

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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)**

**Termination of Non-public Issue of A Shares**

References are made to the circulars dated 19 May 2016, 17 May 2018 and 6 July 2018, and the announcements dated 3 June 2018, 4 June 2018 and 20 July 2018 of Shandong Chenming Paper Holdings Limited (the “Company”) (the “Documents”) in relation to, among other things, (i) the Non-public Issue of A Shares; (ii) the connected transaction — proposed subscription of A shares by the substantial shareholder; and (iii) the extension of the validity period of resolution relating to the Non-public Issue of A Shares. Unless otherwise indicated, the capitalised terms used in this announcement shall have the same meanings as those defined in the Documents.

Since the commencement of the Non-public Issue of A Shares, the Company had put considerable effort into facilitating the issue. Given that there were several changes to the factors such as refinancing policies, laws and regulations, the environment of the capital market, and the timing of financing, the Company made a prudent decision to terminate the Non-public Issue of A Shares and apply to the CSRC for withdrawing the application documents related to the Non-public Issue of A Shares after taking full consideration of internal and external factors and negotiating with various parties for many times.

**Consideration of the Termination of the Non-public Issue of A Shares**

The resolution on the Termination of the Non-public Issue of Shares and Withdrawal of Application Documents was considered and approved at the 29th extraordinary meeting of the eighth session of the Board and the 11th extraordinary meeting of the eighth session of the supervisory committee of the Company on 17 August 2018. The

independent opinion of independent directors concurred with the resolution. According to the authorisation in relation to the issue granted to the Board by the general meeting, it is not necessary to submit the resolution to the general meeting of the Company for consideration.

### **Effect of the Termination of the Non-public Issue of A Shares**

The Non-public Issue of A Shares was terminated under the circumstances of the capital market and as a result of the prudent decision made after giving full consideration of many factors such as the internal production and operations, the progress of the projects to be financed by the proceeds and the future strategic development. The termination of the Non-public Issue of A Shares by the Company does not affect the normal production and operations of the Company or harm the Company and all Shareholders, especially the interest of minority Shareholders.

After a review of the related information by the independent non-executive directors of the Company, they are of the opinion that the termination of the Non-public Issue of A Shares and the withdrawal of the application documents were made after giving full consideration of factors such as the general environment of the capital market and the position of the Company, and do not negatively affect the normal operations of the Company or harm the Company and the Shareholders, especially the interest of minority Shareholders.

By Order of the Board  
**Shandong Chenming Paper Holdings Limited\***  
**Chen Hongguo**  
*Chairman*

Shandong, the PRC  
17 August 2018

*As at the date of this announcement, the executive Directors are Mr. Chen Hongguo, Mr. Li Feng, Mr. Geng Guanglin, Mr. Hu Changqing and Mr. Chen Gang; 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 purpose only*