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山東晨鳴紙業集團股份有限公司
SHANDONG CHENMING PAPER HOLDINGS LIMITED*
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1812)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Shandong Chenming Paper Holdings Limited (the “**Company**”) published the “Shandong Chenming Paper Holdings Limited Announcement in respect of Resolutions of the 28th Extraordinary Meeting of the Eighth Session of the Board of Directors” dated 16 July 2018 on the website of Shenzhen Stock Exchange. The following is a translation of the official announcement solely for the purpose of providing information.

By order of the Board
Shandong Chenming Paper Holdings Limited
Chen Hongguo
Chairman

Shandong, PRC
16 July 2018

As at the date of this announcement, the executive Directors are Mr. Chen Hongguo, Mr. Li Feng and Mr. Geng Guanglin; the non-executive Directors are Ms. Yang Guihua and Ms. Zhang Hong and the independent non-executive Directors are Ms. Pan Ailing, Ms. Wang Fengrong, Mr. Huang Lei and Ms. Liang Fu.

* *For identification purposes only*

Stock code:
000488 200488

Stock abbreviation:
Chenming Paper Chenming B

Announcement no.:
2018-097

Shandong Chenming Paper Holdings Limited
Announcement in respect of Resolutions of the 28th Extraordinary
Meeting of the Eighth Session of the Board of Directors

The Company and all members of the board (the “Board”) of directors (the “Director(s)”) hereby warrant the truthfulness, accuracy and completeness of the contents of information disclosed which do not contain any false information, misleading statements or material omissions.

The notice of the 28th extraordinary meeting of the eighth session of the Board of Shandong Chenming Paper Holdings Limited (the “Company”) was despatched to all Directors in writing and by post on 10 July 2018, and the said meeting was held by means of communication on 16 July 2018. 11 Directors were entitled to be present at the meeting and 11 Directors attended the meeting. The Board meeting was convened in compliance with the relevant PRC laws and regulations and the Articles of Association of the Company.

The following resolutions of this Board meeting were considered and approved unanimously by the Directors present at the meeting:

I. The resolution on the commencement of financial leasing business by Jiangxi Chenming was considered and approved

In order to further broaden the Company’s financing channels, revitalise its assets, adjust its structure of liabilities and replenish its liquidity, Jiangxi Chenming Paper Co., Ltd. (“Jiangxi Chenming”), a wholly-owned subsidiary of the Company, proposed to commence financial leasing business through China Huarong Financial Leasing Co., Ltd. (“Huarong Leasing”). Jiangxi Chenming will enter into the Financial Leasing Contract with Huarong Leasing based on its actual operational needs. The ultimate and actual financing amount shall not exceed RMB700 million (inclusive). The Company shall provide guarantee for the aforementioned financial leasing business of Jiangxi Chenming by means of joint-liability guarantee.

The Board has agreed to authorise the management of the Company to handle specific matters concerning the financial leasing business under the transaction plan as approved by the Board.

For details, please refer to relevant announcements disclosed on the website of CNINFO (www.cninfo.com.cn) and the Hong Kong Stock Exchange (www.hkex.com.hk) on the same date.

The voting result of this resolution: votes for: 11; votes against: 0; votes abstained: 0.

II. The resolution on the acceptance of financial assistance and related party transaction was considered and approved

In order to support the development of major business segments of the Company and ensure the fulfilment of capital requirements for the operation and development of the Company, Chenming Holdings Company Limited (“Chenming Holdings”), the largest shareholder of the Company, proposed to provide financial assistance of not more than RMB1,000 million (inclusive) to the Company. The term of financial assistance shall not exceed one year, with borrowing rate of not higher than the comparable rate of 7.00% in the market (subject to actual situation). Chenming Holdings can provide the financial assistance in tranches based on the capital requirement of the Company. The financial assistance is free of any form of security to be provided by the Company, such as guarantee, security or pledge.

At present, Chenming Holdings held 293,003,657 A shares, 140,478,375 B shares and 102,276,000 H shares of the Company, with a total of 535,758,032 shares of the Company being held, representing 27.67% of the total share capital of the Company. According to Rule 10.1.3(4) of the Rules Governing Listing of Stocks on Shenzhen Stock Exchange, Chenming Holdings is a related legal person of the Company. Hence, the provision of financial assistance to the Company by Chenming Holdings constitutes a related party transaction.

The related party directors, namely Mr. Chen Hongguo, Mr. Geng Guanglin and Mr. Hu Changqing, had abstained from voting on this resolution in accordance with relevant regulations.

The voting result of this resolution: votes for: 8; votes against: 0; votes abstained: 0.

For details, please refer to the related announcements disclosed on the website of CNINFO (www.cninfo.com.cn) and the Hong Kong Stock Exchange (www.hkex.com.hk) on the same date.

Notice is hereby given.

The Board of Shandong Chenming Paper Holdings Limited
16 July 2018