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SAMSON PAPER HOLDINGS LIMITED

森信紙業集團有限公司*

(Provisional Liquidators Appointed)

(For Restructuring Purposes Only)

(Incorporated in Bermuda with limited liability)

(Stock Code: 731)

QUARTERLY UPDATE ON RESUMPTION PROGRESS AND UPDATE ON WINDING UP PETITION

This announcement is made by Samson Paper Holdings Limited (the “**Company**”) pursuant to Rule 13.24A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference are made to the announcements (the “**Announcements**”) of the Company dated 2 July 2020, 14 July 2020, 16 July 2020, 17 July 2020, 20 July 2020, 22 July 2020, 23 July 2020, 26 July 2020, 29 July 2020, 10 August 2020, 14 August 2020, 18 August 2020, 17 September 2020, 30 September 2020, 27 November 2020, 4 January 2021, 25 January 2021, 9 February 2021 and 28 March 2021. Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

Reference is also made to the amendments to the delisting framework under the Listing Rules which came into effect on 1 August 2018.

UPDATE ON INDEPENDENT INVESTIGATION

The Independent Investigator has provided a draft independent investigation report on the outstanding audit issues to the IBC for its consideration. The IBC is reviewing and considering it with a view to finalising the report as soon as practicable. The Company will make further announcement(s) on the Independent Investigator's findings as and when appropriate.

BUSINESS UPDATE

To improve the working capital of the Group, the management considered it necessary to dispose of the Group's non-core or underperforming businesses. As a result, the fast moving consumer goods business ("**FMCG Business**") and the Group's paper trading business in Malaysia ("**Malaysia Paper Trading Business**") were disposed on 4 January 2021 and 26 February 2021 respectively to parties who are not connected persons of the Company.

As none of the applicable percentage ratios (as defined in the Listing Rules) in respect of each of the disposals of the FMCG Business and the disposal of the Malaysia Paper Trading Business exceeds 5%, each of the disposals does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules nor a connected transaction under Chapter 14A of the Listing Rules.

POTENTIAL RESTRUCTURING

With the view to implementing and proceeding with the potential restructuring of the indebtedness of the Company and/or the Group, the Company and the JPLs have actively followed up with a number of parties who have expressed preliminary interests in participating in the potential restructuring to formulate the key terms of respective restructuring plan. Among which, two potential investors submitted non-legally binding restructuring proposals to the JPLs for the potential restructuring of the Group. Both proposals would involve, *inter alia*, restructuring of the indebtedness of the Company and UPPSD, which is the Group's major operating subsidiary engaging in paper manufacturing business in the PRC.

The JPLs and the Company have shortlisted a potential investor and are in advanced discussion with the shortlisted investor regarding the potential restructuring with an intention to improve and finalise the principal terms for the restructuring of the Group. The Company and the JPLs also maintain an active communication with the creditors of the Company on the potential restructuring of the Group.

As at the date of this announcement, no binding agreement in respect of the potential restructuring has been entered into. The Company will make further announcements(s) as and when appropriate.

UPDATE ON WINDING UP PETITION

Following the appointment of the JPLs pursuant to the Bermuda Court order dated 24 July 2020 and the subsequent adjourned hearings of the Petition, the hearing of the Petition is further adjourned to 2 July 2021.

Further announcement(s) will be made by the Company in respect of the above matters as and when appropriate.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 July 2020 and will remain suspended until further notice. The Company will keep its shareholders and the public informed of the latest development by making further announcement(s) as and when appropriate.

Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

By Order of the Board
SAMSON PAPER HOLDINGS LIMITED
(Provisional Liquidators Appointed)
(For Restructuring Purposes Only)
Mr. LEE Seng Jin
Chairman

Hong Kong, 8 April 2021

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. LEE Seng Jin and Ms. SHAM Yee Lan, Peggy; and three independent non-executive Directors, namely Mr. CHOI Wai Hong, Clifford, Mr. LAU Wai Leung, Alfred and Mr. LEUNG Vincent Gar-gene.

* *for identification purposes only*