

## Shanying Paper Plans to Build 1.2 million t/a Packaging Paper Project

On December 18<sup>th</sup>, 2015, Shanying Paper announced that the private placement stocks of Shanying Paper will raise funds no more than RMB 2 billion and plan to invest 1.2 million t/a packaging paper project.

The proposed project includes 500,000 t/a low basis weight strong kraft paper production line, 430,000 t/a low basis weight high-strength corrugating medium production line and 270,000 t/a textile spool base paper production line using rejects as new material. The raised fund mainly is used in civil engineering, purchase and installation of equipment and environment protection, accounting for 87.77% of the total investment. The project will add 1.2 million t/a papermaking capacity, expected annual sales revenue of RMB

3.265 billion and net profit of RMB 365 million.

The new project locates in the south side of Ji'an Group's existing paper mills. The projects do not need to add land, but civil engineering will add building area of 148,900 m<sup>2</sup>. The project will build a two floors as an integrated pulping plant which covers an area of 2.65 m<sup>2</sup>, a textile spool base paper plant which covers an area of 1.98 m<sup>2</sup>, two floors of low basis weight high-strength corrugating medium (PM7) and low basis weight strong kraft paper (PM8) combined papermaking plant which covers an area of 48,500 m<sup>2</sup>, two product warehouses are one floor which covers an area of 26,300 m<sup>2</sup>. Again there are dispatch workshop and repair workshop, etc. ▮