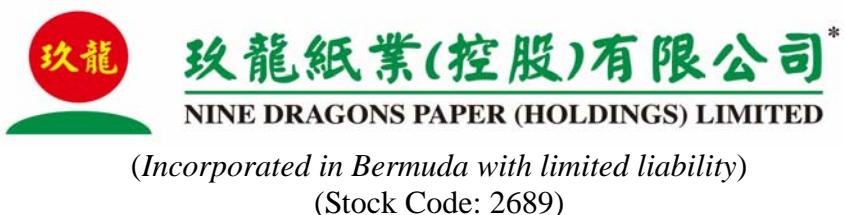


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RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS

Renewal of Existing Continuing Connected Transactions

Reference is made to the Prospectus which disclosed that waivers have been obtained from the Stock Exchange from strict compliance with the announcement and/or the independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of continuing connected transactions under (a) the Longteng Purchase Agreement, (b) the Longteng Supply Agreement, (c) the Forestry Supply Agreement, (d) the Taicang Purchase Agreement and (e) the ACN Supply Agreement.

On 26 June 2008, the Company entered into the Renewed Continuing Connected Transactions Agreements.

In relation to the Renewed Continuing Connected Transactions Agreements, given that each of the applicable percentage ratios (other than the profit ratio) under Chapter 14 of the Listing Rules on an annual basis is more than 0.1% but less than 2.5%, the transactions contemplated thereunder will be exempt from the independent shareholders' approval requirements but subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules.

Renewal of Existing Continuing Connected Transactions

Background

The Company is principally engaged in the manufacture of packaging paperboard products which include linerboard, high performance corrugating medium and coated duplex board, as well as unbleached kraft pulp.

The Company and Zhang's Enterprises entered into the Existing Continuing Connected Transactions prior to the Listing. The transactions contemplated under such agreements were continuing connected transactions of the Company under the Listing Rules, details of which were disclosed in the Prospectus under the section headed "Business – Continuing Connected Transactions".

As disclosed in the Prospectus, the Stock Exchange had granted waivers for a period of three financial years expiring on 30 June 2008 in connection with the Existing Continuing Connected Transactions. Reference is also made to the announcements of the Company of 27 February 2007 and 3 April 2008 in relation to the revision of annual caps for (a) the Longteng Purchase Agreement, (b) the Longteng Supply Agreement, (c) the Forestry Supply Agreement and (d) the

Taicang Purchase Agreement. None of the annual caps and the revised caps of the Existing Continuing Connected Transactions has been exceeded.

The Board has been monitoring the Existing Continuing Connected Transactions. In view of the continuous development and expected increase in the actual production capacity of the Group, and based on the internal forecasts of forthcoming demand and operating conditions, the Board has decided to enter into the Renewed Continuing Connected Transactions Agreements.

(A) Renewed Longteng Purchase Agreement

Dongguan Longteng is principally engaged in the trading of packaging paperboard and production of packaging materials and chemicals, and has been purchasing packaging paperboard products from the Group for trading and production purposes.

Prior to the Listing, Zhang's Enterprises and Dongguan Longteng had entered into the Longteng Purchase Agreement on 12 February 2006 to regulate the purchase of packaging paperboard products manufactured by the Group from time to time. As disclosed in the Prospectus, the Company had obtained a waiver from the Stock Exchange from strict compliance with the announcement requirement under Rule 14A.47 of the Listing Rules in respect of the continuing connected transactions contemplated under the Longteng Purchase Agreement.

On 27 February 2007, a supplemental Longteng Purchase Agreement had been entered into between Zhang's Enterprises and Dongguan Longteng to increase the annual caps for the years ended 30 June 2007 and 2008 due to better-than-expected sales of the Groups' products and the anticipated strong growth in demand for the Group's products.

On 26 June 2008, the Company and Dongguan Longteng have entered into the Renewed Longteng Purchase Agreement with Dongguan Longteng on similar terms to the Longteng Purchase Agreement.

General Principles and Terms

Pursuant to the Renewed Longteng Purchase Agreement, Dongguan Longteng agreed to purchase packaging paperboard products manufactured by the Group from time to time. The terms of the Renewed Longteng Purchase Agreement were negotiated on an arm's length basis and on normal commercial terms in the parties' ordinary course of business. The sale prices of the products will be determined with reference to the prevailing market prices and will be no more favourable than those offered to other purchasers of the Group's products.

Cap Amount

Historical transaction value

The aggregate amount of purchases of packaging paperboard products by Dongguan Longteng from the Group amounted to RMB64.8 million and RMB116.1 million for the years ended 30 June 2006 and 2007, respectively. For the year ending 30 June 2008, it is expected the aggregate amount of purchase of packaging paperboard products to amount to approximately RMB144 million.

Proposed Annual Cap

The Directors expect that (i) the business of Dongguan Longteng will continue to grow and the need for the continued supply of packaging paperboard products from the Group will continue to increase; and (ii) the prices of raw materials and finished products will increase in the period from 2008 to 2011 due to the increase in demand for such products and the expected inflation. Based on the historical transaction value between Dongguan Longteng and the Group, the Directors expect that the Group's annual sales of packaging paperboard products to Dongguan Longteng for the three years ending 30 June 2011 will be approximately RMB173 million, RMB207 million and RMB241 million, respectively pursuant to the Renewed Longteng Purchase Agreement.

Listing Rule Implications

As at the date of this announcement, Dongguan Longteng is held as to 70% by Mr. Zhang Cheng Ming, a brother of Mr. Zhang Cheng Fei and Ms. Cheung Yan, who are the Directors and substantial shareholders of the Company. Therefore, the transactions contemplated under the Renewed Longteng Purchase Agreement will constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

The Renewed Longteng Purchase Agreement was entered into on normal commercial terms and the applicable percentage ratios for the transactions under the Renewed Longteng Purchase Agreement on an annual basis will be less than 2.5%. Accordingly, the Renewed Longteng Purchase Agreement is only subject to the reporting and announcement requirements and is exempt from the independent shareholders' approval requirements set out in Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) consider that the transactions under the Renewed Longteng Purchase Agreement is entered into in the usual and ordinary course of business of the Company and the terms have been negotiated on an arm's length basis and on normal commercial terms between the Company and Dongguan Longteng and the proposed annual caps for the transactions under the Renewed Longteng Purchase Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(B) Renewed Longteng Supply Agreement

Prior to the Listing, Zhang's Enterprises and Dongguan Longteng had entered into the Longteng Supply Agreement on 12 February 2006 to regulate the supply of packaging materials and chemicals manufactured by Dongguan Longteng to members of the Group for the production of paperboard products as requested from time to time. As disclosed in the Prospectus, the Company had obtained a waiver from the Stock Exchange from strict compliance with the announcement requirement under Rule 14A.47 of the Listing Rules in respect of the continuing connected transactions under the Longteng Supply Agreement.

On 27 February 2007 and 3 April 2008, two supplemental Longteng Supply Agreements had been entered into between Zhang's Enterprises and Dongguan Longteng to increase the annual caps for the two years ending 30 June 2008 due to better-than-expected sales of the Groups' products and the anticipated strong growth in demand for the Group's products.

On 26 June 2008, the Company and Dongguan Longteng have entered into the Renewed Longteng Supply Agreement on similar terms to the Longteng Supply Agreement.

General Principles and Terms

Pursuant to the Renewed Longteng Supply Agreement, Dongguan Longteng agreed to supply packaging materials and chemicals for the production of paperboard products to members of the Group as requested from time to time. The terms of the Renewed Longteng Supply Agreement were negotiated on an arm's length basis and on normal commercial terms in the parties' ordinary course of business. The sale prices of packaging materials and chemicals will be determined with reference to the prevailing market prices and will be comparable to those offered by independent suppliers to the Group.

Cap Amount

Historical transaction value

The aggregate amount of purchases of packaging materials and chemicals from Dongguan Longteng from the Group amounted to RMB22.0 million and RMB45.7 million for the year ended 30 June 2006 and 2007, respectively. For the year ending 30 June 2008, it is expected the aggregate amount of purchases amount to approximately RMB105 million.

Proposed Annual Cap

The Directors anticipate that the actual production capacity of the Group will increase from approximately 3.25 million tonnes in the year ended 30 June 2007 to approximately 4.7 million tonnes, 7.1 million tonnes, 8.6 million tonnes and 10.2 million tonnes in the years ending 30 June 2008, 2009, 2010 and 2011 respectively, as such the need for the continued supply of packaging materials and chemicals from Dongguan Longteng will continue to increase; and (ii) the prices of raw materials and finished products will increase in the period from 2008 to 2011 due to the increase in demand for such products and the expected inflation. Based on the historical transaction value between Dongguan Longteng and the Group, the Directors expect that the Group's annual purchase of packaging materials and chemical from Dongguan Longteng for the production of paperboard products for the three years ending 30 June 2011 will be approximately RMB126 million, RMB151 million and RMB181 million, respectively pursuant to the Renewed Longteng Supply Agreement.

Listing Rule Implications

As at the date of this announcement, Dongguan Longteng is held as to 70% by Mr. Zhang Cheng Ming, a brother of Mr. Zhang Cheng Fei and Ms. Cheung Yan, who are the Directors and substantial shareholders of the Company. Therefore, the transactions contemplated under the Renewed Longteng Supply Agreement will constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

The Renewed Longteng Supply Agreement was entered into on normal commercial terms and the applicable percentage ratios for the transactions under the Renewed Longteng Supply Agreement on an annual basis will be less than 2.5%. Accordingly, the Renewed Longteng Supply Agreement is only subject to the reporting and announcement requirements and is exempt from the independent shareholders' approval requirements set out in Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) consider that the transactions

under the Renewed Longteng Supply Agreement is entered into in the usual and ordinary course of business of the Company and the terms have been negotiated on an arm's length basis and on normal commercial terms between the Company and Dongguan Longteng and the proposed annual caps for the transactions under the Renewed Longteng Supply Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(C) Renewed Forestry Supply Agreement

Prior to the Listing, ND Xing An, a subsidiary of the Company and China Inner Mongolia Forestry had entered into the Forestry Supply Agreement on 12 February 2006, pursuant to which China Inner Mongolia Forestry agreed to procure its wholly owned subsidiaries to supply wood logs and wood chips to the members of the Group as requested from time to time.

The Group has been purchasing wood logs and wood chips from China Inner Mongolia Forestry as raw materials for its production of unbleached kraft pulp. As at the date of this announcement, China Inner Mongolia Forestry is a state-owned enterprise which owns and manages extensive softwood forests in Inner Mongolia.

As disclosed in the Prospectus, the Company had obtained a waiver from the Stock Exchange from strict compliance with the announcement requirement under Rule 14A.47 of the Listing Rules in respect of the continuing connected transactions under the Forestry Supply Agreement.

On 27 February 2007, a supplemental Forestry Supply Agreement had been into between ND Xing An and China Inner Mongolia Forestry to increase the annual caps for the two years ending 30 June 2008 due to better-than-expected sales of the Groups' products and the anticipated strong growth in demand for the Group's products.

On 26 June 2008, ND Xing An and China Inner Mongolia Forestry have entered into the Renewed Forestry Supply Agreement on similar terms to the Forestry Supply Agreement.

General Principles and Terms

Pursuant to the Renewed Forestry Supply Agreement, China Inner Mongolia Forestry agreed to procure its wholly owned subsidiaries to supply wood logs and wood chips to members of the Group as requested from time to time. The terms of the Renewed Forestry Supply Agreement were negotiated on an arm's length basis and on normal commercial terms in the parties' ordinary course of business. The sale prices of the materials will be determined with reference to the prevailing market prices and will be comparable to those offered by independent suppliers to the Group.

Cap Amount

Historical transaction value

The aggregate amount of sales of wood logs and wood chips by China Inner Mongolia Forestry to the Group amounted to RMB86.7 million and RMB108.1 million for the year ended 30 June 2006 and 2007, respectively. As for the year ending 30 June 2008, it is expected to amount to approximately RMB156 million.

Proposed Annual Cap

The Directors anticipate that (i) the actual production capacity of the Group will increase from approximately 3.25 million tonnes in the year ended 30 June 2007 to approximately 4.7 million tonnes, 7.1 million tonnes, 8.6 million tonnes, and 10.2 million tonnes in the years ending 30 2008, 2009, 2010 and 2011 respectively, as such the need for the continued supply of wood logs and wood chips required for the production of unbleached kraft pulp by the Group will continue to increase; and (ii) the prices of raw materials and finished products will increase in the period from 2008 to 2011 due to the increase in demand for such products and the expected inflation. Based on the historical transaction value between China Inner Mongolia Forestry Industry Co., Ltd. and the Group, the Directors expect that the Group's annual purchase of wood logs and wood chips from China Inner Mongolia Forestry for each of the three years ending 30 June 2011 will be approximately RMB156 million pursuant to the Renewed Forestry Supply Agreement.

Listings Rule Implications

As at the date of this announcement, China Inner Mongolia Forestry is a substantial shareholder of ND Xing An which is the Group's non-wholly owned subsidiary. Therefore, the transactions contemplated under the Renewed Forestry Supply Arrangement will constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

The Renewed Forestry Supply Agreement was entered into on normal commercial terms and the applicable percentage ratios for the transactions under the Renewed Forestry Supply Agreement on an annual basis will be less than 2.5%. Accordingly, the Renewed Forestry Supply Agreement is only subject to the reporting and announcement requirements and is exempt from the independent shareholders' approval requirements set out in Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) consider that the transactions under the Renewed Forestry Supply Agreement is entered into in the usual and ordinary course of business of the Company and the terms have been negotiated on an arm's length basis and on normal commercial terms between the Company and China Inner Mongolia Forestry and the proposed annual caps for the transactions under the Renewed Forestry Supply Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(D) Renewed Taicang Purchase Agreement

Prior to the Listing, Zhang's Enterprises and Taicang Packaging had entered into the Taicang Purchase Agreement on 12 February 2006, pursuant to which Taicang Packaging agreed to purchase packaging paperboard products manufactured by the Group from time to time.

On 27 February 2007, a supplemental Taicang Purchase Agreement had been into between Zhang's Enterprises and Taicang Packaging to increase the annual caps for the two years ending 30 June 2008 due to better-than-expected sales of the Groups' products and the anticipated strong growth in demand for the Group's products.

Taicang Packaging is principally engaged in the production of paper packaging containers and processed containerboard products.

As disclosed in the Prospectus, the Company had obtained a waiver from the Stock Exchange from strict compliance with the announcement and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the continuing connected

transactions under the Taicang Purchase Agreement.

On 26 June 2008, the Company and Taicang Packaging have entered into the Renewed Taicang Purchase Agreement for a period of one year commencing on 1 July 2008 and ending on 31 July 2009. As at the date of this announcement, the Company is contemplating the possibility of further renewing the term of the said agreement for a further two-year period subject to further negotiation between the Company and Taicang Packaging in respect of the pricing terms and the volume of packaging paperboard products to be supplied to Taicang Packaging.

General Principles and Terms

Pursuant to the Renewed Taicang Purchase Agreement, Taicang Packaging agreed to purchase packaging paperboard products manufactured by the Group from time to time. The terms of the Renewed Taicang Purchase Agreement were negotiated on an arm's length basis and on normal commercial terms in the parties' ordinary course of business. The sale prices of the products will be determined with reference to the prevailing market prices and will be no more favourable than those offered to other purchasers of the Group's products.

Cap Amount

Historical transaction value

The aggregate amount of the products purchased by Taicang Packaging from the Group amounted to RMB78.0 million and RMB193.6 million for the year ended 30 June 2006 and 2007, respectively. For the year ending 30 June 2008, it is expected to amount to approximately RMB220 million.

Proposed Annual Cap

The Directors anticipate that (i) the business of Taicang Packaging will continue to grow and (ii) the prices of raw materials and finished products will increase in the period from 2008 to 2011 due to the increase in demand for such products and the expected inflation. Based on the historical transaction value between Taicang Packaging and the Group, the Directors expect that the Group's sale of packaging paperboard products to Taicang Packaging for the year ending 30 June 2009 will be approximately RMB241 million pursuant to the Renewed Taicang Packaging Agreement.

Listing Rule Implications

As at the date of this announcement, Taicang Packaging is held as to 100% by Mr. Zhang Cheng Fei, a Director and a substantial shareholder of the Company. Therefore, the transactions contemplated under the Renewed Taicang Packaging Agreement will constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

The Renewed Taicang Packaging Agreement was entered into on normal commercial terms and the applicable percentage ratios for the transactions under the Renewed Taicang Packaging Agreement on an annual basis will be less than 2.5%. Accordingly, the Renewed Taicang Packaging Agreement is only subject to the reporting and announcement requirements set out in Chapter 14A of the Listing Rules and is exempt from the independent shareholders' approval requirements set out in Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) consider that the transactions under the Renewed Taicang Purchase Agreement is entered into in the usual and ordinary course of business of the Company and the terms have been negotiated on an arm's length basis and on normal commercial terms between the Company and Taicang Packaging and the proposed annual caps for the transactions under the Renewed Taicang Purchase Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(E) Renewed ACN Supply Agreement

Prior to the Listing, the Company and ACN had entered into the ACN Supply Agreement on 12 February 2006, pursuant to which ACN agreed to supply recovered paper to members of the Group as requested from time to time.

ACN is the largest exporter of recovered paper in U.S.A and is a leading exporter of recovered paper in Europe and Asia. ACN is a major supplier of recovered paper in China.

As disclosed in the Prospectus, the Company had obtained a waiver from the Stock Exchange from strict compliance with the announcement and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions under the ACN Supply Agreement.

On 26 June 2008, the Company and ACN have entered into the Renewed ACN Supply Agreement to extend the term of the ACN Supply Agreement for a period of one month commencing on 1 July 2008 and ending on 31 July 2008. As at the date of this announcement, the Company is contemplating the possibility of further renewing the term the said agreement for a period of three years subject to further negotiations between ACN and the Company in respect of the pricing terms and the volume of recovered paper to be supplied by ACN.

A further announcement will be issued by the Company in the event that Company and ACN have agreed to renew the Renewed ACN Supply Agreement.

General Principles and Terms

Pursuant to the Renewed ACN Supply Agreement, ACN agreed to supply recovered paper to members of the Group as requested between the period commencing from 1 July 2008 to 31 July 2008. The terms of the Renewed ACN Supply Agreement were negotiated on an arm's length basis and on normal commercial terms in the parties' ordinary course of business. The sale prices of the recovered paper will be determined with reference to the prevailing market prices in the recovered paper market in the PRC and the quantity of the Group's purchase and will be no less favourable than those offered by independent suppliers of the Group.

Cap Amount

Historical transaction value

The aggregate amount of purchases of recovered paper by the Group from ACN amounted to RMB2,591.0 million and RMB2,922.4 million for the years ended 30 June 2006 and 2007 respectively. For the year ending 30 June 2008, it is expected to amount to approximately RMB5,092 million.

Proposed Cap

The Directors anticipate that (i) the actual production capacity of the Group will increase from approximately 3.25 million tonnes in the year ended 30 June 2007 to approximately 4.7 million tonnes, 7.1 million tonnes, 8.6 million tonnes and 10.2 million tonnes in the years ending 30 June 2008, 2009, 2010 and 2011 respectively, as such the need for the continued supply of recovered paper from ACN by the Group will continue to increase due to the increase of the actual production capacity of the Group. Based on the historical transaction value between ACN and the Company, the Directors expect that the transaction value between ACN and the Company for the month ending 31 July 2008 will continue to increase for the month ending 30 June 2008 and the Group's purchase of recovered paper from ACN for the one month ending 31 July 2008 will be approximately RMB241 million pursuant to the Renewed ACN Supply Agreement.

Listings Rule Implications

As at the date of this announcement, ACN is indirectly wholly owned by Ms. Cheung Yan, a Director and a substantial shareholder of the Company. Therefore, the transactions under the Renewed ACN Supply Agreement will be connected transactions for the Company under Chapter 14A of the Listing Rules.

The Renewed ACN Supply Agreement was entered into on normal commercial terms and the applicable percentage ratios for the transactions under the Renewed ACN Supply Agreement on an annual basis will be less than 2.5%. Accordingly, the Renewed ACN Supply Agreement is only subject to the reporting and announcement requirements and is exempt from the independent shareholders' approval requirements set out in Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) consider that the transactions under the Renewed ACN Supply Agreement is entered into in the usual and ordinary course of business of the Company and the terms have been negotiated on an arm's length basis and on normal commercial terms between the Company and ACN and the proposed caps for the transactions under the Renewed ACN Supply Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Definitions

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

“ACN”	America Chung Nam, Inc., a corporation established with limited liability under the laws of the State of California in the United States. As at the date of this announcement, ACN is indirectly wholly owned by Ms. Cheung Yan
“ACN Supply Agreement”	the agreement entered into between the Company and ACN on 12 February 2006 which sets out the terms for the supply of recovered paper from ACN to the Group for the three financial years ending 30 June 2008, the particulars of which were set out in the Prospectus
“Board”	the board of Directors

“China Inner Mongolia Forestry”	China Inner Mongolia Forestry Industry Co., Ltd., a state-owned enterprise
“Company”	Nine Dragons Paper (Holdings) Limited, a company incorporated in Bermuda on 17 August 2005 with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Dongguan Longteng”	Dongguan Longteng Paper Co., Ltd. (東莞龍騰紙業公司) a limited liability company established in the PRC in May 2003
“Existing Continuing Connected Transactions”	the transactions contemplated under (a) the Longteng Purchase Agreement, (b) the Longteng Supply Agreement, (c) the Forestry Supply Agreement, (d) Taicang Purchase Agreement and (e) the ACN Supply Agreement
“Forestry Supply Agreement”	the agreement entered into between ND Xing An and China Inner Mongolia Forestry on 12 February 2006 pursuant to which China Inner Mongolia Forestry agreed to procure its wholly owned subsidiaries to supply wood logs and wood chips to members of the Group for three financial years ending 30 June 2008, the particulars of which were set out in the Prospectus
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing”	listing of the Shares on the main board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Longteng Purchase Agreement”	the agreement entered into between Zhang’s Enterprises, a wholly owned subsidiary of the Company, and Dongguan Longteng on 12 February 2006, which sets out the terms of the purchase of packaging paperboard products by Dongguan Longteng from the Group, the particulars of which were set out in the Prospectus
“Longteng Supply Agreement”	the agreement entered into between Zhang’s Enterprises, a wholly owned subsidiary of the Company, and Dongguan Longteng on 12 February 2006, which sets out the terms of the supply of packaging materials and chemicals for the production of paperboard products from Dongguan Longteng to the Group, the particulars of which were set out in the Prospectus
“ND Xing An”	Nine Dragons Xing An Paper Industries (Inner Mongolia) Company Limited (玖龍興安漿紙(內蒙古)有限公司), an equity joint venture established in the PRC on 16 February 2004. As at the date of this announcement, ND Xing An is 55% indirectly

	owned by the Company and 45% owned by China Inner Mongolia Forestry
“Renewed ACN Agreement”	the agreement entered into between the Company and ACN on 26 June 2008 which sets out the terms for the supply of recovered paper by ACN to members of the Group for a period of one month commencing on 1 July 2008 and ending on 31 July 2008
“Renewed Continuing Connected Transactions Agreements”	means (a) the Renewed Longteng Purchase Agreement, (b) the Renewed Longteng Supply Agreement, (c) the Renewed Forestry Supply Agreement, (d) the Renewed Taicang Purchase Agreement and (e) the Renewed ACN Supply Agreement
“Renewed Forestry Supply Agreement”	the agreement entered into between ND Xing An and China Inner Mongolia Forestry entered into on 26 June 2008 which sets out the supply wood logs and wood chips to members of the Group as requested by them from time to time for the period ending 30 June 2011
“Renewed Longteng Purchase Agreement”	the agreement entered into between the Company and Dongguan Longteng entered into on 26 June 2008, which sets out the purchase of packaging paperboard products manufactured by the Group from time to time for the three financial years ending 30 June 2011
“Renewed Longteng Supply Agreement”	the agreement entered into between the Company and Dongguan Longteng entered into on 26 June 2008, which sets out the supply of packaging materials and chemicals for production of paperboard products to members of the Group as requested from time to time for the three financial years ending 30 June 2011
“Renewed Taicang Purchase Agreement”	the agreement entered into between the Company and Taicang Packaging entered into on 26 June 2008, which sets out the purchase of packaging paperboard products manufactured by the Group to Taicang for a period of one year commencing from 1 July 2008 and ending on 30 June 2009
“Prospectus”	the prospectus of the Company dated 20 February 2006
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	Holder(s) of the Company’s share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Taicang Packaging”	Nine Dragons Packaging (Taicang) Company Limited, a wholly foreign-owned enterprise established in the PRC on 9 April 2002. As at the date of this announcement, Taicang Packaging is wholly owned by Mr. Zhang Cheng Fei

“Taicang Purchase
Agreement”

the agreement entered into between Zhang’s Enterprises and Taicang Packaging on 12 February 2006, which sets out the terms for the purchase of packaging paperboard products by Taicang Packaging from the Group, the particulars of which were set out in the Prospectus

“Zhang’s Enterprises”

Zhang’s Enterprises Company Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company

“%”

per cent

By Order of the Board

NINE DRAGONS PAPER (HOLDINGS) LIMITED

Cheung Yan

Chairlady

Hong Kong, 26 June 2008

As at the date of this announcement, Ms. Cheung Yan, Mr. Liu Ming Chung, Mr. Zhang Cheng Fei and Ms. Gao Jing are executive Directors, Mr. Lau Chun Shun is an non-executive Director and Ms. Tam Wai Chu, Maria, Mr. Chung Shui Ming, Timpson, Dr. Cheng Chi Pang and Mr. Wang Hong Bo are independent non-executive Directors.

* *For identification purposes only*