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Qunxing Paper Holdings Company Limited

群星紙業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3868)

**POLL RESULTS OF ADJOURNED ANNUAL GENERAL MEETING
HELD ON 8 JUNE 2011
AND
RETIREMENT OF AUDITORS**

The Board is pleased to announce that all ordinary resolutions proposed at the adjourned AGM were duly passed by way of poll.

The Board also announces that KPMG retired and did not seek re-appointment as the Company's auditors upon their retirement at the conclusion of the adjourned AGM. The Company is identifying suitable candidate to fill the casual vacancy in the office of the auditors of the Company. Further announcement will be made as soon as practicable upon the proposed appointment of new auditors of the Company made by the Board.

POLL RESULTS OF ADJOURNED ANNUAL GENERAL MEETING

At the adjourned annual general meeting (the "**Adjourned AGM**") of Qunxing Paper Holdings Company Limited (the "**Company**" together with its subsidiaries, the "**Group**") held on 8 June 2011, the voting of all the resolutions as set out in the notice of the adjourned AGM (the "**Adjourned AGM Notice**") dated 19 May 2011 were taken by poll.

The poll results were as follows:

Ordinary Resolutions	Number of Votes (%)		Net Votes
	For	Against	
1. To receive and consider the audited consolidated financial statements, the report of the directors and independent auditor's report for the year ended 31 December 2010.	1,084,746,362 (99.69%)	3,371,262 (0.31%)	1,088,117,624
2. To approve the declaration of a final dividend of HK8.633 cents per share in cash and a special cash dividend of HK3 cents per share for the year ended 31 December 2010.	1,093,097,088 (99.9999%)	1,536 (0.0001%)	1,093,098,624

Ordinary Resolutions	Number of Votes (%)		Net Votes
	For	Against	
3. (i) To re-elect Dr. ZHU Yu Guo as executive director.	1,088,258,552 (99.56%)	4,840,072 (0.44%)	1,093,098,624
(ii) To re-elect Ms. SUN Rui Fang as non-executive director.	1,093,095,552 (99.9997%)	3,072 (0.0003%)	1,093,098,624
(iii) To re-elect Mr. ZHAO Wei as independent non-executive director.	1,093,097,088 (99.9999%)	1,536 (0.0001%)	1,093,098,624
(iv) To authorise the board of directors to fix the remuneration of directors.	1,093,089,552 (99.999%)	9,072 (0.001%)	1,093,098,624
4. Special Business: To grant the general mandate to the board of directors to repurchase shares up to 10% of aggregate nominal amount of the issued share capital of the Company.*	1,093,095,552 (99.9997%)	3,072 (0.0003%)	1,093,098,624
5. Special Business: To grant the general mandate to the board of directors to issue additional shares up to 20% of aggregate nominal amount of the issued share capital of the Company.*	1,084,738,826 (99.24%)	8,359,798 (0.76%)	1,093,098,624
6. Special Business: To extend the general mandate granted to the board of directors to issue additional shares up to the number of shares repurchased by the Company.*	1,084,738,826 (99.24%)	8,359,798 (0.76%)	1,093,098,624

* *The full text of the resolution is set out in the Adjourned AGM Notice.*

As more than 50% of the votes were cast in favour of each of the above resolutions, all the resolutions were duly passed as ordinary resolutions of the Company.

Notes:

1. The total number of issued shares in the Company entitling the holders to attend and vote for or against the resolutions proposed at the Adjourned AGM is 1,586,391,450 shares. There were no restrictions on the holders to cast votes on any of the resolutions.
2. Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, was appointed as scrutineer at the Adjourned AGM for the purpose of vote-taking.

RETIREMENT OF AUDITORS

The board of directors (the “**Board**”) of the Company announces that KPMG retired and did not seek re-appointment as the Company’s auditors upon their retirement at the conclusion of the Adjourned AGM. KPMG confirmed in their letter dated 8 June 2011 that other than the audit issues as detailed in the independent auditors’ report dated 30 March 2011 as contained in the Company’s 2010 annual report, which caused KPMG to issue a disclaimer of opinion on the consolidated financial statements of the Group for the year ended 31 December 2010, there were no matters in connection with their retirement which they considered necessary to be brought to the attention of the shareholders of the Company.

Save as disclosed above, the Board also confirmed that there were no matters in respect of the retirement of the auditors which they considered necessary to be brought to the attention of the shareholders of the Company.

The Company is identifying suitable candidate to fill the casual vacancy in the office of the auditors of the Company. Further announcement will be made as soon as practicable upon the proposed appointment of new auditors of the Company made by the Board.

The Board would like to take this opportunity to thank KPMG for their valuable services and support to the Company in the past.

By Order of the Board

ZHU Yu Guo

Chairman

Shandong, the PRC, 8 June 2011

As at the date of this announcement, the executive directors of the Company are Dr. ZHU Yu Guo (Chairman), Mr. ZHU Mo Qun (Vice-chairman) and Mr. SUN Zhen Shui; the non-executive director of the Company is Ms. SUN Rui Fang; the independent non-executive directors of the Company are Mr. ZHAO Wei, Mr. WANG Lu and Mr. KWONG Kwan Tong.