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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 Thirty-Sixth Extraordinary Meeting of the Eighth Session of the Board of Directors” dated 6 March 2019 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
6 March 2019

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 purposes only*

Stock abbreviation:
Chenming Paper Chenming B

Stock code:
000488 200488

Announcement No.:
2019-010

Shandong Chenming Paper Holdings Limited
Announcement in respect of Resolutions of the Thirty-Sixth
Extraordinary Meeting of the Eighth Session of the Board of Directors

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

The notice of the thirty-sixth extraordinary meeting of the eighth session of the Board of Shandong Chenming Paper Holdings Limited (the “Company”) was dispatched to all Directors in writing and by post on 27 February 2019, and the said meeting was held by means of communication on 6 March 2019. 11 Directors were entitled to be present at the meeting and 11 Directors attended the meeting. The 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 passed unanimously by the Directors present at the meeting:

I. Resolution on payment of 2019 fixed dividend on preference shares was considered and approved

The Company issued the first-tranche preference shares of 22.5 million shares on 16 March 2016, the second-tranche preference shares of 10 million shares on 16 August 2016, and the third-tranche preference shares of 12.5 million shares on September 21 2016, with a par value of RMB100 per share. In accordance with the Prospectus for the Non-Public Issuance of Preference Shares, the Prospectus for the Non-Public Issuance of Preference Shares (Second Tranche) and the Prospectus for the Non-Public Issuance of Preference Shares (Third Tranche)”, dividends on preference shares shall be paid annually and will be accrued from the payment due date of the preference shares of the Company. The annual dividend distribution date shall be the anniversary date of the payment due date of subscription monies for the preference shares. If any dividend distribution date falls on a statutory holiday or a rest day, it shall be postponed to the next business day.

The payment date of 2019 fixed dividend on the first-tranche preference shares is 18 March 2019, and the dividend amount is $\text{RMB}2.25 \text{ billion} \times 4.36\% = \text{RMB}98.1 \text{ million}$.

The payment date of 2019 fixed dividend on the second-tranche preference shares is 16 August 2019, and the dividend amount is $\text{RMB}1 \text{ billion} \times 5.17\% = \text{RMB}51.70 \text{ million}$.

The payment date of 2019 fixed dividend on the third-tranche preference shares is 23 September 2019, and the dividend amount is $\text{RMB}1.25 \text{ billion} \times 5.17\% = \text{RMB}64.625 \text{ million}$.

The Board authorised the management of the Company to deal with matters relating to the payment of 2019 fixed dividend on preference shares.

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

II. Resolution on the cooperation to initiate the establishment of Weifang Chenming Growth Driver Replacement Equity Investment Fund was considered and approved

In response to the deployment of the replacement of old growth drivers with the new ones in Weifang, the Company proposed to jointly cooperate with Chenming (Qingdao) Asset Management Co., Ltd. (“Chenming Asset Management”), Weifang Hengxin Capital Management Co., Ltd. (“Hengxin Capital”), Weifang Financial Holding Group Co., Ltd. (“Weifang Financial Holding”) and Shouguang Jintou Asset Management Co., Ltd. (“Shouguang Jintou”) to initiate the establishment of Weifang Chenming Growth Driver Replacement Equity Investment Fund Partnership (Limited Partnership) (the “Partnership”). All partners will subscribe for the total capital contribution of RMB1,000 million in monetary terms. Among the partners, the Company as a limited partner will make capital contribution of RMB790 million, representing 79% of the total capital contribution. Hengxin Capital, as the channelling fund management company for the replacement of old growth drivers with the new ones in Weifang, will exercise the duty as the channelling capital contributor, and make capital contribution of RMB100 million as a limited partner, representing 10%. Each of Weifang Financial Holding and Shouguang Jintou will make capital contribution of RMB50 million as a limited partner, representing 5%. Chenming Asset Management as a general partner will make capital contribution of RMB10 million, representing 1%.

The Board authorised the management of the Company to deal with matters relating to the cooperation to initiate the establishment of the Partnership.

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

Notice is hereby given.

The Board of Shandong Chenming Paper Holdings Limited
6 March 2019