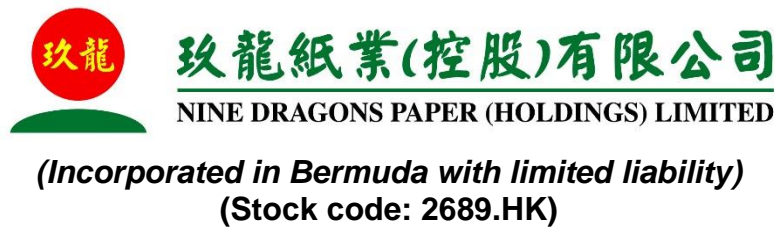


For Immediate Release

27 April 2017



Nine Dragons Paper (Holdings) Limited Denies Investment on Malaysian Forest Project and Makes Firm Clarification on Erroneous Media Reports

(Hong Kong, 27 April 2017) Nine Dragons Paper (Holdings) Limited (the "Company") makes firm clarification on certain erroneous media reports about the Company's investment in a Malaysian forest project. The Company states unambiguously that these reports about the Company's planned investment in the Malaysian forest project are serious misstatement of the facts, and reserves the right to take appropriate legal actions against the relevant media and other relevant parties.

According to information received by the Company, these media reports mainly stated that the Company will likely enter into binding agreements soon for investing in a forest asset project located in Malaysia – Sabah Forest Industries (the "Project"), and currently it is only the valuation mismatch to be sorted out between the buyer and vendor. The fact is, the Company has conducted preliminary studies and performed a simple site visit on the Project in 2016. Thereafter there was no further negotiation and discussion on the valuation of the Project. The Company confirms that currently there is not any negotiation going on regarding investment in the Project, and it does not have any plan to invest in the Project.

The Company regards these reports about the Company as grossly erroneous and misleading to the readers, hence there may be certain ulterior motives. Therefore, while alerting the public to exercise caution in addressing these reports, the Company also reserves the right to pursue the legal liabilities in relation to such irresponsible, ulterior, improper and untrue publicity.

— End —

Background of Nine Dragons Paper (Holdings) Limited

The Group is the largest packaging paperboard producer in China and Asia and one of the largest producers in the world, in terms of design capacity. It primarily manufactures and sells linerboard, high performance corrugating medium and coated duplex board products. It also produces and sells recycled printing and writing paper and specialty paper. ND Paper was listed on the Main Board of the Hong Kong Stock Exchange on 3 March 2006.

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

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