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OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

Please refer to the Offer to Purchase (as defined in the Company's announcement dated 9 February 2009) on the next page.

Hong Kong, 9 February 2009

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

* For identification only



玖龍紙業(控股)有限公司

NINE DRAGONS PAPER (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 2689)

Offer to Purchase for Cash

any and all of the Outstanding
US\$283,750,000 7.875% Senior Notes due 2013
(ISIN Code USG65318AA83) (Reg. S)
(ISIN Code US65439EAA10) (144A)
issued on April 29, 2008 and listed on the SGX-ST

THE OFFER WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON MONDAY, MARCH 9, 2009, UNLESS THE OFFER IS EXTENDED. WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON MONDAY, FEBRUARY 23, 2009, UNLESS THEY ARE EXTENDED AS PER THE TERMS OF THIS OFFER TO PURCHASE.

Nine Dragons Paper (Holdings) Limited, a company incorporated under the laws of Bermuda (the “Issuer”, “we”, “our” or “us”), hereby offers to purchase for cash, upon the terms and subject to the conditions set forth in this Offer to Purchase Statement (as it may be amended or supplemented from time to time, this “Offer to Purchase”), any and all of the US\$283,750,000 7.875% Senior Notes due 2013 (the “Notes”), at a price of US\$530 per US\$1,000 principal amount (the “Total Consideration”).

Holders of Notes that validly tender prior to 5:00 p.m., New York City time, Monday, February 23, 2009 (the “Early Tender Date”) and do not validly withdraw their Notes, and to the extent their Notes are accepted for payment, will receive the Total Consideration, plus accrued and unpaid interest thereon to, but not including, the date of payment. Holders of Notes that validly tender after the Early Tender Date but prior to 12:00 Midnight, New York City time, on Monday, March 9, 2009 (the “Expiration Date”) will receive the Total Consideration, less an amount equal to US\$50 for each US\$1,000 principal amount of Notes (the “Early Tender Payment”) (such amount, the “Tender Consideration”), plus accrued and unpaid interest thereon to, but not including, the date of payment. The offer to purchase the Notes is referred to as the “Offer”.

The following table summarizes the material terms of the Offer:

Notes and Offer	Principal Amount Outstanding	Early Tender Payment ⁽¹⁾	Total Consideration ⁽¹⁾⁽²⁾
Any and all of the 7.875% Senior Notes due 2013	US\$283,750,000	US\$50	US\$530

(1) per US\$1,000 principal amount of Notes that are accepted for purchase.

(2) includes the Early Tender Payment of US\$50.

This Offer to Purchase contains important information that you should read before making any decision with respect to the Offer. The Offer is not conditioned on the tender of any minimum principal amount of Notes. The Offer is, however, subject to other conditions. See Section 10, “Conditions to the Offer”.

The Dealer Manager for the Offer is:

Merrill Lynch & Co.

The ISIN Codes for the Notes are: USG65318AA83 and US65439EAA10. The ISIN Codes referenced above have been assigned by Standard & Poor's Corporation and are included solely for the convenience of holders of the Notes. The Issuer, Merrill Lynch & Co., which is acting as Dealer Manager in connection with the Offer (the "Dealer Manager") and Bondholder Communications Group, which is acting as information and tender agent in connection with the Offer (the "Information and Tender Agent") shall not be responsible for the selection or use of these ISIN Codes, and no representation is made as to their correctness on the Notes or as indicated in this Offer to Purchase.

The Issuer's board of directors has approved the making of the Offer. However, none of the Issuer, its directors, the Dealer Manager, the Information and Tender Agent nor any of their respective affiliates makes any recommendation to you as to whether you should tender or refrain from tendering your Notes or as to the price or prices at which you may choose to tender your Notes. You must make your own decision as to whether to tender your Notes and, if so, the aggregate principal amount of Notes to tender and the price at which your Notes should be tendered.

Questions and requests for assistance in connection with the Offer may be directed to the Dealer Manager. Requests for additional copies of this Offer to Purchase may be directed to the Information and Tender Agent. You can find the addresses and telephone numbers for each of the Dealer Manager and the Information and Tender Agent on the back cover of this Offer to Purchase. Requests for additional copies of this Offer to Purchase may also be directed to brokers, dealers, commercial banks, trust companies or other nominees.

IMPORTANT INFORMATION

Any holder desiring to tender Notes before the Offer expires must (a) properly transmit an Agent's Message (as defined below) (and any other required documents) to the Information and Tender Agent and deliver such Notes pursuant to the procedure for book-entry transfer set forth in Section 7, "Procedures for Tendering Notes", prior to the expiration of the Offer or (b) request such holder's broker, dealer, commercial bank, trust company or other nominee to effect the tender for such holder. A holder having Notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such broker, dealer, commercial bank, trust company or other nominee if such holder desires to tender such Notes.

We have not provided guaranteed delivery provisions in connection with the Offer. Notes being tendered must be delivered to the Information and Tender Agent in accordance with the procedures described in this Offer to Purchase on or prior to the Early Tender Date (in order for you to receive the Total Consideration) or after the Early Tender Date and on or prior to the Expiration Date (in order for you to receive the Tender Consideration).

WE HAVE NOT AUTHORIZED ANY PERSON TO MAKE ANY RECOMMENDATION ON OUR BEHALF AS TO WHETHER YOU SHOULD TENDER OR REFRAIN FROM TENDERING YOUR NOTES IN THE OFFER. WE HAVE NOT AUTHORIZED ANY PERSON TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFER OTHER THAN THOSE CONTAINED IN THIS DOCUMENT. IF GIVEN OR MADE, ANY RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN MADE BY US, THE DEALER MANAGER OR THE INFORMATION AND TENDER AGENT.

This Offer to Purchase does not constitute an offer to purchase or the solicitation of an offer to sell securities in any circumstances or in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer under applicable securities or blue sky laws or otherwise. The delivery of this Offer to Purchase shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in our affairs since the date hereof.

See "Certain Significant Considerations" and "Certain Tax Considerations" for discussions of certain factors that should be considered in evaluating the Offer.

This Offer to Purchase has not been reviewed by any federal or state securities commission or regulatory authority of any country, nor has any such commission or authority passed upon the accuracy or adequacy of this Offer to Purchase. Any representation to the contrary is unlawful and may be a criminal offense.

Notwithstanding anything to the contrary contained herein, a holder or beneficial owner of Notes (and each employee, representative, of other agent of a holder or beneficial owner of Notes) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions described in this Offer to Purchase and all materials of any kind that are provided to the holder or beneficial owner of Notes relating to such tax treatment and tax structure (as such terms are defined in Treasury Regulation Section 1.6011-4). This authorization of tax disclosure is retroactively effective to the commencement of discussions with holders and beneficial owners of Notes.

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SUMMARY

The following are answers to some of the questions that you, as a holder of the Notes, may have. We urge you to read the remainder of this Offer to Purchase carefully because this summary may not contain all of the information that may be important to you. This summary is qualified in its entirety by reference to the complete contents of this Offer to Purchase.

Information about the Offer

Who is offering to purchase my Notes? (Page 9)

- Nine Dragons Paper (Holdings) Limited, the issuer of the 7.875% Senior Notes due 2013, is offering to purchase the Notes.

What principal amount of Notes is offered to be purchased? (Page 7)

- We are offering to purchase for cash any and all of the outstanding Notes.
- As of February 9, 2009 there was US\$283,750,000 aggregate principal amount of the Notes outstanding.

What will be the purchase price for my Notes? (Page 7)

- We are offering to purchase the Notes for cash at a price equal to US\$530 per US\$1,000 principal amount (we call this the “Total Consideration”), plus accrued and unpaid interest thereon to, but not including, the date of payment.
- In order to receive the Total Consideration, you must validly tender (and not withdraw) your Notes on or prior to the Early Tender Date. If you validly tender your Notes after the Early Tender Date, but on or prior to the Expiration Date, you will receive the Total Consideration, less the Early Tender Payment, which we refer to as the Tender Consideration.
- You will not have to pay any transfer taxes or fees or commissions on the Total Consideration or Tender Consideration (as applicable) paid to you for your Notes. You may be required to pay commissions to your broker in connection with your tender of Notes. U.S. federal income tax considerations and Bermuda tax considerations relating to a tender of your Notes are described below. See Section 2, “Terms of the Offer” and Section 11, “Certain Tax Considerations”.

Is there a minimum principal amount of Notes that needs to be tendered as a condition to the Offer? (Page 7)

- There is no minimum principal amount of the Notes that needs to be tendered as a condition to the Offer.

When does the Offer expire? (Page 7)

- The Offer expires at 12:00 Midnight, New York City time, on Monday, March 9, 2009, unless the Offer is extended. We call this time and date, as it may be extended, the “Expiration Date”.

When is the deadline to tender in order to receive the Total Consideration? (Page 7)

- In order to receive the Total Consideration, you must tender your Notes on or prior to 5:00 p.m., New York City time, on Monday, February 23, 2009 (we call this the “Early Tender Date”).
- If you tender your Notes after the Early Tender Date and on or prior to the Expiration Date, you can receive the Tender Consideration.
- If your Notes are held by a broker, dealer, commercial bank, trust company or other nominee, such nominee may have an earlier deadline for you to accept the Offer.

Can the Offer be extended, and under what circumstances? (Page 7)

- Yes. We reserve the right to extend the Offer at any time by giving written notice to the Information and Tender Agent. We will publicly announce any extension no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration of the Offer. Without limiting the manner in which we may choose to make any public announcement, we shall be under no obligation to publish, advertise or otherwise communicate any public announcement regarding an extension other than by issuing a release through PR Newswire or another news service. See Section 2, “Terms of the Offer”.

When will I get paid? (Page 11)

- We will accept for payment Notes validly tendered and not withdrawn on or prior to the Expiration Date, subject to the terms and conditions of the Offer. We will make payment for all accepted Notes promptly after such acceptance. We expect that the payment date will be on or around March 12, 2009. In no circumstances will we pay interest on the Total Consideration or the Tender Consideration, as applicable, in respect of any delay in payment being made.

How will you fund the purchase of Notes in the Offer? (Page 16)

- We and our subsidiaries have sufficient cash on hand to permit us to repurchase all of the Notes.

Are there any conditions to the Offer? (Page 16)

- The Offer is not conditioned on a minimum principal amount of Notes being tendered in such Offer.
- Our obligation to accept for payment, and to pay for, Notes validly tendered pursuant to the Offer is conditioned upon the satisfaction or waiver of the general conditions set forth in Section 10, “Conditions to the Offer”.

How do I tender my Notes? (Page 12)

- If you hold your Notes through The Depository Trust Company, or DTC, you may tender your Notes through DTC's Automated Tender Offer Program. This program is commonly known as "ATOP". DTC participants that are accepting the Offer may transmit their acceptance to DTC, which will verify the acceptance and execute a book-entry delivery to the Information and Tender Agent's account at DTC. DTC will then send an Agent's Message (as defined below) to the Information and Tender Agent for its acceptance.
- If you own your Notes in "street name" (your Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee), then you must contact your broker, dealer, commercial bank, trust company or other nominee and direct them to tender your Notes. For further details and particulars for information regarding procedures for tendering Notes held through Euroclear or Clearstream, Luxembourg, please refer to Section 7 on page 12 "Procedures for Tendering Notes".

If I change my mind, can I withdraw my tender of Notes? (Page 15)

- Tenders of Notes may be withdrawn at any time prior to the Early Tender Date (unless the withdrawal deadline is extended in accordance with the terms of this Offer to Purchase). To be effective, a notice of withdrawal must be executed and submitted in the same manner as the tender, prior to the Early Tender Date (unless the withdrawal deadline is extended in accordance with the terms of this Offer to Purchase). A notice of withdrawal of tendered Notes must specify the name and account number of the holders of the Note whose tender is being withdrawn, the applicable ISIN number, the aggregate principal amount represented by such Notes tendered that is being withdrawn, and the DTC VOI Number or Euroclear or Clearstream blocking reference, as the case may be. All questions as to the validity, form and eligibility (including time of receipt) of notice of withdrawal will be determined by us, in our sole discretion (whose determination shall be final and binding). We may extend the withdrawal deadline in accordance with the terms of the Offer to Purchase. Notes withdrawn from the Offer may be re-tendered by following the procedures for tendering Notes (including, without limitation, re-tendering by the Expiration Date).
- If we reduce the Total Consideration or the Tender Consideration, or if we reduce the principal amount of the Notes subject to the Offer, you may withdraw validly tendered Notes that are subject to such reduction until the expiration of ten business days after the date that notice of such reduction is first published. If we materially amend the terms of the Offer in any other way that adversely affects the rights of a holder of validly tendered Notes, such holder may withdraw its validly tendered Notes until the expiration of five business days after the date that notice of any such amendment is first published.

What if I do not want to tender my Notes? (Page 9)

- Notes not tendered and purchased pursuant to the Offer will remain outstanding. As a result of the consummation of the Offer, the aggregate principal amount of Notes that remains outstanding may be materially reduced. This reduction may adversely affect the liquidity of and, consequently, the market price for the Notes that remain outstanding after consummation of the Offer. The terms and conditions governing the Notes, including the covenants and other protective provisions contained in the indenture, dated as of April 29, 2008, among the Issuer, the Subsidiary Guarantors named therein, and HSBC Bank USA, National Association, as trustee (the "Indenture"), will remain unchanged. No amendment to the Indenture is being sought.

What is the market value of the Notes? (Page 9)

- We believe that trading in the Notes has been limited and sporadic and that the price at which any particular trade has been or is made may not be fully reflective of the value of the Notes. See Section 5, “Description of the Notes and Related Matters”.

What is the purpose of the Offer? (Page 7)

- We are making the Offer to reduce the principal amount of our outstanding indebtedness and our ongoing debt service obligations.

Has the board of directors of the Issuer approved the making of the Offer? (Front cover page)

- Yes, our board of directors has approved the making of the Offer. However, neither we nor our directors, the Dealer Manager or the Information and Tender Agent makes any recommendation to you as to whether you should tender or refrain from tendering your Notes or as to the price or prices at which you may choose to tender your Notes.

Are there U.S. or Bermuda tax implications if I tender my Notes? (Page 18)

- The receipt of cash for Notes pursuant to the Offer will generally be a fully taxable transaction to U.S. Holders (as defined herein) for U.S. federal income tax purposes. U.S. Holders (as defined herein) will likely have to pay a tax on any gain from the sale of their Notes pursuant to the Offer.
- Unless you are a resident of Bermuda, there should not be any Bermuda tax consequences from tendering your Notes.
- You are urged to consult your own tax advisors as to the specific tax consequences to you of the Offer.

Who can I contact if I have questions about the Offer? (Back cover page)

- Merrill Lynch & Co. is serving as Dealer Manager in connection with the Offer. Bondholder Communications Group is serving as Information and Tender Agent in connection with the Offer. You can find their addresses and telephone numbers on the back cover of this Offer to Purchase.

Information about the Notes

Who is the issuer of the Notes? (Page 9)

- Nine Dragons Paper (Holdings) Limited is the issuer of the Notes. The Notes are guaranteed by each of its subsidiary not organized under the laws of the People’s Republic of China (the “PRC”), except certain subsidiaries expressly excluded in the Indenture (the “Subsidiary Guarantors”).

What is the ranking of the Notes? (Page 9)

- The Notes are general obligations of the Issuer, and senior in right of payment to any existing and future obligations of the Issuer expressly subordinated in right of payment to the Notes, and at least pari passu in right of payment with all other unsecured, unsubordinated obligations of the Issuer (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable law).
- The Notes are guaranteed by the Subsidiary Guarantors on a senior basis (subject to certain limitations set forth in the Indenture), and effectively subordinated to all existing and future obligations of the Non-Guarantor Subsidiaries as defined in the Indenture.

What are the redemption provisions of the Notes? (Page 10)

- At any time, we may at our option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the Applicable Premium (as calculated under the Indenture) as of, and accrued and unpaid interest, if any, to the redemption date. We will give not less than 30 days' nor more than 60 days' notice of any redemption.

What are the interest payment provisions of the Notes? (Page 10)

- Interest on outstanding Notes is paid on April 29 and October 29 of each year at an annual rate of 7.875%.
- The interest rate payable on the Notes is subject to adjustment from time to time if any of Standard & Poor's Ratings Services ("Standard & Poor's") and Fitch Ratings Inc. ("Fitch") downgrades (or subsequently upgrades) its rating assigned to the Notes.
- Any interest rate increase or decrease described above will take effect from the first day of the interest period during which the change of rating occurs requiring an adjustment in the interest rate. If the rating is changed more than once during any particular interest period, the last such change to occur will control in the event of a conflict.
- The Notes were rated "BBB-" by both Standard & Poor's and Fitch on their issue date, and were subsequently downgraded by both Standard & Poor's and Fitch. The Notes are currently rated "BB-" by Standard & Poor's and "B+" by Fitch, and based on such ratings, the interest rate payable on the Notes on the next Interest Payment Date (as defined in the Indenture) would be 9.875%.
- Unless there is a default in payment of the Total Consideration or the Tender Consideration (as applicable), interest on any Notes purchased by us pursuant to this Offer will cease to accrue on the date of payment for the purchased Notes.

AVAILABLE INFORMATION

We file annual and interim reports, as well as other information, with The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Such filings are available on our website <http://www.ndpaper.com> or the website of the Stock Exchange at <http://www.hkexnews.com.hk>.

FORWARD-LOOKING STATEMENTS

This Offer to Purchase includes “forward-looking statements”. All statements other than statements of historical fact contained in this Offer to Purchase, including, without limitation, those regarding our future financial position and results of operations, strategies, plans, objectives, goals and targets, future developments in the markets where we participate or are seeking to participate, and any statements preceded by, followed by or that include the words “believe”, “expect”, “aim”, “intend”, “will”, “may”, “anticipate”, “seek”, “should”, “estimate” or similar expressions or the negative thereof, are forward-looking statements. The forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on a number of assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Important factors that could cause our actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- our business and operating strategies;
- our capital expenditure plans and estimates;
- various business opportunities, strategies and acquisitions that we may pursue;
- our ability to expand our design production capacity and introduce new products;
- our ability to manage our existing production bases and establish new production bases in the PRC and abroad;
- our relationships with our suppliers, customers, employees and various governmental and regulatory authorities;
- changes in the value of the Hong Kong dollar and other currency changes;
- our dividend policy;
- our operations, utilization rates and business prospects;
- our financial condition and results of operations;
- changes in foreign exchange control regulations in the PRC;
- environmental liabilities;
- terrorist attacks;
- failure to retain key employees;
- demand for our products, our competitive position and the industry outlook generally; and
- changes in political, economic, legal and social conditions in the PRC.

We caution you not to place undue reliance on these forward-looking statements which reflect our management's view only as of the date of this Offer to Purchase. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Offer to Purchase might not occur.

THE OFFER

1. Purpose of the Offer

We are making the Offer to reduce the principal amount of our outstanding indebtedness and our ongoing debt service obligations. Any Notes accepted for payment by us in the Offer will be cancelled and retired promptly following the delivery of such Notes to us.

2. Terms of the Offer

Offer and Purchase Price. Upon the terms and subject to the conditions of the Offer (including, if such Offer is amended or extended, the terms and conditions of any amendment or extension), we are offering to purchase for cash any and all of the outstanding Notes at a price of the Total Consideration (US\$530 per US\$1,000 principal amount of Notes), plus accrued and unpaid interest thereon to, but not including, the date of payment.

We will pay (i) the Total Consideration for all Notes validly tendered (and not withdrawn) on or prior to the Early Tender Date, and (ii) the Tender Consideration (equal to the Total Consideration less the Early Tender Payment) for all Notes validly tendered after the Early Tender Date and on or prior to the Expiration Date, in each case upon the terms and subject to the conditions of the Offer.

Conditions. The Offer does not have a minimum tender condition. Our obligation to accept for payment, and to pay for, Notes validly tendered pursuant to the Offer is conditioned upon the satisfaction or waiver of the conditions set forth in Section 10, "Conditions to the Offer". If on the Expiration Date any or all of these conditions shall not have been satisfied or waived by us, we reserve the right (but shall not be obligated), subject to applicable law, to terminate, extend or otherwise amend the Offer or waive any or all of the conditions as specified in Section 10.

Expiration of the Offer. The Offer will expire at 12:00 Midnight, New York City time, on Monday, March 9, 2009, unless extended by us (such time and date with respect to the Offer, as it may be extended, is referred to as the "Expiration Date").

Amendment; Extension; Waiver; Termination. We expressly reserve the right, in our sole discretion, at any time and from time to time, and regardless of whether or not any of the events set forth in Section 10, "Conditions to the Offer", shall have occurred or shall have been determined by us to have occurred:

- to extend the period of time in which the Offer is open and thereby delay the acceptance of any Notes by giving oral (confirmed in writing) or written notice of the extension to the Information and Tender Agent;
- to amend the Offer in any respect by giving oral (confirmed in writing) or written notice of such amendment to the Information and Tender Agent; and
- to terminate the Offer without purchasing any Notes.

We will follow any extension, amendment or termination as promptly as practicable with a public announcement thereof, such announcement in the case of an extension to be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration of the Offer. Without limiting the manner in which we may choose to make any public announcement, we shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by issuing a release through PR Newswire or other news service.

There can be no assurance that we will exercise our right to extend or amend the Offer. Irrespective of any amendment to the Offer, all Notes previously tendered pursuant to the Offer (and not withdrawn) will remain subject to the Offer and may be accepted thereafter for payment by us.

If we make a material change in the terms of the Offer or the information concerning the Offer, or if we waive a material condition of the Offer, we will disseminate additional materials relating to such Offer and extend such Offer to the extent required by law. In addition, we may, if we deem appropriate, extend the Offer for any other reason. If the consideration to be paid in the Offer is increased or decreased or the principal amount of Notes subject to the Offer is increased or decreased, such Offer will remain open for at least ten business days from the date our notice of such increase or decrease is first published, sent or given to holders of Notes subject to such Offer.

If for any reason the acceptance for payment of, or (whether before or after any Notes have been accepted for payment pursuant to the Offer) the payment for, Notes subject to the Offer is delayed or if we are unable to accept for payment or pay for Notes pursuant to the Offer, then, without prejudice to our rights under such Offer, tendered Notes may be retained by the Information and Tender Agent on behalf of us and may not be withdrawn (subject to Rule 14e-1(c) under the United States Securities Exchange Act of 1934, as amended, (the “Exchange Act”), which requires that an offeror pay the consideration offered or return the securities deposited by or on behalf of the investor promptly after the termination or withdrawal of a tender offer and to the holder’s right to withdraw tendered Notes as described in Section 8, “Withdrawal of Tenders”).

If we materially change the terms of the Offer or the information concerning the Offer, or if we waive a material condition to the Offer, we will disseminate additional information and extend such Offer to the extent required by applicable laws.

3. Certain Significant Considerations

You should carefully consider the following considerations, in addition to the other information described elsewhere or incorporated by reference in this Offer to Purchase before deciding whether to tender Notes pursuant to the Offer.

No Recommendations Concerning the Offer. None of the Issuer, its directors, the Dealer Manager, the Information and Tender Agent or any of their respective affiliates makes any recommendation to any holder whether to tender or refrain from tendering any or all of such holder’s Notes, and none of them has authorized any person to make any such recommendation. Holders are urged to evaluate carefully all information in the Offer, consult their own investment, legal and tax advisors and make their own decisions whether to tender Notes, and, if they decide to tender Notes, the principal amount of Notes to tender.

The Trading Market for the Notes May Be Adversely Affected by the Offer. We believe that trading in the Notes has been limited and sporadic. Following the consummation of the Offer, we expect that Notes not purchased in the Offer will continue to be traded on the Singapore Exchange Securities Trading Limited (the “SGX-ST”); however, we anticipate that the smaller outstanding principal amount available for trading (a smaller “float”) may command a lower price and trade with greater volatility than would a comparable debt security with a greater float. Consequently, our purchase of Notes pursuant to the Offer will reduce the float and may negatively impact the liquidity, market value and price volatility of the Notes that remain outstanding following the Offer. The reduced float may also tend to make the trading price more volatile. We cannot assure you that a market will exist or be maintained for the Notes following the Offer. The extent of the public market for the Notes following consummation of the Offer will depend upon, among other things, the number of holders of Notes remaining at such time and the interest in maintaining a market in such Notes on the part of securities firms. If your Notes are not tendered and purchased pursuant to the Offer to Purchase, it may become more difficult for you to sell or transfer your outstanding Notes.

Consummation of the Offer Is Subject to Conditions. Each of the conditions to the Offer is described in more detail in Section 10, “Conditions to the Offer”. There can be no assurance that such conditions will be met or waived or that, in the event the Offer is not consummated, the market value and liquidity of the Notes will not be materially adversely affected.

4. Information Concerning the Issuer

The Issuer. Nine Dragons Paper (Holdings) Limited, or the Issuer, was incorporated in Bermuda on August 17, 2005 as an exempted company with limited liability. Our shares were listed on the Stock Exchange on March 3, 2006 and trade under the stock code 2689. As of December 31, 2008, we had a market capitalization of approximately HK\$9.6 billion. Our principal place of business in the PRC is at Xinsha Port Industrial Zone, Mayong Town, Dongguan, Guangdong Province, China. Our place of business in Hong Kong is at 3129-3140, 31st Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong. Our registered office is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. Our website address is <http://www.ndpaper.com>.

We are the largest producer in Asia, and one of the largest producers in the world, of packaging paperboard products in terms of designed production capacity. We primarily manufacture linerboard, high-performance corrugating medium and certain types of coated duplex board. We also manufacture specialty paper, wood and bamboo pulp through a wholly owned subsidiary, and produce unbleached kraft pulp through our joint venture subsidiary, which we use as raw material for our own production as well as sell to third parties.

5. Description of the Notes and Related Matters

The following description of the Notes is qualified by the Indenture, copies of which are available, without charge, from the Information and Tender Agent.

On April 29, 2008, the Issuer issued US\$300,000,000 in aggregate principal amount of 7.875% Senior Notes under the Indenture. The Notes are general obligations of the Issuer, and senior in right of payment to any existing and future obligations of the Issuer expressly subordinated in right of payment to the Notes, and at least pari passu with all other unsecured, unsubordinated obligations of the Issuer (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable laws). Notes not tendered and purchased in the Offer will remain outstanding. The Notes are guaranteed by the Subsidiary Guarantors on a senior basis (subject to certain limitations set forth in the Indenture), and effectively subordinated to all existing and future obligations of the Non-Guarantor

Subsidiaries as defined in the Indenture. The terms and conditions governing the Notes, including the covenants and other protective provisions contained in the Indenture, will remain unchanged. No amendment to the Indenture is being sought.

Principal Amount of Notes Outstanding. As of February 9, 2009 there was US\$283,750,000 in aggregate principal amount of Notes outstanding.

ISIN Codes. The ISIN Codes for the Notes are: USG65318AA83 and US65439EAA10. The ISIN Codes referenced above have been assigned by Standard & Poor’s Corporation and are included solely for the convenience of holders of the Notes. The Issuer, the Dealer Manager and the Information and Tender Agent shall not be responsible for the selection or use of these ISIN Codes, and no representation is made as to their correctness on the Notes or as indicated in the Offer to Purchase.

Interest. The Notes which remain outstanding after consummation of the Offer will continue to accrue interest until the date of maturity, April 29, 2013, or until the principal of the Notes has been paid, unless the Notes are earlier redeemed or repurchased. The Notes initially bore an interest rate of 7.875% per year, payable on April 29 and October 29 of each year, to record holders of the Notes as of the preceding April 14 and October 14.

The interest rate payable on the Notes is subject to adjustment from time to time if any of Standard & Poor’s and Fitch downgrades (or subsequently upgrades) its rating assigned to the Notes, as set forth below.

If the rating of the Notes from any one or both of Standard & Poor’s and Fitch is decreased to a rating set forth in the immediately following table, the interest rate on the Notes will increase from the interest rate otherwise payable on the Notes by an amount equal to the percentages set forth in the following table opposite the ratings:

<u>Rating</u>	<u>Percentage</u>
BB+ or BB ⁽¹⁾	1.00%
BB- or below ⁽¹⁾	2.00%

(1) includes the equivalent of any such category used by another rating agency.

Any interest rate increase or decrease described above will take effect from the first day of the interest period during which the lower rating change occurs requiring an adjustment in the interest rate. If the lower rating is changed more than once during any particular interest period, the last such change to occur will control in the event of a conflict.

The Notes were rated “BBB-” by both Standard & Poor’s and Fitch on their issue date, and were subsequently downgraded by both Standard & Poor’s and Fitch. The Notes are currently rated BB- by Standard & Poor’s and B+ by Fitch, and based on such ratings, the interest rate payable on the Notes on the next Interest Payment Date (as defined in the Indenture) would be 9.875%.

Redemption. At any time, we may at our option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the Applicable Premium (as calculated under the Indenture) as of, and accrued and unpaid interest, if any, to the redemption date. We will give not less than 30 days’ nor more than 60 days’ notice of any redemption.

6. Acceptance of Notes for Payment; Accrual of Interest

Acceptance of Notes for Payment. Upon the terms and subject to the conditions of the Offer (including if the Offer is extended or amended, the terms and conditions of any such extension or amendment) and applicable law, we will accept for payment, and thereby purchase, all Notes validly tendered (and not withdrawn) on or prior to the Expiration Date.

The Issuer will be deemed to have accepted for payment pursuant to the Offer and thereby have purchased, Notes validly tendered (and not withdrawn), or defectively tendered Notes with respect to which we have, in our discretion, waived such defect, that are subject to the Offer, if, as and when we give oral (confirmed in writing) or written notice to the Information and Tender Agent of our acceptance of such Notes for purchase pursuant to the Offer. We will announce our acceptance of tendered Notes by press release as soon as practicable after the Expiration Date. We will pay the Total Consideration or Tender Consideration (as applicable) for all Notes accepted for payment promptly after the acceptance of tendered Notes. In all cases, payment for Notes purchased pursuant to the Offer will be made by deposit in immediately available funds of the Total Consideration or Tender Consideration (as applicable) for the tendered Notes with DTC, which will transmit such payments to such holders.

We expressly reserve the right, in our sole discretion and subject to Rule 14e-1(c) under the Exchange Act, to delay acceptance for payment of, or payment for, Notes if necessary to obtain any required governmental approval. See Section 10, “Conditions to the Offer”. In all cases, payment of consideration by DTC to holders of Notes accepted for purchase pursuant to the Offer will be made only after timely receipt by the Information and Tender Agent of:

- timely confirmation of a book-entry transfer of such Notes at the Information and Tender Agent’s ATOP account at DTC pursuant to the procedures set forth under Section 7, “Procedures for Tendering Notes”;
- a properly transmitted Agent’s Message; and
- any other documents required by this Offer to Purchase.

If the Offer is terminated or withdrawn, or the Notes subject to the Offer are not accepted for payment, no consideration will be paid or payable to holders of those Notes. If any tendered Notes are not purchased pursuant to the Offer for any reason or certificates are submitted evidencing more Notes than are tendered in the Offer, the Notes not purchased will be returned to the tendering holder at our expense (or, in the case of Notes tendered by book-entry transfer, those Notes will be credited to the account maintained at DTC from which those Notes were delivered) promptly following the Expiration Date or termination of the Offer.

Accrual of Interest. Holders whose Notes are accepted for payment pursuant to the Offer will receive a cash payment of accrued but unpaid interest on such Notes to, but not including, the date of payment.

Under no circumstances will any additional interest be payable because of any delay in the transmission of funds to the holders of purchased Notes or otherwise.

7. Procedures for Tendering Notes

The method of delivery of Notes and all other required documents, including delivery through DTC, and any acceptance of an Agent's Message transmitted through ATOP, is at the election and risk of the tendering holder and delivery will be deemed made only when actually received by the Information and Tender Agent, which must be on or prior to the Expiration Date or the Early Tender Date, as applicable. Notes may be tendered and will be accepted for purchase only in denominations of US\$1,000 principal amount and integral multiples thereof.

Tender of Notes. The tender by a holder of Notes pursuant to the Offer, pursuant to one of the procedures set forth below, and the subsequent acceptance of such tender by the Issuer, will constitute a binding agreement between such holder and the Issuer with respect to the Offer.

Tender of Notes Held Through DTC. To tender effectively Notes that are held through DTC, DTC participants should electronically transmit their acceptance through ATOP (and thereby tender Notes), for which the transaction will be eligible. Upon receipt of such holder's acceptance through ATOP, DTC will credit the account and verify the acceptance and send an Agent's Message to the Information and Tender Agent for its acceptance. Delivery of tendered Notes may be made to the Information and Tender Agent's ATOP account pursuant to the book-entry delivery procedures set forth below.

Except as provided below, unless the Notes being tendered are delivered into the ATOP account maintained by the Information and Tender Agent and accompanied by a properly transmitted Agent's Message on or prior to the Expiration Date, we may, at our option, reject such tender. Payment for the Notes will be made only against delivery of the tendered Notes and delivery of any other required documents.

Tender of Notes Held Through Euroclear or Clearstream, Luxembourg. If you hold your Notes through Euroclear or Clearstream, Luxembourg, you must arrange for a direct participant in Euroclear or Clearstream, Luxembourg, as the case may be, to deliver the tender of your Notes, which includes Blocking Instructions (as defined below), to Euroclear or Clearstream, Luxembourg in accordance with the procedures and deadlines specified by Euroclear or Clearstream, Luxembourg on or prior to the Expiration Date.

"Blocking Instructions" means:

- irrevocable instructions to block any attempt to transfer your Notes on or prior to the settlement date. The instructions become irrevocable after the Early Tender Date;
- irrevocable instructions to debit your account on or about the settlement date in respect of all of your Notes, or in respect of such lesser portion of your Notes as are accepted for purchase by the Issuer, upon receipt of an instruction by the Information and Tender Agent, and
- an irrevocable authorization to disclose, to the Information and Tender Agent, the identity of the participant account holder and account information, subject to the automatic withdrawal of the irrevocable instruction in the event that the Offer is terminated by the Issuer and your right to withdraw your Notes as set forth in this Offer to Purchase.

The tender of your notes, which includes your Blocking Instructions, must be delivered and received by Euroclear or Clearstream, Luxembourg in accordance with the procedures established by them and on or prior to the deadlines established by each of those clearing systems. You are responsible for informing yourself of these deadlines and for arranging the due and timely delivery of Blocking Instructions to Euroclear or Clearstream, Luxembourg.

Tender of Notes Held Through a Custodian. If you hold your Notes through a custodian, you may not tender your Notes directly. You should contact that custodian to tender your Notes on your behalf. In the event that your custodian is unable to tender your Notes or deliver Blocking Instructions through the applicable clearing system, as applicable, on your behalf, you should contact the Dealer Manager or Information and Tender Agent for assistance in submitting your tender offer. There can be no assurance that the Dealer Manager will be able to assist you in successfully tendering your Notes.

Deadlines. You are responsible for arranging the timely delivery of tendered Notes pursuant to one of the procedures above. None of the Issuer, the Dealer Manager or the Information and Tender Agent will be responsible for the communication of the Offer by:

- holders of Notes to the direct participant in DTC, Euroclear or Clearstream, Luxembourg through which they hold Notes; or
- holders of Notes or the direct participant to the Information and Tender Agent, DTC, Euroclear or Clearstream, Luxembourg.

If you hold Notes through a broker, dealer, commercial bank or financial institution, you should consult with that institution as to whether it will charge any service fees.

Book-Entry Delivery Procedures. The Information and Tender Agent will establish an ATOP account with respect to the Notes at DTC for purposes of the Offer. Any financial institution that is a participant in DTC may make book-entry delivery of the Notes by causing DTC to transfer such Notes into the Information and Tender Agent's account in accordance with DTC's procedures for such transfer.

The confirmation of a book-entry transfer into the Information and Tender Agent's ATOP account at DTC as described above is referred to as a "Book-Entry Confirmation". The term "Agent's Message" means a message transmitted by DTC to, and received by, the Information and Tender Agent and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the participant in DTC tendering the Notes and that such participant has received and agrees to be bound by the terms of this Offer to Purchase and we may enforce such agreement against such participant.

Notwithstanding any other provision of the Offer, payment for Notes tendered and accepted for payment pursuant to the Offer will, in all cases, be made only after receipt by the Information and Tender Agent of Book-Entry Confirmation, including by means of an Agent's Message, of the transfer of such Notes into the Information and Tender Agent's account at DTC as described above.

Effect of the Agent's Message or Blocking Instructions. Subject to and effective upon the acceptance for purchase of and payment for Notes tendered thereby, by transmitting an Agent's Message or Blocking Instructions, a tendering holder of Notes:

- irrevocably sells, assigns and transfers to, or upon the order of, the Issuer all right, title and interest in and to all the Notes tendered thereby; and
- irrevocably constitutes and appoints the Information and Tender Agent the true and lawful agent and attorney-in-fact of such holder (with full knowledge that the Information and Tender Agent also acts as agent of the Issuer) with respect to any such tendered Notes, with full power of substitution and re-substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to:
 - transfer ownership of such Notes on the account books maintained by DTC, together with all accompanying evidences of transfer and authenticity, to or upon the order of the Issuer;
 - present such Notes for transfer on the security register for the Notes; and
 - receive all benefits or otherwise exercise all rights of beneficial ownership of such Notes (except that the Information and Tender Agent will have no rights to, or control over, funds from the Issuer, except as agent for the tendering holders, for the Total Consideration or Tender Consideration (as applicable) for any Notes tendered pursuant to the Offer that are purchased by the Issuer), all in accordance with the terms of the Offer.

Determination of Validity. All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of any tendered Notes pursuant to any of the procedures described above and the form and validity (including time of receipt of notices of withdrawal) of all related documents will be determined by the Issuer, in its sole discretion, which determination will be final and binding. We reserve the absolute right to reject any or all tenders of any Notes determined by us not to be in proper form or if the acceptance of or payment for such Notes may, in the opinion of the Issuer's counsel, be unlawful. We also reserve the absolute right, in our sole discretion, to waive any defect or irregularity in any tender with respect to Notes of any particular holder, whether or not similar defects or irregularities are waived in the case of other holders. No tender will be deemed to have been validly made until all defects or irregularities in such tender have been cured or waived. Any defect or irregularity in connection with tenders of Notes must be cured within such time as we determine, unless waived by us. None of the Issuer, the Dealer Manager, the Information and Tender Agent or any other person will be under any duty to give notification of any defects or irregularities in any tender of any Notes or notice of withdrawal or will incur any liability for failure to give any such notification.

Our interpretation of the terms and conditions of the Offer will be final and binding.

Backup Withholding. To prevent backup withholding, each tendering U.S. Holder of Notes must provide the Information and Tender Agent, or must have previously provided to the authorized institution which is a participant in DTC, with such holder's correct taxpayer identification number and certify that such holder is not subject to backup withholding by completing the Substitute Form W-9. A tendering Non-U.S. Holder should complete an Internal Revenue Service ("IRS") Form

W-8BEN, IRS Form W-8ECI, IRS Form W-8EXP or IRS Form W-8IMY, as the case may be, rather than a Substitute Form W-9, certifying its foreign status and thereby qualifying for an exemption from backup withholding. See Section 11(i), “Certain Tax Considerations - U.S. Federal Income Tax Considerations for U.S. Holders”.

Please send all materials to the Information and Tender Agent and not to the Issuer or the Dealer Manager.

The method of delivery of the Notes and all other required documents, including delivery through DTC and acceptance of an Agent’s Message transmitted through ATOP, or delivery of Blocking Instructions, is at the sole option and risk of the tendering holder and the delivery will be deemed made only when actually received by the Information and Tender Agent.

8. Withdrawal of Tenders

You may withdraw your tendered Notes at any time on or prior to the Early Tender Date but not thereafter, unless we reduce the Total Consideration or the Tender Consideration, or we reduce the principal amount of the Notes subject to the Offer. In such situations, validly tendered Notes that are subject to such reduction may validly be withdrawn until the expiration of ten business days after the date that notice of any such reduction is first published. If we materially amend the terms of the Offer in any other way that adversely affects the rights of a holder of validly tendered Notes, such holder may withdraw its validly tendered Notes until the expiration of five business days after the date that notice of any such amendment is first published.

If we terminate the Offer or do not purchase any Notes in the Offer, we will instruct the Information and Tender Agent to return your Notes to your account promptly following the earlier of such termination or the Expiration Date, without cost or expense to you. We will not pay any consideration in respect of Notes that are withdrawn from the Offer.

If, for any reason whatsoever, acceptance for payment of, or payment for, any Notes tendered pursuant to the Offer is delayed (whether before or after our acceptance for payment of Notes) or we are unable to accept for payment or pay for the Notes tendered pursuant to the Offer, we may (without prejudice to our rights set forth herein) instruct the Information and Tender Agent to retain tendered Notes, and such Notes may not be withdrawn except in accordance with this Section 8 (subject to Rule 14e-1(c) under the Exchange Act, which requires that an offeror pay the consideration offered or return the securities deposited by or on behalf of the investor promptly after the termination or withdrawal of a tender offer).

For a withdrawal of Notes tendered pursuant to the Offer to be effective, a notice of withdrawal must be executed in the same manner as the tender itself and must be received by the Information and Tender Agent prior to the Early Tender Date (unless the withdrawal deadline is extended in accordance with the terms of this Offer to Purchase). Any such notice of withdrawal must:

- specify the name and account number of the holder of Notes whose tender is being withdrawn;
- provide the applicable ISIN number; and
- contain the DTC VOI number, or Euroclear or Clearstream blocking reference, as the case may be, and the aggregate principal amount represented by such Notes tendered that is being withdrawn.

DTC participants may electronically transmit a request for withdrawal to DTC. DTC will then edit the request and send a Request Message to the Information and Tender Agent. The term “Request Message” means a message transmitted by DTC and received by the Information and Tender Agent, which states that DTC has received a request for withdrawal from a DTC participant and identifies the Notes to which such request relates. If the Notes to be withdrawn have been delivered or otherwise identified to the Information and Tender Agent, a timely and properly completed and presented notice of withdrawal or a Request Message is effective immediately upon receipt thereof, even if physical release is not yet effected.

Any permitted withdrawal of tendered Notes may not be rescinded, and any Notes properly withdrawn will thereafter be deemed not validly tendered. However, properly withdrawn Notes may be re-tendered, by again following one of the procedures described in Section 7, “Procedures for Tendering Notes”, at any time on or prior to the Expiration Date.

All questions as to the validity, form and eligibility (including time of receipt) of notices of withdrawal will be determined by the Issuer, in the Issuer’s sole discretion (whose determination shall be final and binding). None of the Issuer, the Dealer Manager, the Information and Tender Agent or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or Request Message, or incur any liability for failure to give any such notification.

9. Source and Amount of Funds

The maximum amount of funds required by us to purchase the Notes pursuant to the Offer to Purchase is estimated to be approximately US\$160 million (which includes accrued interest assuming payment of the Notes purchased in the Offer is made on March 12, 2009). We and our subsidiaries have sufficient cash on hand to repurchase all the Notes.

10. Conditions to the Offer

The Offer does not have as a condition that a minimum principal amount of Notes be tendered. Notwithstanding any other provisions of the Offer and in addition to (and not in limitation of) any rights we may have to extend and/or amend the Offer, we will not be required to accept for payment or pay for, and may delay the acceptance for payment of, or payment for, any tendered Notes, subject to the rules under the Exchange Act, and we may terminate the Offer, if:

- any statute, rule, regulation, judgment, order, stay, decree or injunction shall have been proposed, sought, promulgated, enacted, entered, enforced or deemed to be applicable by any court or governmental regulatory or administrative agency, authority or tribunal, domestic or foreign, directly or indirectly, in our reasonable good faith judgment, prohibiting, preventing, restricting or delaying the consummation of the Offer including any such event that would make the Offer illegal;
- we have determined, in our reasonable good faith judgment, that the acceptance for payment of, or payment for, some or all of the Notes will violate, conflict with or constitute a breach of any order, statute, law, rule, regulation, executive order, decree or judgment of any court to which we may be bound or subject;

- there shall have occurred, in our reasonable good faith judgment:
 - any material adverse change in the United States, United Kingdom, Singapore, the PRC, Hong Kong or international securities or financial markets or in currency exchange rates or exchange controls;
 - any material suspension or material limitation on prices for trading in securities generally in the United States, United Kingdom, Hong Kong, Singapore or the PRC securities or financial markets, or any setting of minimum prices for trading on such exchange or in the over-the-counter market, or any suspension of trading of any of the securities of the Issuer on any exchange or in the over-the-counter market;
 - any banking moratorium declared by U.S. federal or New York authorities, or the authorities in United Kingdom, Singapore, the PRC or Hong Kong;
 - any major disruption of settlements of securities or clearance services in the United States, United Kingdom, Singapore and Hong Kong;
 - a commencement of a war, armed hostilities, terrorist acts or other national or international calamity directly or indirectly involving the United States, United Kingdom, Hong Kong, Singapore, or the PRC;
 - any limitation (whether or not mandatory) by any governmental authority on, or other event having a reasonable likelihood of affecting, the extension of credit by banks or other lending institutions in the United States, United Kingdom, Singapore, the PRC, or Hong Kong;
 - in the case of any of the foregoing existing at the time of the commencement of the Offer, a significant acceleration or worsening thereof;
- the Trustee under the Indenture for the Notes shall have objected in any respect to, or taken any action that could, in our reasonable good faith judgment, adversely affect the consummation of the Offer, or shall have taken any action that challenges the validity or effectiveness of the procedures used by us in making the Offer or the acceptance of or payment for any of the Notes;
- there shall have occurred or be likely to occur any event or series of events that, in our reasonable good faith judgment:
 - prohibits, prevents, restricts or delays consummation of the Offer; or
 - materially and adversely affects the business, assets, condition (financial or otherwise), income, operations or prospects of the Issuer or the Subsidiary Guarantors and their subsidiaries (the “Group”), taken as a whole, or otherwise materially impair in any way the contemplated future conduct of the Group’s business; or
- a tender or exchange offer for any or all of the Notes (other than this Offer), or any merger, acquisition proposal, business combination, tender offer or other similar transaction with or involving us has been proposed, announced or made by any person or has been publicly disclosed.

The foregoing conditions are for our sole benefit and may be asserted by us regardless of the circumstances (other than circumstances due to any factor within our control) giving rise to such condition or may be waived by us in whole or in part at any time and from time to time in our sole discretion up to the Expiration Date. If we choose to waive one of the conditions to the Offer with respect to one holder of Notes, we will waive that same condition to the Offer for all holders of Notes. If any condition to the Offer is not satisfied or waived by us prior to the Expiration Date, we reserve the right (but shall not be obligated), subject to applicable law, to, with respect to the Offer:

- terminate such Offer and return the tendered Notes to the tendering holders;
- waive all unsatisfied conditions and accept for payment and purchase all Notes that are validly tendered (and not withdrawn) on or prior to the Expiration Date; or
- extend or otherwise amend the Offer in any respect by giving oral (confirmed in writing) or written notice of such extension or amendment to the Information and Tender Agent and making public disclosure of such extension or amendment to the extent required by law.

Our failure at any time to exercise any of the foregoing rights will not be deemed a waiver of or otherwise affect any of our other rights and each such right will be deemed an ongoing right which we may assert at any time and from time to time prior to the Expiration Date. Any determination by us concerning the events described above will be final and binding upon all parties.

11. Certain Tax Considerations

(i) U.S. Federal Income Tax Considerations for U.S. Holders

The following is a general discussion of the material U.S. federal income tax consequences to U.S. Holders (as defined below) who tender their Notes pursuant to the Offer. This discussion is based upon the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), Treasury regulations promulgated thereunder, administrative rulings and judicial interpretations, all as in effect or proposed on the date hereof and all of which are subject to change, possibly with retroactive effect, which could result in U.S. federal income tax consequences different from those discussed below.

This discussion is for general information only and does not address all of the tax consequences that may be relevant to specific beneficial owners of the Notes in light of their particular circumstances or to beneficial owners of the Notes subject to special treatment under U.S. federal income tax laws, including, without limitation: (i) persons subject to the alternative minimum tax, (ii) banks, insurance companies or other financial institutions, (iii) tax-exempt organizations, (iv) dealers in securities or commodities, (v) regulated investment companies or real estate investment trusts, (vi) partnerships (or other entities treated as partnerships for U.S. federal income tax purposes) and their partners or members, (vii) dealers in securities or currencies and traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, (viii) U.S. Holders (as defined below) whose “functional currency” is not the U.S. dollar, (ix) persons holding the Notes as a position in a hedging transaction, “straddle”, “conversion transaction” or other risk reduction transaction for U.S. federal income tax purposes, (x) persons who acquire Notes in connection with employment or other performance of services, (xi) persons deemed to sell the Notes under the constructive sale provisions of the Code, or (xii) U.S. expatriates. This discussion does not address any U.S. state and local or non-U.S. tax consequences or non-income tax consequences (such as estate or gift tax consequences). This discussion also assumes that the Notes are held as “capital assets” within the meaning of the Code.

Beneficial owners of Notes are urged to consult their own tax advisors with respect to the application of U.S. federal income tax laws to their particular situations as well as any tax consequences arising under the U.S. federal estate or gift tax rules, under the laws of any state, local, foreign or other taxing jurisdiction or under any applicable tax treaty, any changes in applicable tax laws and any pending or proposed legislation or regulations.

Any discussion of U.S. federal tax issues forth in this Offer to Purchase was written in connection with the promotion or marketing by the Issuer and the Dealer Manager of the transactions or matters addressed herein. Such discussion is not intended or written to be legal or tax advice to any person and is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any U.S. federal tax penalties that may be imposed on such person. Each holder and beneficial owner of Notes should seek advice based on its particular circumstances from an independent tax advisor.

For purposes of the discussion below, a “U.S. Holder” is a beneficial owner of Notes that for U.S. federal income tax purposes is: (1) an individual citizen or resident of the United States, (2) a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any state or political subdivision thereof, (3) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (4) a trust, (i) the administration of which is subject to the primary supervision of a U.S. court and as to which one or more U.S. persons have the authority to control all substantial decisions or (ii) that has a valid election in effect to be treated as a U.S. person.

If a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) holds Notes, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A beneficial owner of Notes that is a partnership or a partner in a partnership should consult its own tax advisor regarding the U.S. federal income tax consequences of the sale of Notes pursuant to the Offer.

Tender of Notes Pursuant to the Offer. The sale of Notes by a U.S. Holder pursuant to the Offer will generally be a taxable transaction for U.S. federal income tax purposes. Subject to the discussion of the Early Tender Payment and the market discount rules set forth below, a U.S. Holder selling Notes pursuant to the Offer will generally recognize capital gain or loss in an amount equal to the difference, if any, between (i) the amount of cash received by that U.S. Holder, other than the portion of such amount attributable to accrued but unpaid interest, and (ii) the U.S. Holder’s adjusted tax basis in such Notes at the time of sale. A U.S. Holder’s adjusted tax basis in the Notes generally will equal the cost of the Notes to such U.S. Holder, increased by the amount of any market discount previously included in gross income by the U.S. Holder pursuant to an election to include market discount in gross income currently as it accrues, and reduced by the amount of any amortizable bond premium that the U.S. Holder has previously elected to be offset against interest income on the Notes or otherwise deduct from gross income on an annual basis. Any such gain or loss will be long-term capital gain or loss if the U.S. Holder’s holding period for the Notes exceeds one year on the date the Offer is consummated. Certain non-corporate U.S. Holders may be eligible for preferential rates of U.S. federal income tax in respect of long-term capital gains. The deductibility of capital losses is subject to limitations.

Capital gain or loss recognized by a U.S. Holder on the sale of Notes will generally be U.S. source gain or loss for U.S. foreign tax credit purposes. Accrued market discount included in gross income generally will be treated as foreign source interest income for U.S. foreign tax credit purposes. U.S. Holders should consult their own tax advisors regarding the U.S. foreign tax credit implications of tendering Notes.

Receipt of Early Tender Payment. The U.S. federal income tax treatment of the Early Tender Payment is uncertain. The Issuer currently intends to treat the Early Tender Payment as additional consideration paid in exchange for the tendered Notes. Assuming that such treatment is appropriate, such payment would be taken into account by a U.S. Holder as an additional amount realized in determining the amount of gain or loss recognized by the U.S. Holder upon a sale of Notes pursuant to the Offer. It is possible, however, that the Internal Revenue Service (“IRS”) could take the position, and a court could agree, that the Early Tender Payment is a separate fee, in which case such payment would likely constitute ordinary income to recipients.

Accrued and Unpaid Interest. The gross amount of cash received by a U.S. Holder pursuant to the Offer that is attributable to accrued but unpaid interest will not be included in the amount realized for purposes of determining capital gain or loss, as described above, but will instead be taxable as ordinary income (to the extent it has not yet been included in such U.S. Holder’s gross income), regardless of whether the U.S. Holder otherwise recognizes an overall loss pursuant to the sale.

Market Discount. An exception to the capital gain treatment described above may apply to a U.S. Holder who purchased Notes at a “market discount”. Subject to a statutory de minimis exception, “market discount” is the excess of the Note’s principal amount over the U.S. Holder’s tax basis in such Note immediately after its acquisition by such U.S. Holder. In general, unless the U.S. Holder has elected to include market discount in gross income currently as it accrues (with a corresponding increase in the tax basis for the Notes by the amount of market discount accrued), any gain recognized by a U.S. Holder on the sale of Notes having market discount will be treated as ordinary income to the extent of the lesser of (i) the gain recognized or (ii) the portion of the market discount that has accrued (on a straight-line basis or, at the election of the U.S. Holder, on a constant-yield basis) while such Notes were held by the U.S. Holder. Gain in excess of such accrued market discount will be subject to the capital gains rules described above.

Information Reporting and Backup Withholding. Information returns may be required to be filed with the IRS relating to the receipt of consideration pursuant to the Offer by certain U.S. Holders. In addition, U.S. Holders may be subject to a backup withholding tax (currently at a 28% rate) on the payment of such consideration if they do not provide their taxpayer identification numbers in the manner required, fail to certify that they are not subject to backup withholding tax or otherwise fail to comply with applicable backup withholding tax rules. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against the U.S. Holder’s federal income tax liability, if any, provided the required information is timely furnished to the IRS.

(ii) Certain Bermuda Tax Considerations

Under present Bermuda law, no Bermuda withholding tax on dividends or other distributions, nor any interest payments under the Notes, nor any Bermuda tax computed on profits or income or on any capital asset, gain or appreciation will be payable by an exempted company or its operations, nor is there any Bermuda tax in the nature of estate duty or inheritance tax applicable to the Notes, shares, debentures or other obligations of the company held by non-residents of Bermuda.

12. The Dealer Manager and Information and Tender Agent

Dealer Manager. We have retained Merrill Lynch & Co. as Dealer Manager in connection with the Offer. In its capacity as Dealer Manager, Merrill Lynch & Co. may contact holders regarding the Offer and request brokers, dealers and other nominees to forward this Offer to Purchase and related materials to beneficial owners of Notes. The Dealer Manager has provided, and may provide in the future, financial, advisory, investment banking and general banking services to us and our affiliates, including in connection with the issuance of the Notes, for which it has received customary fees and commissions. We have agreed to pay Merrill Lynch & Co. an amount that we believe is customary for its services as the Dealer Manager. We have also agreed to reimburse Merrill Lynch & Co. for its reasonable out-of-pocket expenses and have agreed to indemnify Merrill Lynch & Co. against certain liabilities and expenses, including certain liabilities under U.S. federal securities laws.

At any given time, the Dealer Manager may trade the Notes and other of our securities for their own accounts, or for the accounts of its customers and, accordingly, may hold a long or short position in the Notes or those securities. The Dealer Manager is not obligated to make a market in the Notes.

The Information and Tender Agent. We have retained Bondholder Communications Group to act as the Information and Tender Agent in connection with the Offer. All deliveries, correspondence and questions sent or presented to the Information and Tender Agent relating to the Offer should be directed to the addresses or telephone numbers set forth on the back cover of this Offer to Purchase.

We will pay Bondholder Communications Group customary fees for its services as the Information and Tender Agent in connection with the Offer. The Information and Tender Agent will also be reimbursed by us for its reasonable expenses and indemnified by us against certain liabilities and expenses in connection with the Offer, including certain liabilities under U.S. federal securities laws.

Requests for information or additional copies of this Offer to Purchase should be directed to the Information and Tender Agent at its addresses and telephone numbers set forth on the back cover of this Offer to Purchase.

None of the Dealer Manager or the Information and Tender Agent assumes any responsibility for the accuracy or completeness of the information concerning us or our respective affiliates contained in this Offer to Purchase or for any failure by us to disclose events that may have occurred and may affect the significance or accuracy of such information.

13. Solicitation

Directors, officers and regular employees of either the Issuer or its affiliates (who will not be specifically compensated for such services), the Information and Tender Agent and the Dealer Manager may contact holders by mail, telephone, or facsimile regarding the Offer and may request brokers, dealers and other nominees to forward this Offer to Purchase and related materials to beneficial owners of Notes.

14. Fees and Expenses

Tendering holders of Notes will not be obligated to pay brokers fees or commissions to the Dealer Manager or transfer taxes on the purchase of Notes by the Issuer pursuant to the Offer to Purchase. We will pay all fees and expenses of the Dealer Manager and the Information and Tender Agent in connection with the Offer.

We will reimburse brokers, dealers, commercial banks and trust companies for customary mailing and handling expenses incurred by them in forwarding materials to their customers. We will not pay any fees or commissions to any broker, dealer or other person, other than the Dealer Manager and the Information and Tender Agent, in connection with the solicitation of tenders of Notes pursuant to the Offer.

15. Miscellaneous

We are not aware of any jurisdiction where the making of the Offer is not in compliance with the laws of such jurisdiction. If we become aware of any jurisdiction where the making of the Offer would not be in compliance with such laws, we will make a good faith effort to comply with any such laws or seek to have such laws declared inapplicable to the Offer. If, after exercising such good faith effort, we cannot comply with any such applicable laws, the Offer will not be made to (nor will tenders be accepted from or on behalf of) the holders of Notes residing in such jurisdiction.

From time to time after the Expiration Date or termination of the Offer, we may acquire Notes that remain outstanding, if any, whether or not the Offer is consummated, through open market purchases, privately negotiated transactions or otherwise, upon such terms and at such prices as we may determine, which may be more or less than the price to be paid pursuant to the Offer to Purchase and could be for cash or other consideration, or we may decide to defease the Notes in accordance with the Indenture. We cannot assure you as to which, if any, of these alternatives (or combinations thereof) we may pursue.

Our board of directors announced on February 6, 2009 that a meeting of the board of directors would be held on February 18, 2009 for the purposes of, inter alia, the approval and publication of our interim results for the six months ended December 31, 2008 and consideration of the payment of an interim dividend (if any). We currently expect to announce our unaudited interim results for the six months ended December 31, 2008 prior to the Expiration Date.

NINE DRAGONS PAPER (HOLDINGS) LIMITED

February 9, 2009

Any required documents should be sent or delivered by each holder of Notes or such holder's broker, dealer, commercial bank, trust company or other nominee to the Information and Tender Agent at one of its addresses set forth below.

Questions and requests for assistance in connection with the Offer may be directed to the Information and Tender Agent and the Dealer Manager at their addresses and telephone numbers listed below. Requests for additional copies of this Offer to Purchase may be directed to the Information and Tender Agent at the addresses and telephone numbers listed below. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

The Information and Tender Agent for the Offer is:

Bondholder Communications Group

In New York:

30 Broad Street
46th Floor
New York, NY 10004
Telephone: +1 212-809-2663

In London:

28 Throgmorton Street
London EC2N 2AN
Telephone: +44 (0)20 7382 4580

Via E-mail:

Attn: Nora Deng
E-mail: ndeng@bondcom.com

Website: www.bondcom.com/ninedragons

The Dealer Manager for the Offer is:

Merrill Lynch & Co.

Merrill Lynch World Headquarters
North Tower
World Financial Center
New York, New York 10281-1201

Toll Free: 888-654-8637 (dialing from the U.S.)
or
Call Collect: +1-212-449-4914

Merrill Lynch (Asia Pacific) Limited

15th Floor, Citibank Tower
3 Garden Road Central
Hong Kong
Attn: Asia Debt Syndicate
Telephone: +852-2161-7141