


玖龍紙業(控股)有限公司*
NINE DRAGONS PAPER (HOLDINGS) LIMITED
(Incorporated in Bermuda with limited liability)

(Stock Code: 2689)

Immediate Release

24 February, 2009

Nine Dragons Paper (Holdings) Limited Announces the Early Results of Tender Offer for the 7.85% Senior Notes due 2013 and Extension of Early Tender Date

24 February 2009 –Nine Dragons Paper (Holdings) Limited (HKSE: 2689) (the “**Company**”) had on 9 February 2009 announced (the “**9 February Announcement**”) that it had commenced a tender offer (the “**Offer**”) on 9 February 2009 to purchase for cash any and all of its outstanding US\$283,750,000 7.875% Senior Notes Due 2013 (the “**Notes**”). Further to the 9 February Announcement, the Company today announced early results of the Offer to purchase for cash any and all of the Notes and an extension of the Early Tender Date that ended at 5:00 p.m., New York City time, on 23 February 2009.

The Company today announced that US\$160,432,000 of the principal amount of the Notes had been validly tendered and not been withdrawn, representing approximately 57% of the total amount of Notes outstanding, as of the Early Tender Date.

With immediate effect, the Company today also announced that it has extended the Early Tender Date for the Notes from 5:00 p.m., New York City time, on 23 February 2009 to the Expiration Date at 12:00 Midnight, New York City time, on 9 March 2009. As such, holders of the Notes who validly tendered their Notes after the original Early Tender Date but prior to the Expiration Date, and to the extent their Notes are accepted for payment, instead of receiving the Total Consideration, less an amount equal to US\$50 for each US\$1,000 principal amount of the Notes, plus accrued and unpaid interest thereon to, but not including, the date of payment, will receive the Total Consideration of US\$530 per US\$1,000 principal amount of Notes, plus accrued and unpaid interest thereon to, but not including, the date of payment, i.e., the same consideration as that to be received by the holders of the Notes that validly tendered and did not validly withdraw their Notes prior to the original Early Tender Date.

The withdrawal rights in relation to the Notes tendered under the Offer expired at 5:00 p.m., New York City time, on 23 February 2009. Notes previously tendered and Notes that are tendered after 5:00 p.m., New York City time, on 23 February 2009 may not be withdrawn, except in certain limited circumstances set out in the Offer to Purchase.

The terms and conditions of the Offer are set forth in the Offer to Purchase. The Offer is not conditioned on the tender of a minimum principal amount of the Notes. The consummation of the Offer is subject to certain conditions, which are described in the Offer to Purchase that is being sent to holders of the Notes. Subject to applicable law, the Company may, in its sole discretion, waive any condition applicable to the Offer or extend or terminate or otherwise amend the Offer.

Merrill Lynch & Co. is acting as sole dealer manager, and Bondholder Communications Group is acting as information and tender agent in connection with the Offer. Copies of the Offer to Purchase and related documents may be obtained from the Information and Tender Agent at www.bondcom.com/ninedragons.

THIS PRESS RELEASE IS NOT AN OFFER TO PURCHASE, A SOLICITATION OF AN OFFER TO PURCHASE, OR A SOLICITATION OF AN OFFER TO SELL, NOTES. AN OFFER MAY ONLY BE MADE PURSUANT TO THE TERMS OF THE OFFER TO PURCHASE.

About the Company

The Company is a limited liability company incorporated in Bermuda, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (under stock code 2689).

As of the date of this press release, the Group is the largest producer in Asia, and one of the largest producers in the world of packaging paperboard products in terms of design production capacity. The Group primarily manufactures linerboard, high-performance corrugating medium and certain types of coated duplex board. The Group also manufactures specialty paper, wood and bamboo pulp through a subsidiary, and produces unbleached kraft pulp through its joint venture subsidiary, which the Group uses as raw material for its own production as well as sells to third parties.

Forward-Looking Statements

Forward-looking statements in this press release, including those statements relating to the Offer, such as the scheduled expiration date and the repurchase of Notes, are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for the Notes; changes in the business and financial condition of the Group; changes in the debt markets in general; and the occurrence of events specified in the Offer to Purchase that would trigger a condition permitting termination or amendment of an Offer.

This press release is distributed by Wonderful Sky Financial Group Limited for Nine Dragons Paper (Holdings) Limited.

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** For identification only*