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Unless defined herein, terms in this announcement shall have the same meanings as those defined in the prospectus dated 29 November 2007 (the "Prospectus") issued by the Company.



CHINA SUNSHINE PAPER HOLDINGS COMPANY LIMITED
中國陽光紙業控股有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2002)

STABILISING ACTIONS AND END OF STABILISATION PERIOD

The Company announces that the stabilisation period in connection with the Global Offering ended on 3 January 2008.

The stabilising actions undertaken by BNP Paribas Capital (Asia Pacific) Limited, its affiliates or any person acting for it, during the stabilisation period were as follows:

- (1) the borrowing of an aggregate of 15,000,000 Shares from China Sunrise Paper Holdings Limited pursuant to the Stock Borrowing Agreement, solely to cover over-allocations in the International Offering;
- (2) the purchases of a total of 7,500,000 Shares on the market at HK\$5.99 and HK\$6.00 per Share (exclusive of brokerage, SFC transaction levy and Stock Exchange trading fee), representing 7.50% of the Offer Shares initially offered under the Global Offering before any exercise of the Over-allotment Option. The last purchase of 113,000 Shares in the course of the stabilising actions was made on 24 December 2007 at the price of HK\$6.00 per Share; and
- (3) the partial exercise of the Over-allotment Option by the Global Coordinator on 31 December 2007 in respect of an aggregate of 7,500,000 Shares.

The Company announces that the stabilisation period in connection with the Global Offering ended on 3 January 2008. The stabilising actions undertaken by BNP Paribas Capital (Asia Pacific) Limited, its affiliates or any person acting for it, during the stabilisation period from 12 December 2007 to 3 January 2008 were:

- (1) the borrowing of an aggregate of 15,000,000 Shares from China Sunrise Paper Holdings Limited pursuant to the Stock Borrowing Agreement, solely to cover over-allocations in the International Offering;
- (2) the purchases of a total of 7,500,000 Shares on the market at HK\$5.99 and HK\$6.00 per Share (exclusive of brokerage, SFC transaction levy and Stock Exchange trading fee), representing 7.50% of the Offer Shares initially offered under the Global Offering before any exercise of the Over-allotment Option. The last purchase of 113,000 Shares in the course of the stabilising actions was made on 24 December 2007 at the price of HK\$6.00 per Share; and
- (3) the partial exercise of the Over-allotment Option by the Global Coordinator on 31 December 2007 in respect of an aggregate of 7,500,000 Shares.

Pursuant to the partial exercise of the Over-allotment Option by the Global Coordinator, the Company allotted and issued 7,500,000 Shares, representing approximately 7.50% of the Offer Shares initially available under the Global Offering, at HK\$6.00 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.004% and Hong Kong Stock Exchange trading fee of 0.005%), being the Offer Price per Share under the Global Offering.

The Over-allotment Shares were used solely to cover over-allocations in the International Offering. The details of the exercise of the Over-allotment Option have been set out in the Company's announcement dated 31 December 2007.

The announcement is made pursuant to the requirement of section 9(2) of the Securities and Futures (Price Stabilising) Rules (Chapter 571W of the Laws of Hong Kong).

By order of the Board
China Sunshine Paper Holdings Company Limited
Wang Dongxing
Chairman

Hong Kong, 3 January 2008

As at the date of this announcement, the Directors are:

Executive Directors: Mr. Wang Dongxing, Mr. Shi Weixin, Mr. Zhang Zengguo, Mr. Wang Yilong

Non-executive Directors: Mr. Xu Fang and Mr. Wang Nengguang

Independent non-executive Directors: Ms. Wong Wing Yee, Jessie, Mr. Wang Zefeng, Mr. Xu Ye

* *For identification purpose*