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## **PROPOSED ISSUANCE OF US\$ DENOMINATED SENIOR PERPETUAL CAPITAL SECURITIES**

The Company proposes to issue US\$-denominated senior perpetual capital securities.

Details of the Proposed Issue, including the aggregate principal amount, the offer price and distribution rate for the Securities will be determined through a book-building exercise to be conducted by Citigroup as the sole global coordinator, sole lead manager and bookrunner. Upon finalising the terms and conditions of the Securities, it is expected that Citigroup as the sole manager and the Company will enter into the Subscription Agreement.

The pricing and completion of the Proposed Issue is subject to market conditions and investor interests.

**THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT. THE SECURITIES ARE BEING OFFERED OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN COMPLIANCE WITH REGULATIONS S UNDER THE U.S. SECURITIES ACT AND WILL NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES**

ABSENT REGISTRATION EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.

THE SECURITIES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND WILL NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA.

THE SECURITIES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND WILL NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE UNITED KINGDOM.

NONE OF THE SECURITIES WILL BE OFFERED TO THE PUBLIC IN HONG KONG.

SINGAPORE SFA PRODUCT CLASSIFICATION: IN CONNECTION WITH SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE (THE “SFA”) AND THE SECURITIES AND FUTURES (CAPITAL MARKETS PRODUCTS) REGULATIONS 2018 OF SINGAPORE (THE “CMP REGULATIONS 2018”), THE COMPANY HAS DETERMINED, AND HEREBY NOTIFIES ALL RELEVANT PERSONS (AS DEFINED IN SECTION 309A(1) OF THE SFA), THAT THE SECURITIES ARE ‘PRESCRIBED CAPITAL MARKETS PRODUCTS’ (AS DEFINED IN THE CMP REGULATIONS 2018) AND EXCLUDED INVESTMENT PRODUCTS (AS DEFINED IN MAS NOTICE SFA 04-N12: NOTICE ON THE SALE OF INVESTMENT PRODUCTS AND MAS NOTICE FAA-N16: NOTICE ON RECOMMENDATIONS ON INVESTMENT PRODUCTS).

## **REASONS FOR THE PROPOSED ISSUE**

The Company is one of the largest vertically integrated producers of packaging paper products in the world, in terms of worldwide annual design production capacity. The Company manufactures a broad range of packaging paper products, including linerboard, high-performance corrugating medium, coated duplex board, greyboard, printing and writing paper and packaging products. The U.S. division of the Group also offers packaging paper products, including containerboard, kraft paper, printing and specialty papers, pulp and packaging products. The Company believes the level of integration and scale of its operations enables it to efficiently produce a broad range of high-quality packaging paper products at a low cost.

The proceeds from the Proposed Issue are intended to be used by the Group to refinance its existing bank loans and other borrowings and for general corporate purposes.

## **LISTING**

The Company will seek a listing of the Securities on the SGX-ST. Approval in-principle has been received from the SGX-ST for the listing and quotation of the Securities on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Securities on, the SGX-ST are not to be taken as an indication of the merits of the Proposed Issue and the Company.

## **EXPRESSION OF INTEREST TO SUBSCRIBE SECURITIES BY CONNECTED PERSONS**

Pursuant to the Proposed Issue, Ms. Cheung Yan, the chairlady and executive director of the Company, Mr. Liu Ming Chung, Mr. Zhang Cheng Fei and Mr. Lau Chun Shun, all executive directors of the Company, have expressed interest to subscribe for the Securities to signify their confidence in and support to the Group. Further details in respect of their subscriptions will be separately announced if and when they elect to participate in the Proposed Issue.

## **GENERAL**

As no binding agreement in relation to the Proposed Issue has been entered into as at the date of this announcement, the Proposed Issue may or may not materialise. Investors and shareholders of the Company are reminded to exercise caution when dealing in the securities of the Company.

Further announcement in respect of the Proposed Issue will be made by the Company should the Subscription Agreement be signed.

## **DEFINITION**

In this announcement, the following expressions shall have the meanings as set out below unless the context requires otherwise:

“Board”	the board of Directors;
“Citigroup”	Citigroup Global Markets Limited;
“Company”	Nine Dragons Paper (Holdings) Limited, an exempted company incorporated in Bermuda, the shares of which are listed on the main board of the Stock Exchange;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“PRC”	the People’s Republic of China, excluding for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan;
“Proposed Issue”	the proposed issue of the Securities by the Company;
“Securities”	US\$ denominated senior perpetual capital securities proposed to be issued by the Company;
“SGX-ST”	Singapore Exchange Securities Trading Limited;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Agreement”	the subscription agreement proposed to be entered into between Citigroup and the Company in relation to the Proposed Issue;
“U.S. Securities Act”	the United States Securities Act of 1933, as amended; and
“US\$”	United States dollar, the lawful currency of the United States of America.

By order of the Board  
**NINE DRAGONS PAPER (HOLDINGS) LIMITED**  
**Cheung Yan**  
*Chairlady*

28 May 2024

*As at the date of this announcement, the executive directors are Ms. Cheung Yan, Mr. Liu Ming Chung, Mr. Zhang Cheng Fei, Mr. Ken Liu, Mr. Lau Chun Shun, Mr. Zhang Lianpeng, Mr. Zhang Yuanfu and Ms. Zhang Lianru; the independent non-executive directors are Mr. Ng Leung Sing, Mr. Lam Yiu Kin, Ms. Chan Man Ki Maggie and Dr. Li Huiqun.*

\* *For identification purposes only*