV of the SFO, representing approximately 0.03% of the total issued share capital of the Company. Mr. Ken Liu is also one of the beneficiaries of several revocable discretionary trusts which in aggregate are interested in 90% of the issued share capital of Best Result. Save as disclosed above, Mr. Ken Liu did not have any other interest (within the meaning of Part XV of the SFO) in the Shares.

In accordance with the Company's bye-laws, Mr. Ken Liu shall hold office as executive director until the next following annual general meeting of the Company and will then be eligible for re-election at the meeting. If re-elected, he will be subject to retirement by rotation at future annual general meetings in accordance with the Company's bye-laws. Mr. Ken Liu is entitled to receive a director's fee of USD100,000 per annum and a salary of USD300,000 per annum. The remuneration package is subject to review by the remuneration committee of the Company from time to time.

Save as disclosed above, there are no other matters relating to Mr. Ken Liu's aforesaid appointment that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed pursuant to rule 13.51(2)(h) to (v) of Listing Rules.

## **NON-COMPLIANCE WITH REQUIREMENT REGARDING INDEPENDENT NON-EXECUTIVE DIRECTORS**

The Board noted that following the appointment of Mr. Ken Liu as an executive director and Deputy Chairman on 15 June 2018, the number of independent non-executive directors has fallen

below one-third of the Board as required under Rule 3.10A of the Listing Rules. The Company will find a suitable candidate for appointment and expects to meet the said requirement within 3 months from 15 June 2018 pursuant to Rule 3.11 of the Listing Rules. The Company will make further announcement(s) as and when appropriate.

## DEFINITIONS

In this announcement, the following expressions have the following meanings unless otherwise requires:

“ACN”	:	America Chung Nam, Inc., a corporation established with limited liability under the laws of the state of California in the U.S., which is indirectly wholly owned by Ms. Cheung and Mr. Liu Ming Chung;
“Best Result”	:	Best Result Holdings Limited, a company incorporated under the laws of the British Virgin Islands, which is a substantial shareholder directly holding 2,992,120,000 Shares, representing approximately 64.01% of the issued share capital of the Company;
“Board”	:	the board of the Company;
“Company”	:	Nine Dragons Paper (Holdings) Limited, a company incorporated in Bermuda, the Shares of which are listed on the main board of the Stock Exchange;
“Director(s)”	:	the director(s) of the Company;
“Group”	:	the Company and its subsidiaries;
“Mr. Lau Chun Shun”	:	Mr. Lau Chun Shun, an executive director of the Company;
“Mr. Liu Ming Chung”	:	Mr. Liu Ming Chung, an executive director, Deputy Chairman and the Chief Executive Officer of the Company;
“Mr. Zhang Cheng Fei”	:	Mr. Zhang Cheng Fei, an executive director, Deputy Chairman and the Deputy Chief Executive Officer of the Company;
“Mr. Zhang Lianpeng”	:	Mr. Zhang Lianpeng, a non-executive director of the Company;
“Ms. Cheung”	:	Ms. Cheung Yan, an executive director and the Chairlady of the Company;
“U.S.”	:	the United States of America;
“Listing Rules”	:	the Rules Governing the Listing of Securities on the Stock Exchange;
“Shares”	:	ordinary share(s) of HK\$0.10 each in the share capital of the Company;

“SFO” : Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and

“Stock Exchange” : The Stock Exchange of Hong Kong Limited.

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

Hong Kong, 15 June 2018

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

*\* For identification purposes only*