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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 “Shandong Chenming Paper Holdings Limited Announcement in respect of Resolutions of the Thirty-Seventh Extraordinary Meeting of the Eighth Session of the Board of Directors” and “Announcement in respect of Resolutions of the Thirteenth Extraordinary Meeting of the Eighth Session of the Supervisory Committee” dated 20 May 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
20 May 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 code:
000488 200488

Stock abbreviation:
Chenming Paper Chenming B

Announcement No.:
2019-039

Shandong Chenming Paper Holdings Limited

Announcement in respect of Resolutions of the Thirty-Seventh 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-seventh 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 14 May 2019, and the said meeting was held by means of communication on 20 May 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. The election of Directors as part of the change of the session of the Board was considered and approved

According to the relevant provisions of the Company Law and the Articles of Association, the term of the eighth session of the Board of the Company expired on 17 May 2019. It is proposed that an election shall be conducted for the change of session of the Board. The Nomination Committee of the Board of the Company elected and nominated nine Director candidates to the Board for a term of three years, including four executive Directors, three independent non-executive Directors and two non-executive Directors.

Chen Hongguo, Hu Changqing, Chen Gang and Li Xingchun were nominated as executive Director candidates of the ninth session of the Board of the Company. Sun Jianfei, Yin Meiqun and Yang Biao were nominated as independent non-executive Director candidates of the ninth session of the Board of the Company. Han Tingde and Li Chuanxuan were nominated as non-executive Director candidates of the ninth session of the Board of the Company. (Please refer to Appendix I for their biographies)

At the same time, the Chairman of the Company was authorised to enter into Director service contracts on behalf of the Company with the members of the new session of the Board of the Company.

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

This resolution shall be submitted to the 2018 annual general meeting (the “2018 AGM”) of the Company for consideration and approval. According to the requirements of the Articles of Association, the election of Directors adopted cumulative voting method.

The Company submitted the information on above-mentioned independent non-executive Director candidates to the Shenzhen Stock Exchange, which will be submitted to the general meeting for consideration and voting after being approved by the Shenzhen Stock Exchange.

II. The amendment of the Articles of Association of the Company was considered and approved

According to the relevant provisions of the Company Law, the Securities Law, the Rules Governing the Listing of Securities and the Guidelines for the Articles of Association for Listed Companies (as amended in 2019), with reference to the actual needs for the operation and development of the Company, the Company amended the relevant articles in the Articles of Association. (Please refer to Appendix II for these amendments)

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

This resolution shall be submitted to the 2018 AGM of the Company as a special resolution for consideration and approval.

III. The amendment of the Rules of Procedures for Board Meetings was considered and approved

The main contents of the Rules of Procedures for Board Meetings of the Company are stipulated in the Articles of Association of the Company. According to the amendments of the Articles of Association, the Company amended the Rules of Procedures for Board Meetings as follows:

Original content	Amended content
<p>Article 4</p> <p>The Company sets a Board that comprises eleven (11) Directors, including one Chairman and one to two Vice Chairman(s).</p>	<p>Article 4</p> <p>The Company sets a Board that comprises nine (9) Directors, including one Chairman and one to two Vice Chairman(s).</p>

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

This resolution shall be submitted to the 2018 AGM of the Company as an ordinary resolution for consideration and approval.

IV. The issue of commercial mortgage backed securities backed by an office property of a subsidiary was considered and approved

In order to revitalise the idle asset and broaden its financing channels, the Company proposed to proceed with asset securitisation financing by setting up the Pujiang International Financial Plaza Asset-backed Project Program (the “Project Program”, and the product name to be finalised upon the Project Program issue) through Huaxi Securities Co., Ltd. backed by Pujiang International Financial Plaza held by its subsidiary, Shanghai Hongtai Real Estate Co., Ltd. as the underlying property asset. The relevant conditions relating to the issue such as the issue proposal of the Project Program are subject to filing with or approval by the Shenzhen Stock Exchange.

For details, please refer to the related announcements disclosed on the website of CNINFO (www.cninfo.com.cn), and the website of 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.

This resolution shall be submitted to the 2018 AGM of the Company as a special resolution for consideration and approval.

V. The commencement of equipment financing by a subsidiary was considered and approved

In view of the future economic development, and in order to further expand the Company’s financing channels and adjust the short, medium and long-term loan structures as soon as possible, the Company and its related subsidiaries intended

to commence equipment financing business through Bank of Communications Financial Leasing Co., Ltd., Minsheng Financial Leasing Co., Ltd., Henan Guohong Financial Leasing Co., Ltd., Beijing Culture and Technology Finance Leasing Co., Ltd. and other leasing companies, with a financing amount not exceeding RMB2 billion (inclusive) and a financing term not exceeding 5 years (inclusive).

For details, please refer to the related announcements disclosed on the website of CNINFO (www.cninfo.com.cn), and the website of 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.

Notice is hereby given.

The Board of Shandong Chenming Paper Holdings Limited
20 May 2019

Appendix I: Biographies

Biographies of executive Director candidates:

Mr. Chen Hongguo, aged 54, is a member of the Communist Party of the PRC. He holds a bachelor's degree. He is a senior economist and was awarded titles including “Nationwide Light Industry Top Ten Youth Experts” (全國輕工系統十佳傑出青年崗位能手), “Labor Medal on Enriching Shandong Province” (山東省富民興魯勞動獎章獲得者), “Excellent Entrepreneur of Shandong Province” (山東省優秀企業家), “Nationwide May 1st Labor Medal” (全國五一勞動獎章獲得者), “Nationwide Excellent Entrepreneur” (全國優秀創業企業家) and “USA RISI CEO of the Year” (美國銳思“年度最佳CEO獎”). He is vice chairman of the China National Light Industry Council. He joined the Company in 1987 and has held positions including chief officer of manufacturing section, chief officer of branch factory, deputy general manager, Director of the Company and the chairman of Wuhan Chenming Hanyang Paper Co., Ltd. He has been the chairman of the Company since 2001.

Mr. Chen Hongguo currently holds 10,144,444 A Shares of the Company, and concurrently serves as the chairman and general manager of Chenming Holdings Limited (the controlling shareholder of the Company). Mr. Chen Hongguo is the spouse of Ms. Li Xueqin, a deputy general manager of the Company. Mr. Chen Hongguo has not been reprimanded by China securities regulatory and management authorities and other related departments nor disciplined by any stock exchange. He complies with the conditions serving as a Director under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonest” jointly issued by eight ministries and commissions in 2014.

Mr. Hu Changqing, aged 53, is a member of the Communist Party of the PRC. He holds a bachelor's degree. He joined the Company in 1988. He had held various positions in the Company such as the chief of the technological reform department, the chief officer of branch factory, the deputy general manager and the Director. He is currently the director of Chenming Holdings Company Limited and a vice chairman of the Company

Mr. Hu Changqing currently holds 1,857 A shares of the Company. He has no affiliated relationship with other Directors and supervisors to be employed by the Company, and has not been subject to punishment by the China Securities Regulatory Commission and other competent authorities or censorship by any stock exchanges.

He complies with the conditions serving as a Director under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.

Mr. Li Xingchun, aged 53, holds a doctorate, and is a visiting professor of Shanghai Finance University and the founder of Leadbank Financial Service Group. In 2015, he was selected as a financial innovative figure of Lujiazui by YICAI (第一財經). In the same year, he was selected as an independent fortune leader in China by Fortune Today. In 2016, he was selected as an outstanding entrepreneur of wealth management institution in China by China Economy and Trade Promotion Association (中國經濟貿易促進會). In 2017, he was awarded the outstanding wealth management leader award. He was the senior director of Ctrip.com, the vice president of Fuyou Securities Co., Ltd. (富友證券有限責任公司), the executive vice president of Pan Asia Trust Co., Ltd. (泛亞信託有限公司), and the director and president of Western Development Holdings Co., Ltd. (西部發展控股有限公司). He is currently the chairman of Leadbank Technology (Investment Group).

Mr. Li Xingchun currently does not hold any shares of the Company. He has no related party relationship with other Directors and supervisors to be employed by the Company, as well as the controlling shareholder of the Company and its de facto controller. He has no related party relationship with shareholder(s) holding over 5% shareholding in the Company and their respective de facto controller(s). He has not been reprimanded by PRC securities regulatory and management authorities and other related departments or disciplined by any stock exchanges. He complies with the conditions serving as a director under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.

Mr. Chen Gang, aged 46, is a member of the Communist Party of the PRC and has tertiary education qualifications. He joined the Company in 1992 and had held various positions in the Company such as the chief officer of branch factory, the general management of Zhanjiang Chenming, the general manager of Jilin Chenming, the division leader of Jiangxi Chenming, the assistant to the production director of the Company and the deputy production director of the Company. He is currently a director of the Company.

Mr. Chen currently does not hold any shares of the Company. He has not been reprimanded by PRC securities regulatory and management authorities and other related departments or disciplined by any stock exchanges. He complies with the conditions serving as a director under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.

Biographies of independent non-executive Director candidates:

Mr. Sun Jianfei, aged 46, holds a doctorate in finance. He was a lecturer at University of Nevada, Reno, and concurrently served as the consultant of hedge funds such as Eagle Peak Fund LP. From 2010 to 2017, he was a lecturer at Antai College of Economics & Management, Shanghai Jiao Tong University. He was selected in the National Academic Leadership Talent Programme in Accounting (Standby List) (全國學術類會計領軍(後備)人才項目) organized by the Ministry of Finance, as well as the Shanghai Pujiang Talent Programme (上海市浦江人才計劃). He is currently a professor at Institute for Social and Economic Research, Nanjing Audit University, and concurrently serves as a professor at Antai College of Economics & Management and Advanced Institute of Finance, Shanghai Jiao Tong University. He is currently the independent director of A share listed companies including Zhejiang Yueling Co., Ltd. and Huasu Holdings Co., Ltd., as well as the independent director of several companies whose shares is proposed to be listed, including Nanya New Material Technology Co., Ltd. and Shanghai Saiyi Environmental Protection Equipment Co., Ltd. (上海賽一環保設備有限公司).

Mr. Sun Jianfei currently does not hold any shares of the Company. He has no related party relationship with other Directors and supervisors to be employed by the Company, as well as the controlling shareholder of the Company and its de facto controller. He has no related party relationship with shareholder(s) holding over 5% shareholding in the Company and their respective de facto controller(s). He has not been reprimanded by PRC securities regulatory and management authorities and other related departments or disciplined by any stock exchanges. He complies with the conditions serving as a director under the relevant laws, regulations and

provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.

Mr. Yang Biao, aged 39, is a member of the Communist Party of the PRC. He holds a doctorate in law. He started to work in July 2005. He once worked in the Higher People’s Court of Guangdong Province. He was a lecturer at the School of Law of Sun Yat-sen University and an associate professor at the School of Law of Sun Yat-sen University. He is a professor, a doctoral tutor and a postdoctoral tutor at the School of Law of Sun Yat-sen University. He has served as an independent director of Guangdong Yuehai Feeds Group Co., Ltd., Circle Logistics Co., Ltd. and Guangdong Tianhe Agricultural Means of Production Co., Ltd. since January 2017.

Mr. Yang Biao currently does not hold any shares of the Company. He has no related party relationship with other Directors and supervisors to be employed by the Company, as well as the controlling shareholder of the Company and its de facto controller. He has no related party relationship with shareholder(s) holding over 5% shareholding in the Company and their respective de facto controller(s). He has not been reprimanded by PRC securities regulatory and management authorities and other related departments or disciplined by any stock exchanges. He complies with the conditions serving as a director under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.

Ms. Yin Meiqun, aged 48, is a university professor and a certified public accountant in China. She holds a doctorate in accounting degree. She paid academic visits to Sweden, Finland, Denmark and the Iowa State University in the United States. From 1993 to 2007, she was a professor in the department of accounting at Harbin University of Science and Technology. She is a professor of Beijing International Studies University. She is currently a representative of the 15th Beijing Municipal People’s Congress, a member of the Accounting Education Committee of the Accounting Society of China, a council member of the Accounting Society of China, a council director of the Association of Beijing Internal Audit, an expert of The Chinese Institute of Certified Public Accountants and an expert of Social Examination Department of the National Education Examinations Authority, etc. She concurrently serves as an independent director of Beijing Life Insurance Co., Ltd.

Ms. Yin Meiqun currently does not hold any shares of the Company. She has no related party relationship with other Directors and supervisors to be employed by the Company, as well as the controlling shareholder of the Company and its de facto controller. She has no related party relationship with shareholder(s) holding over 5% shareholding in the Company and their respective de facto controller(s). She has not been reprimanded by PRC securities regulatory and management authorities and other related departments or disciplined by any stock exchanges. She complies with the conditions serving as a director under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.

Biographies of non-executive Director candidates:

Mr. Han Tingde, aged 50, graduated with a bachelor’s degree. He was the deputy general manager and the general manager of operational department of Jinan, Liaocheng and Linyi offices of Shandong Securities Co., Ltd., the deputy general manager and the general manager of operational department of Zibo and Jinan offices of Tiantong Securities Co., Ltd. in China, the general management of each of the customer service department, the brokerage headquarters and the legal affairs department, as well as the deputy general manager of the retail headquarters of Zhongtai Securities Co., Ltd., etc.

Mr. Han Tingde currently does not hold any shares of the Company. He has no related party relationship with other Directors and supervisors to be employed by the Company, as well as the controlling shareholder of the Company and its de facto controller. He has no related party relationship with shareholder(s) holding over 5% shareholding in the Company and their respective de facto controller(s). He has not been reprimanded by PRC securities regulatory and management authorities and other related departments or disciplined by any stock exchanges. He complies with the conditions serving as a director under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.

Mr. Li Chuanxuan, aged 41, holds a doctorate in law. He is a professor at Fudan University, Shanghai. From 2008 to 2012, he was a lecturer in the Law School of Fudan University. From 2012 to 2013, he was a visiting scholar of the Law School of Columbia University in the United States, focusing on the research on green finance laws and policies. He is currently the secretary general of the Association of Shanghai Environmental Resources Law (上海市環境資源法研究會), the director of the Association of China Environmental Resources Law (中國環境資源法研究會), the director of the Association of Shanghai Economic Law (上海市經濟法研究會), as well as the evaluation expert of the National Judicial Verification of Environmental Damages (國家環境損害司法鑒定). He has been in charge of and undertook over 10 national and provincial scientific research projects. Moreover, he has participated in the drafting of several laws and regulations of different legislatures including the Standing Committee of the National People’s Congress, the Ministry of Ecology and Environment and Shanghai National People’s Congress.

Mr. Li Chuanxuan currently does not hold any shares of the Company. He has no related party relationship with other Directors and supervisors to be employed by the Company, as well as the controlling shareholder of the Company and its de facto controller. He has no related party relationship with shareholder(s) holding over 5% shareholding in the Company and their respective de facto controller(s). He has not been reprimanded by PRC securities regulatory and management authorities and other related departments or disciplined by any stock exchanges. He complies with the conditions serving as a director under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.

Appendix II: Comparison Table of the Amendments to the Articles of Association

Before amendment	After amendment
<p>(The Articles of Association is formulated in accordance with the currently effective law, regulation and constitutional system of The Company Law of the People’s Republic of China (the “Company Law”), Mandatory Provisions for the Articles of Association of Companies Listed Overseas (the “Mandatory Provisions”), Circular Regarding Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong (“Zheng Jian Hai Han [1995] No. 1”), Opinions on Further Standardising Operations and Intensifying Reforms of Companies Listed Overseas (“Opinions”), Working Guidelines for Secretary of the Board of Directors of Overseas Listed Companies (the “Working Guidelines for Secretary” or “Zheng Jian Fa Xing Zi [1999] No. 39”), Notice on further implementation of Cash Dividends Distribution of Listed Companies (Lu Zheng Jian Fa [2012] No. 18), Notice on amendment to Articles of Association governing the Cash Dividends Distribution ([2012] No. 18), State Council Guiding Opinions on The Experimental Development of Preference Shares (Guo Fa [2013] No. 46), Experimental Administrative Measures on Preference Shares (CSRC Order No. 97), Guidelines for the Articles of Association for Listed Companies (as amended in 2016) (the “Guidelines for the Articles of Association”), Code of Corporate Governance for Listed Companies (the “CG Code” or “Zheng Jian Fa [2002] No. 1”), Procedural Rules for General Meeting of Listed Companies (the “Procedural Rules for General Meeting” or “CSRC Announcement [2016] No. 22”), Guiding Opinions on the Establishment of Independent Director System of Listed Companies (the “Guiding Opinions” or “Zheng Jian Fa [2001] No. 102”), Regulatory Guidance for Listed Companies No. 3 - Distribution of Cash Dividends by Listed Companies (“Distribution of Cash Dividends by Listed Companies” or “[2013] No. 43”) and Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”))</p>	<p>(The Articles of Association is formulated in accordance with the currently effective law, regulation and constitutional system of <i>The Company Law of the People’s Republic of China</i> (the “Company Law”), <i>Mandatory Provisions for the Articles of Association of Companies Listed Overseas</i> (the “Mandatory Provisions”), <i>Circular Regarding Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong</i> (“Zheng Jian Hai Han [1995] No. 1”), <i>Opinions on Further Standardising Operations and Intensifying Reforms of Companies Listed Overseas</i> (“Opinions”), <i>Notice on further implementation of Cash Dividends Distribution of Listed Companies</i> (Lu Zheng Jian Fa [2012] No. 18), <i>Notice on amendment to Articles of Association governing the Cash Dividends Distribution</i> ([2012] No. 18), <i>State Council Guiding Opinions on The Experimental Development of Preference Shares</i> (Guo Fa [2013] No. 46), <i>Experimental Administrative Measures on Preference Shares</i> (CSRC Order No. 97), <i>Guidelines for the Articles of Association for Listed Companies</i> (as amended in 2019) (the “Guidelines for the Articles of Association”), <i>Code of Corporate Governance for Listed Companies</i> (the “CG Code” or “CSRC Announcement [2018] No. 29”), <i>Procedural Rules for General Meeting of Listed Companies</i> (the “Procedural Rules for General Meeting” or “CSRC Announcement [2016] No. 22”), <i>Guiding Opinions on the Establishment of Independent Director System of Listed Companies</i> (the “Guiding Opinions” or “Zheng Jian Fa [2001] No. 102”), <i>Regulatory Guidance for Listed Companies No. 3 - Distribution of Cash Dividends by Listed Companies</i> (“Distribution of Cash Dividends by Listed Companies” or “[2013] No. 43”), <i>Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited</i> (the “Hong Kong Listing Rules”) and <i>Rules Governing the Listing of Securities of Shenzhen Stock Exchange</i> (the “SZSE Listing Rules”))</p>

Before amendment	After amendment
<p>Article 1 Shandong Chenming Paper Holdings Limited (the “Company”) is a joint-stock company with limited liability established under The Company Law of the People’s Republic of China (the “Company Law”), State Council’s Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (the “Special Regulations”), and other governing laws and regulations of the People’s Republic of China (“PRC”).</p> <p>The Company was established through share offering with the approval of the Document [1993] No. 17 issued by Weifang Economic Reform Committee, and was registered with Shouguang County Industry and Commerce Administration and has obtained a business license.</p> <p>The Company was regulated in accordance with regulations of Guo Fa [1995] No. 17 and Lu Zheng Fa [1995] No. 126 based on the Company Law. Approved by Lu Ti Gai Han Zi [1996] No. 123 issued by Shandong Economic Reform Committee and Lu Zheng Gu Zi [1996] No. 98 issued by the People’s Government of Shandong Province, the Company was re-registered with the Administration of Industry and Commerce of Shandong Province.</p> <p>Approved by Ministry of Foreign Trade and Economic Cooperation Document [1997] No. 075, the Company was registered as a foreign-invested company.</p>	<p>Article 1 Shandong Chenming Paper Holdings Limited (the “Company”) is a joint-stock company with limited liability established under <i>The Company Law of the People’s Republic of China</i> (the “Company Law”), <i>State Council’s Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies</i> (the “Special Regulations”), and other governing laws and regulations of the People’s Republic of China (“PRC”).</p> <p>The Company was established through share offering with the approval of the Document [1993] No. 17 issued by Weifang Economic Reform Committee, and was registered with Shouguang County Industry and Commerce Administration and has obtained a business license with unified social credit code of 913700006135889860.</p> <p>The Company was regulated in accordance with regulations of Guo Fa [1995] No. 17 and Lu Zheng Fa [1995] No. 126 based on the Company Law. Approved by Lu Ti Gai Han Zi [1996] No. 123 issued by Shandong Economic Reform Committee and Lu Zheng Gu Zi [1996] No. 98 issued by the People’s Government of Shandong Province, the Company was re-registered with the Administration of Industry and Commerce of Shandong Province.</p> <p>Approved by Ministry of Foreign Trade and Economic Cooperation Document [1997] No. 075, the Company was registered as a foreign-invested company.</p>

Before amendment	After amendment
<p data-bbox="197 259 786 322">Article 5 The Company is a joint stock limited company with perpetual existence.</p> <p data-bbox="197 360 786 943">In accordance with the requirements of the Company Law and the Constitution of the Communist Party of China, organizations of the Communist Party of China (the “Party Organization”) and working units shall be established by the Company. The Party Organization shall play a core political role in the Company, and ensure the Company’s implementation of the objectives and policies of the Party and the State. The Company shall provide the necessary conditions to facilitate the activities of the Party Organization, promote the institutionalization and standardization of Party-building work, and foster the Party Organization’s commencement of activities centering on production and operation, as well as the performance of its role.</p>	<p data-bbox="805 259 1394 322">Article 5 The Company is a joint stock limited company with perpetual existence.</p> <p data-bbox="805 360 1394 1317">In accordance with the requirements of the Company Law and the Constitution of the Communist Party of China, organizations of the Communist Party of China (the “Party Organization”) and working units shall be established by the Company. The Party Organization shall play a core political role in the Company. The Company shall insist on simultaneous planning of Party construction and reform, simultaneous establishment of party organizations and working organs, simultaneous allocation of person-in-charge of the Party Organization and staff for Party affairs as well as simultaneous proceeding of Party construction work, and ensure the Company’s implementation of the objectives and policies of the Party and the State. The Company shall provide the necessary conditions to facilitate the activities of the Party Organization. The Party members within the Board of Directors, the Supervisory Committee and the management shall proactively support and participate in Party construction work, promote the institutionalization and standardization of Party-building work, and foster the Party Organization’s commencement of activities centering on production and operation, as well as the performance of its role.</p>

Before amendment	After amendment
(Nil)	<p data-bbox="804 259 1398 495">Article 13 The Company shall conscientiously implement the development concepts of innovation, coordination, green, openness and sharing, promote excellent entrepreneurship, proactively fulfill its social responsibilities and develop good corporate governance practices.</p> <p data-bbox="804 533 1398 875">Article 14 The Company shall be active in practicing the concept of green development to integrate ecological and environmental protection requirements into the development strategy and corporate governance process, and proactively participate in ecological civilization construction, thereby playing a demonstrating and leading role in pollution prevention, resource conservation, ecological protection and other aspects.</p> <p data-bbox="804 913 1398 1144">Article 15 While maintaining sustainable development, improving business performance, and safeguarding the interests of shareholders, the Company shall also actively fulfill its social responsibilities in terms of community welfare, disaster relief, public welfare undertakings and other aspects.</p> <p data-bbox="804 1182 1398 1348">The Company is encouraged to help poor counties or villages under partner assistance, and proactively connect with and support poor regions to develop industries, foster talents, and promote employment.</p>

Before amendment	After amendment
(Nil)	<p>CHAPTER 3 PARTY ORGANIZATION</p> <p>Article 16 The CPC Shandong Chenming Paper Holdings Limited Committee has been set up based on the work requirements and according to the number of Party members, as approved by the higher Party committee.</p> <p>Article 17 The Party Committee of the Company comprises a Party Committee secretary, and committee members. The chairman serves as the Party Committee secretary and acts as the first person responsible for Party construction.</p> <p>Article 18 The Party Committee shall assume major responsibilities for the Party construction work, and all the responsibilities for the research, planning, implementation and monitoring work of Party construction.</p> <p>Article 19 The Party Committee shall assume major responsibilities for implementation of the accountability system for the promotion of integrity as the Party conduct.</p> <p>Article 20 According to the development and changes of the Company such as property rights, organizational structure and management model, the basic Party organizations shall be established and adjusted in a timely manner.</p> <p>Article 21 The funding for Party construction work shall be included in the Company's budget and charged as the Company's management costs, and the Party Committee shall be control the use of such funding.</p> <p>Article 22 Labour union, youth league committee and other organizations shall commence work as required.</p>

Before amendment	After amendment
<p>Article 27 Issues or transfer of all overseas listed foreign shares will be registered on the register of shareholders of overseas listed foreign shares, which is deposited in Hong Kong according to Article 48 of the Articles.</p>	<p>Article 37 Issues or transfer of all overseas listed foreign shares will be registered on the register of shareholders of overseas listed foreign shares, which is deposited in Hong Kong according to Article 58 of the Articles.</p>
<p>Article 34 Subject to approval obtained in accordance with the procedures prescribed in the Articles and approval of securities supervisory authorities of PRC, the Company may repurchase its outstanding shares for the following purposes:</p> <ol style="list-style-type: none"> (1) to cancel its shares for reducing its share capital; (2) to merge with another company that holds shares of the Company; (3) to implement the Company’s incentive option schemes; (4) to redeem preference shares; (5) to repurchase shares held by shareholders who disagree with the resolutions made by general meetings about mergers and division of the Company; or (6) other circumstances prescribed by laws and regulations. 	<p>Article 44 Subject to approval obtained in accordance with the procedures prescribed in the Articles and approval of securities supervisory authorities of PRC, the Company may repurchase its outstanding shares for the following purposes:</p> <ol style="list-style-type: none"> (1) to cancel its shares for reducing its share capital; (2) to merge with another company that holds shares of the Company; (3) to implement the Company’s incentive option schemes; (4) to redeem preference shares; (5) to repurchase shares held by shareholders who disagree with the resolutions made by general meetings about mergers and division of the Company; (6) to use the shares for conversion into convertible corporate bonds issued by the Company; (7) to safeguard the Company’s value and shareholders’ rights and interests; or (8) other circumstances prescribed by laws and regulations.
<p>Article 35 Repurchase of the Company’s own shares for any of the reasons mentioned in (1) to (3) of Article 34 herein is subject to a resolution of a general meeting.</p>	<p>Article 45 Repurchase of the Company’s own shares for any of the reasons mentioned in (1) to (3), (6) and (7) of Article 44 herein is subject to a resolution of a general meeting.</p>

Before amendment	After amendment
<p>Article 40 Shares repurchased by the Company according to (1) and (4) of Article 34 herein shall be cancelled within 10 days of the repurchase; according to (2) and (5) shall be transferred or cancelled within 6 months of the repurchase, and the Company shall apply to the original company registration authority for alteration of its registered capital as to changes in the registered capital of the Company.</p> <p>Shares repurchased by the Company under (3) of Article 34 shall not exceed 5% of the total number of ordinary shares issued by the Company; payment for the repurchase shall be made out of the after-tax profit of the Company; and the share repurchased shall be transferred to the incentive scheme participants within one (1) year.</p> <p>The aggregate par value of the cancelled shares will be deducted from the Company's registered capital.</p>	<p>Article 50 Shares repurchased by the Company according to (1) and (4) of Article 44 herein shall be cancelled within 10 days of the repurchase; according to (2) and (5) shall be transferred or cancelled within 6 months of the repurchase, and the Company shall apply to the original company registration authority for alteration of its registered capital as to changes in the registered capital of the Company.</p> <p>Shares repurchased by the Company under (3), (6) and (7) of Article 44 shall not exceed 10% of the total number of ordinary shares issued by the Company; payment for the repurchase shall be made out of the after-tax profit of the Company; and the share repurchased shall be transferred to the incentive scheme participants or cancelled within three (3) years.</p> <p>The aggregate par value of the cancelled shares will be deducted from the Company's registered capital.</p>
<p>Article 42 The Company or its subsidiaries shall not, by any means at any time, provide any kind of financial assistance to a person who is acquiring or will acquire shares of the Company. The said person includes those who directly or indirectly assume any obligations caused by the acquisition of shares.</p> <p>The Company or its subsidiaries shall not, by any means at any time, provide financial assistance to the said acquirer for the purpose of reducing or discharging the obligations assumed by that person.</p> <p>This provision does not apply to the circumstances stated in Article 44 herein.</p>	<p>Article 52 The Company or its subsidiaries shall not, by any means at any time, provide any kind of financial assistance to a person who is acquiring or will acquire shares of the Company. The said person includes those who directly or indirectly assume any obligations caused by the acquisition of shares.</p> <p>The Company or its subsidiaries shall not, by any means at any time, provide financial assistance to the said acquirer for the purpose of reducing or discharging the obligations assumed by that person.</p> <p>This provision does not apply to the circumstances stated in Article 54 herein.</p>

Before amendment	After amendment
<p>Article 44 The following activities shall not be deemed prohibited by Article 42:</p> <ol style="list-style-type: none"> (1) the provision of financial assistance conducted in good faith in the interest of the Company, and the principal purpose of giving the financial assistance is not for the acquisition of shares of the Company, or the giving of the financial assistance is an incidental part of a master plan of the Company; (2) the lawful distribution of the Company's assets as dividend; (3) the allotment of bonus shares; (4) a reduction of registered capital, a repurchase of shares or a reorganization of the shareholding structure of the Company in accordance with the Articles; (5) the lending of money by the Company within its scope of business and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company); and (6) the provision of money by the Company for contributions to the staff's share schemes (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company). 	<p>Article 54 The following activities shall not be deemed prohibited by Article 52:</p> <ol style="list-style-type: none"> (1) the provision of financial assistance conducted in good faith in the interest of the Company, and the principal purpose of giving the financial assistance is not for the acquisition of shares of the Company, or the giving of the financial assistance is an incidental part of a master plan of the Company; (2) the lawful distribution of the Company's assets as dividend; (3) the allotment of bonus shares; (4) a reduction of registered capital, a repurchase of shares or a reorganization of the shareholding structure of the Company in accordance with the Articles; (5) the lending of money by the Company within its scope of business and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company); and (6) the provision of money by the Company for contributions to the staff's share schemes (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company).

Before amendment	After amendment
<p>Article 85 The following provision of guarantees to third parties by the Company are subject to the review and approval of the general meeting of shareholders:</p> <ol style="list-style-type: none"> (1) any guarantee provided after the total amount of guarantee to third parties provided by the Company and its controlled subsidiaries has reached or exceeded 50% of the Company's latest audited net assets; (2) any guarantee provided after the total amount of guarantee to third parties provided by the Company has reached or exceeded 30% of the Company's latest audited total assets; (3) a guarantee provided to a party with an asset-liability ratio of over 70%; (4) a single guarantee that exceeds 10% of the Company's latest audited net assets; and (5) the guarantee to be provided in favour of shareholders, beneficial controllers and their related parties. <p>The controlling shareholder, beneficial controller and other affiliates shall not compel the Company to provide guarantees for others.</p>	<p>Article 95 The following provision of guarantees to third parties by the Company are subject to the review and approval of the general meeting of shareholders upon the review and approval of the Board of Directors:</p> <ol style="list-style-type: none"> (1) a single guarantee that exceeds 10% of the Company's latest audited net assets; (2) any guarantee provided after the total amount of guarantee to third parties provided by the Company and its controlled subsidiaries has exceeded 50% of the Company's latest audited net assets; (3) a guarantee provided to a party with an asset-liability ratio of over 70%; (4) a guarantee amount within 12 consecutive months has exceeded 30% of the Company's latest audited total assets; (5) a guarantee amount within 12 consecutive months has exceeded 50% of the Company's latest audited nets assets and with an absolute amount exceeding RMB50 million; (6) the guarantee to be provided in favour of shareholders, beneficial controllers and their related parties; and (7) other guarantees stipulated in the relevant laws and regulations, and the Articles of Association. <p>When a guarantee is reviewed by the Board of Directors, it shall be reviewed and approved by more than two-thirds of the Directors present at the Board meeting. When a guarantee mentioned in clause (4) above is reviewed at the shareholders' general meeting, it shall be passed by more than two-thirds of the voting rights held by the shareholders present at the meeting.</p>

Before amendment	After amendment
	<p>When a proposal on providing guarantee for any shareholder, beneficial controller and its related parties is being reviewed at the shareholders' general meeting, the said shareholder or the shareholders controlled by the said beneficial controller shall abstain from voting on the proposal, and the proposal shall be subject to approval by a simple majority of the voting rights of the other shareholders attending the meeting.</p> <p>The controlling shareholder, beneficial controller and other affiliates shall not compel the Company to provide guarantees for others.</p>
<p>Article 94 The place for holding the general meeting of shareholders is: the place of domicile of the Company or other place as determined by the Board.</p> <p>The Company shall make it convenient for shareholders to attend shareholders' general meetings by whatever means, preferably via modern information technology methods such as online voting platform, provided that the shareholders' general meeting can be held legally and validly through such means.</p> <p>When the Company convenes a shareholders' general meeting for the matters relating to the issue of preference shares, online voting shall be made available for the meeting and the Company shall make it convenient for shareholders to attend the shareholders' general meeting through other means as approved by the China Securities Regulatory Commission.</p> <p>.....</p>	<p>Article 104 The place for holding the general meeting of shareholders is: the place of domicile of the Company or other place as determined by the Board.</p> <p>The Company shall make it convenient for shareholders to attend shareholders' general meetings by modern information technology methods such as online voting platform, provided that the shareholders' general meeting can be held legally and validly through such means.</p> <p>When the Company convenes a shareholders' general meeting for the matters relating to the issue of preference shares, online voting shall be made available for the meeting and the Company shall make it convenient for shareholders to attend the shareholders' general meeting through other means as approved by the China Securities Regulatory Commission.</p> <p>.....</p>

Before amendment	After amendment
<p>Article 119</p> <p>The Board, Independent Directors and shareholders who satisfy relevant conditions may collect from other shareholders the rights to vote. Information including the specific voting intention shall be fully disclosed to the shareholders from whom voting rights are being collected. Consideration or de facto consideration for collecting shareholders' voting rights is prohibited. The Company shall not impose any minimum shareholding limitation for collecting voting rights.</p>	<p>Article 129</p> <p>The Board, Independent Directors and shareholders who satisfy relevant conditions may publicly collect from other shareholders the rights to vote. Information including the specific voting intention shall be fully disclosed to the shareholders from whom voting rights are being collected. Consideration or de facto consideration for collecting shareholders' voting rights is prohibited. The Company shall not impose any minimum shareholding limitation for collecting voting rights.</p>
<p>Article 129 Other than the cumulative voting system set out in Article 135, the shareholders' general meeting will vote on all motions one by one, and for the different motions on the same matter, voting will be proceeded according to the order of the times these motions are put forward. Other than special reasons such as force majeure that results in the interruption of the meeting or makes it impossible to come to resolution, the shareholders' general meeting shall not postpone the motions and shall vote on them.</p>	<p>Article 139 Other than the cumulative voting system set out in Article 145, the shareholders' general meeting will vote on all motions one by one, and for the different motions on the same matter, voting will be proceeded according to the order of the times these motions are put forward. Other than special reasons such as force majeure that results in the interruption of the meeting or makes it impossible to come to resolution, the shareholders' general meeting shall not postpone the motions and shall vote on them.</p>
<p>Article 134 Director candidates nominated in accordance with the procedures provided between Article 131 and 133 herein can join in the election. Candidates receiving at least half of and the most votes of shareholders (including their proxies) present at the General Meeting with voting rights will be elected as Directors.</p>	<p>Article 144 Director candidates nominated in accordance with the procedures provided between Article 141 and 143 herein can join in the election. Candidates receiving at least half of and the most votes of shareholders (including their proxies) present at the General Meeting with voting rights will be elected as Directors.</p>

Before amendment	After amendment
<p>Article 143 Shareholders present at the general meeting shall present one of the following views during the voting of a resolution: consent, objection or abstention.</p> <p>A voting ticket that is incomplete, wrongly completed, illegible, or not yet cast, will be deemed waiver of voting rights. The votes represented by his shares will be treated as “abstention”.</p>	<p>Article 153 Shareholders present at the general meeting shall present one of the following views during the voting of a resolution: consent, objection or abstention, except for the declaration by securities registration and clearing institution as the nominal holder of stock connect mechanism between PRC and Hong Kong stock markets, based on the actual holders’ intentions.</p> <p>A voting ticket that is incomplete, wrongly completed, illegible, or not yet cast, will be deemed waiver of voting rights. The votes represented by his shares will be treated as “abstention”.</p>
<p>Article 144 The Company shall provide convenience for shareholders to attend General Meeting by whatever means including the use of modern information technology such as online voting platform, provided that the General Meeting is held legally and effectively.</p>	<p>Article 154 The Company shall provide convenience for shareholders to attend General Meeting by the use of modern information technology such as online voting platform, provided that the General Meeting is held legally and effectively.</p>

Before amendment	After amendment
<p>Article 146 Minutes of shareholders' general meetings shall be compiled by the Secretary to the Board. The minutes shall contain:</p> <ol style="list-style-type: none"> (1) numbers of shareholders and proxies present at the meeting, number of shares with voting rights held by them and its percentage in the aggregate shares with voting rights of the Company; (2) The date and place of the meeting; (3) the name of the chairman of the meeting, and Directors, supervisors, managers and other senior management of the Company present or in attendance at the meeting; (4) the agenda of the meeting; (5) The key points of every speaker to every matter examined; (6) The result of voting on each matter; (7) The inquiry opinions and suggestions of shareholders, the replies or explanations of the Board and Supervisory Committee; (8) the names of lawyers, counting officers and scrutinizers; and (9) Others that the shareholders' general meeting deems and the Articles of Association prescribes to be included in the minutes of meetings. 	<p>Article 156 Minutes of shareholders' general meetings shall be compiled by the Secretary to the Board. The minutes shall contain:</p> <ol style="list-style-type: none"> (1) numbers of shareholders and proxies present at the meeting, number of shares with voting rights held by them and its percentage in the aggregate shares with voting rights of the Company; (2) The date, place and agenda of the meeting, and the name of convener; (3) the name of the chairman of the meeting, and Directors, supervisors, managers and other senior management of the Company present or in attendance at the meeting; (4) the review process, key points of the speech, voting results of each proposal; (5) The inquiry opinions and suggestions of shareholders, the replies or explanations of the Board and Supervisory Committee; (6) the names of lawyers, counting officers and scrutinizers; and (7) Others that the shareholders' general meeting deems and the Articles of Association prescribes to be included in the minutes of meetings.
<p>Article 157 The Board shall carefully examine and arrange the matters to be considered at the General Meeting. The General Meeting shall give plenty time for discussion for each motion.</p>	<p>Article 167 The General Meeting shall give plenty time for discussion for each motion.</p>

Before amendment	After amendment
<p>Article 158 Institutional investors shall play their roles in the election of Directors of the Company, stimulation and supervision of the operators and decision making for significant matters.</p>	<p>Article 168 Institutional investors shall, in accordance with laws and regulations and the Articles of Association, play an active role in the Company by participating in decision making for significant matters, recommending candidates for Directors and supervisors, and monitoring the performance of Directors and supervisors.</p>
<p>Article 163 Shareholders holding different classes of shares are referred to as class shareholders. According to the first paragraph of Article 16 herein, class shareholders of the Company comprise class shareholders holding domestic listed shares and class shareholders holding overseas listed shares.</p> <p>Class shareholders enjoy rights and bear responsibilities according to the requirements of law, administrative regulations and the Articles of Association of the Company.</p>	<p>Article 173 Shareholders holding different classes of shares are referred to as class shareholders. According to the first paragraph of Article 26 herein, class shareholders of the Company comprise class shareholders holding domestic listed shares and class shareholders holding overseas listed shares.</p> <p>Class shareholders enjoy rights and bear responsibilities according to the requirements of law, administrative regulations and the Articles of Association of the Company.</p>
<p>Article 164 The Company’s proposition to amend or cancel rights of class shareholders is required to be passed as special resolution in General Meetings and passed by the General Meeting convened by the class shareholders affected according to Article 163 to Article 170 herein before actions can be taken.</p>	<p>Article 174 The Company’s proposition to amend or cancel rights of class shareholders is required to be passed as special resolution in General Meetings and passed by the General Meeting convened by the class shareholders affected according to Article 173 to Article 180 herein before actions can be taken.</p>
<p>Article 165 The following circumstances shall be deemed to be a variation or abrogation of the rights of holders of certain class shares:</p> <p>(1) the increase or decrease in the number of shares of such class (including without limitation additional offer (or repurchase) of H shares or additional offer (repurchase) of A shares and/or H shares), or the increase or decrease in the number of shares of a class having equal or additional voting rights, distribution rights or other privileges, except for transfer of shares held by domestic share shareholders of the Company to overseas investors and trade of such shares in overseas markets as stated in Article 16 herein;</p> <p>.....</p>	<p>Article 175 The following circumstances shall be deemed to be a variation or abrogation of the rights of holders of certain class shares:</p> <p>(1) the increase or decrease in the number of shares of such class (including without limitation additional offer (or repurchase) of H shares or additional offer (repurchase) of A shares and/or H shares), or the increase or decrease in the number of shares of a class having equal or additional voting rights, distribution rights or other privileges, except for transfer of shares held by domestic share shareholders of the Company to overseas investors and trade of such shares in overseas markets as stated in Article 26 herein;</p> <p>.....</p>

Before amendment	After amendment
<p data-bbox="197 259 790 546">Article 166 Shareholders of the affected class, whether or not having the right to vote at the shareholders’ general meeting, shall nevertheless have the right to vote at class meetings on matters referred to in clause (2) to (8) and (11) to (12) of Article 165 of the Articles of Association, but interested shareholders shall not be entitled to vote at class meetings.</p> <p data-bbox="197 591 790 689">The interested shareholders mentioned in the preceding paragraph shall have the following meanings:</p> <ol data-bbox="261 734 790 1787" style="list-style-type: none"> <li data-bbox="261 734 790 1128">(1) in the case of a repurchase of its own shares by the Company by making offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with Article 36 of the Articles of Association, “interested shareholder” shall refer to the controlling shareholders as defined in the second item of Article 363 of the Articles of Association; <li data-bbox="261 1173 790 1456">(2) in the case of a repurchase of its own shares by the Company through an off-market agreement in accordance with the provisions of Article 36 of the Articles of Association, “interested shareholders” shall refer to the shareholders to which the proposed agreement relates; <li data-bbox="261 1500 790 1787">(3) in the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class. 	<p data-bbox="805 259 1398 546">Article 176 Shareholders of the affected class, whether or not having the right to vote at the shareholders’ general meeting, shall nevertheless have the right to vote at class meetings on matters referred to in clause (2) to (8) and (11) to (12) of Article 175 of the Articles of Association, but interested shareholders shall not be entitled to vote at class meetings.</p> <p data-bbox="805 591 1398 689">The interested shareholders mentioned in the preceding paragraph shall have the following meanings:</p> <ol data-bbox="869 734 1398 1787" style="list-style-type: none"> <li data-bbox="869 734 1398 1128">(1) in the case of a repurchase of its own shares by the Company by making offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with Article 46 of the Articles of Association, “interested shareholder” shall refer to the controlling shareholders as defined in the second item of Article 372 of the Articles of Association; <li data-bbox="869 1173 1398 1456">(2) in the case of a repurchase of its own shares by the Company through an off-market agreement in accordance with the provisions of Article 46 of the Articles of Association, “interested shareholders” shall refer to the shareholders to which the proposed agreement relates; <li data-bbox="869 1500 1398 1787">(3) in the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.

Before amendment	After amendment
<p>Article 170 The special procedures for voting by class shareholders shall not apply in the following circumstances:</p> <p>.....</p> <p>(3) where shareholders holding domestic shares of the Company transfer their shares to overseas investors as stated in Article 19 herein and such shares are traded in overseas markets.</p>	<p>Article 180 The special procedures for voting by class shareholders shall not apply in the following circumstances:</p> <p>.....</p> <p>(3) where shareholders holding domestic shares of the Company transfer their shares to overseas investors as stated in Article 29 herein and such shares are traded in overseas markets.</p>
<p>Article 173 Holders of preference shares of the Company are entitled to the following special rights:</p> <p>(1) to take precedence over ordinary shareholders in distribution of dividends;</p> <p>(2) to take precedence over ordinary shareholders in distribution of the residual property of the Company upon liquidation;</p> <p>(3) to attend general meetings and vote in such meetings under the circumstances prescribed in Article 174;</p> <p>(4) to restore the right to vote in accordance with the manner as prescribed in Article 175 under the circumstances prescribed in the Article;</p> <p>(5) other rights conferred to holders of preference shares prescribed by laws, administrative regulations, departmental rules, normative documents and the Articles of Association.</p>	<p>Article 183 Holders of preference shares of the Company are entitled to the following special rights:</p> <p>(1) to take precedence over ordinary shareholders in distribution of dividends;</p> <p>(2) to take precedence over ordinary shareholders in distribution of the residual property of the Company upon liquidation;</p> <p>(3) to attend general meetings and vote in such meetings under the circumstances prescribed in Article 184;</p> <p>(4) to restore the right to vote in accordance with the manner as prescribed in Article 185 under the circumstances prescribed in the Article;</p> <p>(5) other rights conferred to holders of preference shares prescribed by laws, administrative regulations, departmental rules, normative documents and the Articles of Association.</p>
<p>Article 179 The Company sets a Board that comprises eleven (11) Directors, including one Chairman and one to two Vice Chairman(s).</p>	<p>Article 189 The Company sets a Board that comprises nine (9) Directors, including one Chairman and one to two Vice Chairman(s).</p>

Before amendment	After amendment
<p>Article 187 The Board of Directors shall report on the following matters:</p> <p>(1) the first item in Article 185 herein;</p> <p>.....</p>	<p>Article 197 The Board of Directors shall report on the following matters:</p> <p>(1) the first item in Article 195 herein;</p> <p>.....</p>
<p>Article 188 The Company's Directors shall treat in prudent manner and strictly control on the debt risks resulting from guarantees, and shall accept joint liabilities for any possible loss arising from any breach of regulation or improper guarantee.</p> <p>The Company's Directors shall observe the following requirement in providing external guarantees:</p> <p>(1) The Company shall not provide guarantees to the controlling shareholder or any other connected persons, non-legal person body or individual in which the Company holds less than 50% of shares.</p> <p>(2) The Board has the right to decide on each external guarantee that amounts to less than 10% of the Company's latest audited net assets with the consent of two thirds of all the members of the Board. When the accumulative amount of external guarantee exceeds 50% of the Company's latest audited net assets, further external guarantee shall be reported to the General Meeting for approval.</p> <p>(3) Each guarantee that amounts to over 10% of the Company's latest audited net assets shall be reported to the General Meeting for approval.</p>	<p>Article 198 The Company's Directors shall treat in prudent manner and strictly control on the debt risks resulting from guarantees, and shall accept joint liabilities for any possible loss arising from any serious breach of regulation or improper guarantee.</p> <p>The Company's Directors shall observe the following requirement in providing external guarantees:</p> <p>(1) Except for the external guarantees reviewed at the General Meeting, other external guarantees shall be reviewed by the Board of Directors of the Company and shall be approved by more than two-thirds of the Directors present at the Board meeting;</p> <p>(2) To provide external guarantee, the Company shall require the guaranteed party to provide counter guarantee and the provider of the counter-guarantee shall be competent in accepting the liabilities;</p> <p>(3) The Company shall diligently perform its obligation of information disclosure for its guarantees in strict compliance with the national laws and regulations. All information of guarantees shall be provided as it is to certified public accountants under the rules;</p> <p>(4) Independent Directors shall make a special statement in the annual report for the Company's accumulated and current guarantees and implementation of the abovementioned requirements, and give an independent opinion.</p>

Before amendment	After amendment
<p>(4) The Company shall strictly control risks of external guarantee and credit standards of guaranteed parties. The Company shall not directly or indirectly provide guarantee for debt of parties with a liabilities-to-assets ratio of over 70%; to provide external guarantee, the Company shall require the guaranteed party to provide counter guarantee and the provider of the counter-guarantee shall be competent in accepting the liabilities.</p> <p>(5) The Company shall diligently perform its obligation of information disclosure for its guarantees in strict compliance with the national laws and regulations. All information of guarantees shall be provided as it is to certified public accountants under the rules.</p> <p>(6) Independent Directors shall make a special statement in the annual report for the Company's accumulated and current guarantees and implementation of the abovementioned requirements, and give an independent opinion.</p>	
<p>Article 190 The Board shall authorize the Chairman to exercise part of his powers during the closed session of the Board. The authorization of the Chairman by the Board shall observe the following principles:</p> <p>(1) compliant with the Company's overall development strategy;</p> <p>(2) not involving investment with high risks and material interests;</p> <p>(3) with the feasibility study report provided by the Strategic Decision Committee; and</p> <p>(4) with the resolution of authorization made by the Board.</p>	<p>Article 200 The Board shall authorize the Chairman to exercise part of his powers during the closed session of the Board. Significant matters of the Company shall be collectively decided by the Board of Directors, and the statutory functions of the Board of Directors shall not be delegated to the chairman or general manager. The authorization of the Chairman by the Board shall observe the following principles:</p> <p>(1) compliant with the Company's overall development strategy;</p> <p>(2) not involving investment with high risks and material interests;</p> <p>(3) with the feasibility study report provided by the Strategic Decision Committee; and</p> <p>(4) with the resolution of authorization made by the Board.</p>

Before amendment	After amendment
<p>Article 209 The Company shall sign appointment contracts with Directors to specify rights and obligations between them, Director’s term of office, Director’s responsibility for breach of laws, regulations and the Articles of Association and compensation payable by the Company for terminating such contracts in advance.</p> <p>Appointment contracts signed between the Company and Directors shall not be invalidated, terminated or modified due to the modification of the Company’s Articles of Association, unless through amicable negotiation between them.</p>	<p>Article 219 The Company shall sign contracts with Directors to specify rights and obligations between them, Director’s term of office, Director’s responsibility for breach of laws, regulations and the Articles of Association and compensation payable by the Company for terminating such contracts in advance.</p> <p>Contracts signed between the Company and Directors shall not be invalidated, terminated or modified due to the modification of the Company’s Articles of Association, unless through amicable negotiation between them.</p>
<p>Article 210 The term of office of Directors shall commence from the date of appointment up to the maturity of the current term of office of the Board. In the event that the terms of Directors fall upon maturity whereas new members of the Board are not elected in time, the existing Directors shall continue to perform their duties in accordance with the law, administrative regulations, departmental rules and the Articles of Association until the re-elected Directors assume their office.</p> <p>The General Meeting shall not remove a Director from office without justifiable reason before the expiry of that Director’s term.</p>	<p>Article 220 The term of office of Directors shall commence from the date of appointment up to the maturity of the current term of office of the Board. In the event that the terms of Directors fall upon maturity whereas new members of the Board are not elected in time, the existing Directors shall continue to perform their duties in accordance with the law, administrative regulations, departmental rules and the Articles of Association until the re-elected Directors assume their office.</p> <p>Directors shall be elected or replaced at the General Meeting and may be removed before the expiry of these Directors’ term at the General Meeting .</p>
<p>Article 217 Directors shall have sufficient time and effort to perform their duties and shall strictly fulfil commitments made by them publicly.</p>	<p>Article 227 Directors shall have sufficient time and effort to perform their duties and shall fulfil commitments made by them.</p>
<p>Article 218 Directors shall actively participate in related training to understand Director’s rights, obligations and duties, related laws and regulations and obtain necessary knowledge.</p>	<p>Deleted</p>

Before amendment	After amendment
<p>Article 251 Secretary to the Board of the Company shall be a natural person with the requisite professional knowledge and experience, and shall be appointed by the Board.</p> <p>The Secretary to the Board shall:</p> <p>.....</p> <p>(3) The provisions in Article 15 herein apply to the Secretary to the Board of Directors.</p>	<p>Article 260 Secretary to the Board of the Company shall be a natural person with the requisite professional knowledge and experience, and shall be appointed by the Board.</p> <p>The Secretary to the Board shall:</p> <p>.....</p> <p>(3) The provisions in Article 16 herein apply to the Secretary to the Board of Directors.</p>
<p>Article 269 The Supervisory Committee shall be composed of three (3) Supervisors, one of which shall act as the chairman. The term of office of Supervisors shall be three (3) years, renewable upon re-election and reappointment.</p>	<p>Article 278 The Supervisory Committee shall be composed of five (5) Supervisors, one of which shall act as the chairman. The term of office of Supervisors shall be three (3) years, renewable upon re-election and reappointment.</p>
<p>Article 270 The Supervisory Committee shall comprise two (2) external Supervisors and one (1) representatives of staff and workers. The external Supervisors shall be elected and removed at a shareholders' general meeting; the representative of workers and staff shall be elected and removed democratically by the workers and staff of the Company.</p>	<p>Article 279 The Supervisory Committee shall comprise three (3) external Supervisors and two (2) representatives of staff and workers. The external Supervisors shall be elected and removed at a shareholders' general meeting; the representative of workers and staff shall be elected and removed democratically by the workers and staff of the Company.</p>
<p>Article 292 Except for circumstances prescribed in Article 71 of the Articles of Association, a Director, Supervisor, manager and other senior management of the Company may be relieved of liability for specific breaches of his duty by the informed consent of shareholders given at a general meeting.</p>	<p>Article 301 Except for circumstances prescribed in Article 81 of the Articles of Association, a Director, Supervisor, manager and other senior management of the Company may be relieved of liability for specific breaches of his duty by the informed consent of shareholders given at a general meeting.</p>

Before amendment	After amendment
<p data-bbox="197 259 786 400">Article 299 A loan guarantee provided by the Company in breach of clause 1 of Article 307 herein shall be unenforceable against the Company, provided that:</p> <p data-bbox="261 443 786 689">(1) a loan was provided to an associate of any of the Directors, supervisors, managers and other senior management of the Company or of the Company's parent company where the lender did not know the relevant circumstances; or</p> <p data-bbox="261 732 786 866">(2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.</p>	<p data-bbox="805 259 1394 400">Article 308 A loan guarantee provided by the Company in breach of clause 1 of Article 306 herein shall be unenforceable against the Company, provided that:</p> <p data-bbox="869 443 1394 689">(1) a loan was provided to an associate of any of the Directors, supervisors, managers and other senior management of the Company or of the Company's parent company where the lender did not know the relevant circumstances; or</p> <p data-bbox="869 732 1394 866">(2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.</p>

Stock code:
000488 200488

Stock abbreviation:
Chenming Paper Chenming B

Announcement No.:
2019-040

Shandong Chenming Paper Holdings Limited
Announcement in respect of Resolutions of the Thirteenth
Extraordinary Meeting of the Eighth Session of the Supervisory Committee

The Company and all members of the supervisory committee (the “Supervisors”) (the “Supervisory Committee”) 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 thirteenth extraordinary meeting of the eighth session of the Supervisory Committee of Shandong Chenming Paper Holdings Limited (the “Company”) was dispatched to the Supervisors of the Company by post and fax on 14 May 2019, and the said meeting was held by means of communication on 20 May 2019. 3 Supervisors were entitled to be present at the meeting and 3 Supervisors attended the meeting. The meeting of the Supervisory Committee was convened in compliance with the relevant PRC laws and regulations and the Articles of Association of the Company.

The following resolutions of this meeting were considered and passed unanimously by the Supervisors present at the meeting:

I. The election of Supervisors as part of the change of the session of the Supervisory Committee was considered and approved

The term of the eighth session of the Supervisory Committee of the Company expired on 17 May 2019. In accordance with the relevant requirements of the Companies Law and the Articles of Association, Li Dong, Zhang Hong and Pan Ailing were nominated as candidates for shareholder representative Supervisors of the ninth session of the Supervisory Committee of the Company (their profiles attached below) for a term of three years.

In accordance with the requirements of the Articles of Association, the election of the three Supervisors above shall be submitted to the 2018 annual general meeting of the Company to be voted by cumulative voting.

In addition, Mr. Li Xinggui and Ms. Qiu Lanju were elected as the staff representative Supervisors of the ninth session of the Supervisory Committee of the Company (their profiles attached below) at the tenth meeting of the ninth session of the workers’ congress of the Company, constituting the ninth session of the Supervisory Committee of the Company with shareholder representative Supervisors for a term of three years.

The voting result of this resolution: votes for: 3; votes against: 0; votes abstained: 0.

II. The amendment of the Rules of Procedure of the Supervisory Committee was considered and approved

The main contents of the Rules of Procedure of the Supervisory Committee of the Company are stipulated in the Articles of Association. According to the amendments of the Articles of Association, the Company amended the Rules of Procedure of the Supervisory Committee as follows:

Original content	Amended content
Article 4 The Supervisory Committee shall comprise two (2) external Supervisors and one (1) representative of staff and workers.	Article 4 The Supervisory Committee shall comprise three (3) external Supervisors and two (2) representatives of staff and workers.

The voting result of this resolution: votes for: 3; votes against: 0; votes abstained: 0.

This resolution shall be submitted to the 2018 annual general meeting of the Company as an ordinary resolution for consideration and approval.

Notice is hereby given.

The Supervisory Committee of Shandong Chenming Paper Holdings Limited
20 May 2019

Profile:

Profile of candidates for shareholder representative Supervisors:

Mr. Li Dong, aged 36, is a member of the Communist Party of the PRC. He graduated with a diploma. After joining the Company in 2004, he had held different positions including the deputy chief of the cost auditing section and the chief of the general section under the financial department of the Company, the financial controller of Zhanjiang Chenming and the chief of the financial department of the Group. He is currently a director and deputy general manager of Chenming Holdings Company Limited and the chairman of the Supervisory Committee of the Company.

Mr. Li Dong currently holds 15,000 A shares of the Company. Mr. Li has no related party relationship with any other Directors and Supervisors that are proposed to be employed by the Company. He has not been reprimanded by PRC securities regulatory and management authorities and other related departments or disciplined by any stock exchanges. He complies with the conditions serving as a supervisor under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.

Ms. Pan Ailing, aged 54, is a Ph.D. in Economics and holds a post-doctoral degree in Financial Management. She is currently a professor of the School of Management, an advisor to doctoral students, the chief of the Department of Accounting and the chief of the Investment and Financing Research Centre (投融資研究中心) in Shandong University and a non-practising member of CICPA (Chinese Institute of Certified Public Accountants). She is also a director of the Accounting Institute, Shandong Province (山東省會計學會), a council member of Shandong Comparative Management Association, a visiting professor at Soochow University in Taiwan, a visiting scholar at University of Connecticut in the United States and a state-level candidate for the New Century Ten Million Talents Project (新世紀「百千萬人才工程」). She is a specialist entitled to the State Council Special Allowance (國務院政府特貼專家), and a Young and Middle-aged Expert with Outstanding Contributions in Shandong Province (山東省有突出貢獻的中青年專家). She is the chief expert of the Major Tender Projects of National Social and Science Fund (國家社科基金重大招標課題首席專家). She has finished various research projects at national and provincial level and published more than 80 academic papers. She is also an independent director of Sinotruck Jinan Truck Co., Ltd. (中國重汽集團濟南卡車股份有限公司), an independent director of Inspir Software Co., Ltd. and an independent director of Lu Thai Textile Co., Ltd.

Ms. Pan Ailing currently does not hold any shares of the Company. She has no related party relationship with other Directors and Supervisors to be employed by the Company, as well as the controlling shareholder of the Company and its de facto controller. She has no related party relationship with shareholder(s) holding over 5% shareholding in the Company and their respective de facto controller(s). She has not been reprimanded by PRC securities regulatory and management authorities and other related departments or disciplined by any stock exchanges. She complies with the conditions serving as a supervisor under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.

Ms. Zhang Hong, aged 54, holds a doctoral degree in Economics, and is currently a professor and advisor to doctoral students at Shandong University, head of a multinational corporation research institute, a non-practising member of the Chinese Institute of Certified Public Accountants, a director of China Association of International Trade, a director of Shandong Province External Trade Association, and an independent director of Shandong Zhangqiu Blower Co., Ltd., Shandong Delisi Food Co., Ltd. and Cisen Pharmaceutical Co., Ltd.

Ms. Zhang Hong currently does not hold any shares of the Company. She has no related party relationship with other Directors and Supervisors to be employed by the Company, as well as the controlling shareholder of the Company and its de facto controller. She has no related party relationship with shareholder(s) holding over 5% shareholding in the Company and their respective de facto controller(s). She has not been reprimanded by PRC securities regulatory and management authorities and other related departments or disciplined by any stock exchanges. She complies with the conditions serving as a supervisor under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.

Profile of staff representative Supervisors:

Mr. Li Xinggui, aged 54, is a member of the Communist Party of the PRC. He graduated with a diploma. After joining the Company in 1994, he had held different

positions including a deputy chief of the production department, a deputy director and director of the general administration office, and a director of the trade union office of the Company. He is currently the deputy chairman of the trade union of the Company.

Mr. Li Xinggui currently does not hold any shares of the Company. He has no related party relationship with any other Directors and Supervisors that are proposed to be employed by the Company, He has not been reprimanded by PRC securities regulatory and management authorities and other related departments or disciplined by any stock exchanges. He complies with the conditions serving as a supervisor under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.

Ms. Qiu Lanju, aged 45, graduated with a diploma. After joining the Company in 1995, she had held different position including a deputy chief of the price auditing section of the audit department, a chief of the executive section of the purchase department, a chief of the general administration section of the purchase department and a manager of the materials company of the Company. She is currently the director of the purchase department of the Company.

Ms. Qiu Lanju currently does not hold any shares of the Company. She has no related party relationship with any other Directors and Supervisors that are proposed to be employed by the Company, She has not been reprimanded by PRC securities regulatory and management authorities and other related departments or disciplined by any stock exchanges. She complies with the conditions serving as a supervisor under the relevant laws, regulations and provisions including the Companies Law. There are no circumstances such as to require that “where the dishonest person subject to enforcement is a natural person, he or she may not serve as a legal representative, director, supervisor or senior management member” as required by the Memorandum of Collaboration to “Build up Honesty and Punish Dishonesty” jointly issued by eight ministries and commissions in 2014.