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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)

CLARIFICATION ANNOUNCEMENT
CIRCULAR AND AGM NOTICE

Reference is made to the circular (the "**Circular**") of China Sunshine Paper Holdings Company Limited (the "**Company**") dated 26 April 2016 which includes the notice of annual general meeting (the "**AGM Notice**") to be held on 27 May 2016. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as defined in the Circular.

The Board would like to clarify that references to the aggregate nominal amount of the share capital in the Circular and the AGM Notice shall refer to the total number of shares or total number of issued shares.

The Board would like to make the following clarifications:

1. The definition of "Issue Mandate' on page 2 of the Circular should be read as:

   "a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue and deal with new Shares during the period as set out in Ordinary Resolution 12 of the AGM Notice of not exceeding 20% of <u>the total number of shares</u> of the Company in issue as at the date of passing of the ordinary resolution approving the same";

2. The definition of "Share Buy-back Mandate' on page 3 of the Circular should be read as:

   "a general and unconditional mandate to the Directors to exercise the power of the Company to buy back the fully paid up Shares during the period as set out in Ordinary Resolution 11 of the AGM Notice of up to 10% of <u>the total number of shares</u> of the Company in issue as at the date of passing of that resolution";

3. Resolution 11(c) in the AGM Notice on page 21 of the Circular should be read as:

   "(c) <u>the total number of shares</u> of the Company which are authorized to be bought back by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10% of <u>the total number of shares</u> of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and";

4. Resolution 12(c) in the AGM Notice on page 22 of the Circular should be read as:

"(c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company from time to time, shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly; and"; and

5. Resolution 13 in the AGM Notice on page 23 of the Circular should be read as:

"13. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

"**THAT** conditional upon the passing of resolutions nos. 11 and 12 as set out in the notice convening the Meeting, the general mandate granted to the Directors pursuant to resolution no. 12 as set out in the notice convening the Meeting be and is hereby extended by the addition of an amount representing the total number of shares of the Company bought back by the Company under the authority granted pursuant to resolution no. 11 as set out in the notice convening the Meeting, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.""

The Company confirms that, except as clarified above, all other information contained in the Circular and the AGM Notice is correct and remains unchanged. This clarification announcement is supplemental to and should be read in conjunction with the Circular and the AGM Notice, and in that connection the existing Circular and AGM Notice in the form as they are now will continue to be valid.

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

Weifang, China, 27 April 2016

As at the date of this announcement, the directors of the Company are:

Executive directors:	*Mr. Wang Dongxing, Mr. Shi Weixin, Mr. Zhang Zengguo and Mr. Wang Changhai*
Non-executive directors:	*Mr. Xu Leihua and Mr. Li Hengwen*
Independent non-executive directors:	*Mr. Leung Ping Shing, Mr. Wang Zefeng and Ms. Jiao Jie*

* *For identification purposes*