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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)

2021 First Quarterly Report

Shandong Chenming Paper Holdings Limited (the “Company”) is required to publish quarterly reports in accordance with the requirements of the China Securities Regulatory Commission.

The financial data contained in this quarterly report is unaudited and is prepared in accordance with Accounting Standards for Business Enterprises. This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance. The same is also published on the website of Shenzhen Stock Exchange and in the newspapers in China.

I. IMPORTANT NOTICE

The board of directors (the “Board”), the supervisory committee (the “Supervisory Committee”), and the directors (the “Directors”), supervisors (the “Supervisors”) and senior management (the “Senior Management”) of the Company hereby warrant that the truthfulness, accuracy and completeness of this quarterly report which does not contain false representations, misleading statements or material omissions, and are jointly and severally responsible for the liabilities of the Company.

All Directors were present at the Board meeting to consider and approve this quarterly report.

Chen Hongguo, the head of the Company, Dong Lianming, the head in charge of accounting, and Zhang Bo, the head of the accounting department (Accounting Officer), declare that they warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.

II. GENERAL INFORMATION OF THE COMPANY

I. Major accounting data and financial indicators

Retrospective adjustment to or restatement of the accounting data for prior years by the Company

Yes No

	The reporting period	The corresponding period of the prior year	Increase/decrease compared to the corresponding period of the prior year
Revenue (RMB)	10,205,724,007.89	6,085,376,805.28	67.71%
Net profit attributable to shareholders of the Company (RMB)	1,179,076,577.84	202,790,856.25	481.42%
Net profit after extraordinary gains or losses attributable to shareholders of the Company (RMB)	1,165,076,739.34	143,993,251.71	709.12%
Net cash flows from operating activities (RMB)	3,386,890,222.27	655,581,522.20	416.62%
Basic earnings per share (RMB per share)	0.365	0.019	1821.05%
Diluted earnings per share (RMB per share)	0.365	0.019	1821.05%
Rate of return on weighted average net assets	5.51%	0.32%	Increase of 5.19 percentage point
	As at the end of the reporting period	As at the end of the prior year	Increase/decrease as at the end of the reporting period compared to the end of the prior year
Total assets (RMB)	90,924,591,156.25	91,575,457,828.62	-0.71%
Net assets attributable to shareholders of the Company (RMB)	22,926,769,322.29	24,276,968,789.00	-5.56%

Explanation:

Net profit attributable to shareholders of the Company does not exclude the effect of the interest of perpetual bonds and the dividends of preference shares paid and declared to be paid. When calculating financial indicators such as earnings per share and the rate of return on weighted average net assets, the interest for perpetual bonds from 1 January to 31 March 2021 of RMB22,117,808.22 and the dividend on preference shares paid in 2021 of RMB98,100,000.00 are deducted.

Items and amounts of extraordinary gains or losses

Applicable Not applicable

Unit: RMB

Item	Amounts for the period from the beginning of the year to the end of the reporting period	Note
Profit or loss from disposal of non-current assets (including write-off of asset impairment provision)	8,707,022.62	
Government grants (except for the government grants closely related to the normal operation of the company and granted constantly at a fixed amount or quantity in accordance with a certain standard based on state policies) accounted for in profit or loss for the current period	58,441,146.99	
Except for effective hedging business conducted in the ordinary course of business of the Company, gain or loss arising from the change in fair value of financial assets held for trading, derivative financial assets, financial liabilities held for trading and derivative financial liabilities, as well as investment gains from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investments	-59,993,447.44	
Investment income from dividend of non-current financial assets	15,000,000.00	
Non-operating income and expenses other than the above items	6,906,710.91	
Less: Effect of income tax	14,401,525.18	
Effect of minority interest (after tax)	660,069.40	
Total	13,999,838.50	-

Notes for the Company's extraordinary gain or loss items as defined in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 – Extraordinary Gains or Losses and the extraordinary gain or loss items as illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 – Extraordinary Gains or Losses defined as its recurring gain or loss items

Applicable Not applicable

No extraordinary gain or loss items as defined or illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 – Extraordinary Gains or Losses were defined by the Company as its recurring gain or loss items during the reporting period.

II. Total number of shareholders and shareholdings of the top ten shareholders as at the end of the reporting period

1. Total number of shareholders of ordinary shares and shareholders of preference shares with restored voting rights and shareholdings of the top ten shareholders

Unit: share

Total number of shareholders of ordinary shares as at the end of the reporting period	136,238, of which 116,697 were holders of A shares, 19,201 were holders of B shares and 340 were holders of H shares	Total number of shareholders of preference shares with restored voting right as at the end of the reporting period	0			
Shareholding of top ten shareholders						
Name of shareholders	Nature of shareholders	Percentage of shareholding	Number of shares held	Number of restricted shares held	Share pledged or locked-up	
					Status of shares	Number
CHENMING HOLDINGS COMPANY LIMITED	State-owned legal person	15.32%	457,322,919	0	Pledged	212,970,000
HKSCC NOMINEES LIMITED	Overseas legal person	12.52%	373,513,625	0		
CHENMING HOLDINGS (HONG KONG) LIMITED	Overseas legal person	12.20%	364,131,563	0		
NINGBO ASIA PAPER TUBE CARTON CO., LTD. (寧波亞洲紙管紙箱有限公司)	Domestic non-state owned legal person	3.89%	116,080,074	0		
HONG KONG SECURITIES CLEARING COMPANY LIMITED	Overseas legal person	1.35%	40,230,192	0		
CHEN HONGGUO	Domestic natural person	1.04%	31,080,044	23,310,033		
GUO TAI JUN AN SECURITIES (HONGKONG) LIMITED	Overseas legal person	0.78%	23,332,494	0		
UBS AG LONDON BRANCH	Overseas legal person	0.58%	17,318,262	0		
BANK OF CHINA LIMITED – GUOTAI ZHIYUAN ADVANTAGEOUS HYBRID SECURITIES INVESTMENT FUND (中國銀行股份有限公司 – 國泰致遠優勢混合型證券投資基金)	Others	0.55%	16,500,069	0		
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Overseas legal person	0.50%	14,771,945	0		

Shareholdings of the top ten shareholders of non-restricted shares			
Name of shareholders	Number of non-restricted shares held	Class of shares	
		Class of shares	Number
CHENMING HOLDINGS COMPANY LIMITED	457,322,919	RMB ordinary shares	457,322,919
HKSCC NOMINEES LIMITED	373,513,625	Overseas listed foreign shares	373,513,625
CHENMING HOLDINGS (HONG KONG) LIMITED	364,131,563	Domestic listed foreign shares	210,717,563
		Overseas listed foreign shares	153,414,000
NINGBO ASIA PAPER TUBE CARTON CO., LTD. (寧波亞洲紙管紙箱有限公司)	116,080,074	RMB ordinary shares	116,080,074
HONG KONG SECURITIES CLEARING COMPANY LIMITED	40,230,192	RMB ordinary shares	40,230,192
GUO TAI JUN AN SECURITIES (HONGKONG) LIMITED	23,332,494	Domestic listed foreign shares	23,332,494
UBS AG LONDON BRANCH	17,318,262	Domestic listed foreign shares	17,318,262
BANK OF CHINA LIMITED – GUOTAI ZHIYUAN ADVANTAGEOUS HYBRID SECURITIES INVESTMENT FUND (中國銀行股份有限公司 – 國泰致遠優勢混合型證券投資基金)	16,500,069	RMB ordinary shares	16,500,069
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	14,771,945	Domestic listed foreign shares	14,771,945
MORGAN STANLEY & CO. INTERNATIONAL PLC	14,470,378	Domestic listed foreign shares	14,470,378
Related party relationship or acting in concert among the above shareholders	A shareholder, Chenming Holdings (Hong Kong) Limited, which is an overseas legal person, is a wholly-owned subsidiary of a shareholder, Chenming Holdings Company Limited, which is a state-owned legal person. Hence they are persons acting in concert under Administration Measure on Disclosure of Information on the Change of Shareholding in Listed Companies (上市公司股東持股變動信息披露管理辦法). A shareholder, Chen Hongguo, is the legal representative, chairman and general manager of Chenming Holdings Company Limited. Save for the above, it is not aware that any other aforementioned shareholders are persons acting in concert. It is also not aware that any other aforementioned shareholders are related to each other.		
Securities margin trading of top 10 shareholders, if any	Chenming Holdings Company Limited held 457,322,919 RMB ordinary shares, of which 379,522,919 shares were held through ordinary account and 77,800,000 shares were held through credit guarantee securities account; Ningbo Asia Paper Tube Carton Co., Ltd. held 116,080,074 RMB ordinary shares, of which 0 shares were held through ordinary account and 116,080,074 shares were held through credit guarantee securities account.		

Whether an agreed repurchase transaction was entered into during the reporting period by the top 10 ordinary shareholders and top 10 shareholders of non-restricted shares of the Company

Yes No

The top 10 ordinary shareholders and top 10 shareholders of non-restricted ordinary shares of the Company did not enter into any agreed repurchase transaction during the reporting period.

2. Total number of shareholders of preference shares and shareholding of the top ten shareholders of preference shares

√ Applicable □ Not applicable

Unit: share

Total number of shareholders of preference shares as at the end of the reporting period					6	
Shareholdings of the top ten shareholders of preference shares						
Name of shareholders	Nature of shareholders	Percentage of shareholding	Number of shares held	Number of restricted shares held	Share pledged or locked-up	
					Status of shares	Number
BANK OF COMMUNICATIONS INTERNATIONAL TRUST CO., LTD. – HUILI NO. 136 SINGLE CAPITAL TRUST	Others	28.44%	6,400,000	0		
BEIJING YIBEN ZHONGXING INVESTMENT MANAGEMENT CO., LTD.	Domestic non-state-owned legal person	27.11%	6,100,000	0	Pledged	6,100,000
SHANGHAI SHIJIE BUSINESS CONSULTING CO., LTD.	Domestic non-state-owned legal person	19.51%	4,390,100	0	Pledged	4,140,000
HENGFENG BANK CO., LTD.	Domestic non-state-owned legal person	13.33%	3,000,000	0		
LEAD CAPITAL MANAGEMENT CO., LTD. – LEAD CAPITAL – LI DE YING NO. 1 ASSET MANAGEMENT PLAN	Others	5.91%	1,330,000	0		
LEAD CAPITAL MANAGEMENT CO., LTD. – LEAD CAPITAL – LI DE YING NO. 2 ASSET MANAGEMENT PLAN	Others	5.69%	1,279,900	0		
Related party relationship or acting in concert among the above shareholders	“LEAD CAPITAL MANAGEMENT CO., LTD. – LEAD CAPITAL – LI DE YING NO. 1 ASSET MANAGEMENT PLAN” and “LEAD CAPITAL MANAGEMENT CO., LTD. – LEAD CAPITAL – LI DE YING NO. 2 ASSET MANAGEMENT PLAN” are persons acting in concert. Save for the above, it is not aware that any other shareholders of preference shares are persons acting in concert, and it is also not aware whether there is any related party relationship between the above shareholders of preference shares and the top ten shareholders of ordinary shares.					

III MATERIAL MATTERS

I. Details and reasons for changes of major financial data and financial indicators during the reporting period

Applicable Not applicable

(I) Analysis of the assets and liabilities of the Company

Unit: RMB

Item	31 March 2021	31 December 2020	Change	Reason for change
Financial assets held for trading	133,349,089.17	192,907,800.62	-30.87%	(1)
Accounts receivable financing	1,071,559,674.38	488,385,666.76	119.41%	(2)
Bills payable	3,432,666,717.36	2,998,936,736.34	14.46%	(3)
Contract liabilities	1,278,950,068.66	1,051,147,044.74	21.67%	(4)
Other current liabilities		157,037,833.35	-100.00%	(5)
Other equity instruments	3,234,750,000.00	5,473,500,000.00	-40.90%	(6)
Minority interest	2,490,325,610.41	1,523,294,926.24	63.48%	(7)

Explanation of the reasons leading to the major changes:

- (1) Financial assets held for trading decreased by 30.87% as compared to the beginning of the year, mainly due to the change in the fair value of the shares of China Bohai Bank held by the Company during the reporting period.
- (2) Accounts receivable financing increased by 119.41% as compared to the beginning of the year, mainly due to the increase in bills held at the end of the reporting period from the beginning of the year.
- (3) Bills payable increased by 14.46% as compared to the beginning of the year, mainly due to the increase in payment for goods with bills during the reporting period.
- (4) Contract liabilities increased by 21.67% as compared to the beginning of the year, mainly due to the increase in advance payment from the customers of the Company.
- (5) Other current liabilities decreased by 100% as compared to the beginning of the year, mainly due to the repayment of all super & short-term commercial papers by the Company during the reporting period.
- (6) Other equity instruments decreased by 40.9% as compared to the beginning of the year, mainly due to the repayment of RMB2.25 billion preference shares by the Company during the reporting period.
- (7) Minority interest increased by 63.48% as compared to the beginning of the year, mainly due to the introduction of an investor by Meilun Paper, a subsidiary, for its capital increase during the reporting period.

(II) Reasons for significant year-on-year changes of income statement items

Unit: RMB

Item	January - March 2021	January - March 2020	Change	Reasons for change
Revenue	10,205,724,007.89	6,085,376,805.28	67.71%	(1)
Research and development expenditure	365,485,850.44	253,652,714.07	44.09%	(2)
Gain on disposal of assets	4,804,612.13	-16,937,727.55	128.37%	(3)

Explanation of the reasons leading to the major changes:

- (1) Revenue increased by 67.71% as compared to the corresponding period of last year, mainly due to the year-on-year increase in the sales and selling prices of machine-made paper during the reporting period.
- (2) Research and development expense increased by 44.09% as compared to the corresponding period of last year, mainly due to the increase in research and development investment of the Company during the reporting period.
- (3) Gain on disposal of asset increased by 128.37% as compared to the corresponding period of last year, mainly due to the year-on-year increase in gain on disposal of asset during the reporting period.

(III) Analysis of cash flows during the reporting period

Unit: RMB

Item	January – March 2021	January – March 2020	Change	Reasons for change
Net cash flows from operating activities	3,386,890,222.27	655,581,522.20	416.62%	(1)
Net cash flows from investment activities	-187,483,014.24	330,801,082.22	-156.68%	(2)
Net cash flows from financing activities	-3,285,797,443.75	-2,087,152,482.74	-57.43%	(3)

Explanation of the reasons leading to the major changes:

- (1) Cash flows from operating activities increased by 416.62% as compared to the corresponding period of last year, mainly due to the year-on-year significant growth of the profitability of the Company during the reporting period.
- (2) Cash flows from investing activities decreased by 156.68% as compared to the corresponding period of last year, mainly due to the year-on-year increase in investment expenditure as a result of the increase of investment of RMB400 million by Chenming GDR Fund to Chenchuang Fund during the reporting period.
- (3) Cash flows from financing activities decreased by 57.43% as compared to the corresponding period of last year, mainly due to the further reduction in the liability size of the Company during the reporting period.

II. Progress in respect of material matters and analysis of the related effects and solutions

Applicable Not applicable

Summary of important events	Date of disclosure	Search index of interim report disclosure website
The matters relating to the “Proposal on the Domestic Listed Foreign Shares of the Company Changing Listing Venue to be Listed and Traded on the Main Board of The Stock Exchange of Hong Kong Limited by Way of Conversion” was considered and approved at the seventeenth extraordinary meeting of ninth session of the Board, the 2021 first extraordinary general meeting, the 2021 first class meeting for holders of domestic-listed shares and the 2021 first class meeting for holders of overseas-listed shares of the Company.	30 January 2021	http://www.cninfo.com.cn
	18 February 2021	
	10 March 2021	

Progress of share repurchase

Applicable Not applicable

1. Redemption of first-tranche preference shares in full

On 18 February 2021, the Company held the eighteenth extraordinary meeting of the ninth session of the Board to consider and approve the “Resolution on Redemption of the First-Tranche Preference Shares”, which agreed the Company’s full redemption of the first-tranche preference shares (the “Chenming You 01”) totaling 22.5 million shares. The redemption price was the par value of the preference share (RMB100 per share) plus the amount of dividend declared but not yet paid for the current period (i.e. RMB4.36 per share). The redemption time is the payment date of fixed dividend of “Chenming You 01”.

On 17 March 2021, the Company paid a total of RMB2,348.1 million in redemption to shareholders of the first-tranche preference shares to fully redeem 22.5 million shares of first-tranche preference shares of the Company. On 18 March 2021, the Company received the “Redemption Results Statement” from the Shenzhen Branch of China Securities Depository and Clearing Co., Ltd. The redemption and delisting of “Chenming You 01” has been completed.

For details, please refer to the relevant announcements disclosed by the Company on www.cninfo.com.cn on 19 February, 26 February, 5 March, 12 March, 16 March and 19 March 2021. The announcement number are: 2021-013, 2021-014, 2021-016, 2021-017, 2021-019, 2021-020, 2021-022, 2021-023.

Progress of decrease in the holding of repurchased shares by way of bidding

Applicable Not applicable

III. Undertakings made by parties involved in undertakings including the Company’s beneficial controllers, shareholders, related parties, bidders and the Company subsisting during the reporting period

Applicable Not applicable

During the reporting period, there were no undertakings made by parties involved in undertakings including the Company’s beneficial controllers, shareholders, related parties, bidders and the Company subsisting during the reporting period.

IV. Financial asset investment

1. Security investments

Applicable Not applicable

Unit: RMB

Type of security	Stock code	Abbreviation of stock name	Initial investment cost	Accounting measurement model	Book value at the beginning of the reporting period	Profit or loss from changes in fair value in the current period	Accumulated changes in fair value included in equity in current period	Purchased amount in the current period	Sold amount in the current period	Profit or loss during the reporting period	Book value at the end of the reporting period	Classification in accounts	Source of fund
Domestic and foreign shares	09668	China Bohai Bank	195,684,817.15	Measured at fair value	192,907,800.62	-59,558,711.45	-62,335,727.98	0.00	0.00	-59,558,711.45	133,349,089.17	Held-for-trading financial assets	Self-owned funds and borrowings
Total			195,684,817.15	--	192,907,800.62	-59,558,711.45	-62,335,727.98	0.00	0.00	-59,558,711.45	133,349,089.17	--	--
Disclosure date of announcement in relation to the consideration and approval of securities investments by the Board					20 June 2020								
Disclosure date of announcement in relation to the consideration and approval of securities investments by the shareholders' general meeting (if any)					Not applicable								

2. Derivatives investments

Applicable Not applicable

The Company did not have any derivative investments during the reporting period.

V. Progress in respect of investment projects funded by raised proceeds

Applicable Not applicable

VI. Estimate of the operating results for January – June 2021

Warning of projection on cumulative net profit for the period from the beginning of the year to the end of the next reporting period to be at a loss or expected to have material changes as compared to the corresponding period of prior year and its explanation

Applicable Not applicable

VII. Material contracts in day-to-day operation

Applicable Not applicable

VIII. Entrusted wealth management

Applicable Not applicable

The Company did not have any entrusted wealth management during the reporting period.

IX. External guarantees against the rules and regulations

Applicable Not applicable

There was no external guarantee provided by the Company which was against rules and regulations during the reporting period.

X. Appropriation of funds of the Company by the controlling shareholder and its related parties for non-operating purposes

Applicable Not applicable

There was no appropriation of funds of the Company by the controlling shareholder and its related parties for non-operating purposes during the reporting period.

XI. Reception of research investigations, communications and interviews during the reporting period

Applicable Not applicable

Date of reception	Site of reception	Way of reception	Type of recipient	Recipient	Major discussion points and information provided	Index of the basic particulars of the survey
31 March 2021	Meeting room of the Company and production plant	Field research	Institutions, individuals and media	Guotai Anbao Fund, Northeast Securities, Orient Securities, Donghai Securities, Dongxing Securities, minority shareholders, Securities Times, etc	Company's main operating conditions, business conditions, project progress, etc.	For details, please refer to the Investor Relations Activity Record Sheet on www.cninfo.com.cn
31 March 2021	Online live stream platform: Panorama • Interactive Platform for Investors Relationship (全景網•投資者關係互動平台)	Others	Others	Investors participating in the 2020 Annual Result Briefing of the Company	Company and industry overview, the Company's 2020 operating results and future prospects, project progress, etc.	For details, please refer to the Investor Relations Activity Record Sheet on www.cninfo.com.cn

IV FINANCIAL STATEMENTS

I. Financial Statements

1. Consolidated balance sheet

Prepared by: Shandong Chenming Paper Holdings Limited

31 March 2021

Unit: RMB

Item	31 March 2021	31 March 2020
CURRENT ASSETS:		
Monetary funds	17,928,720,606.11	17,759,537,598.98
Financial assets held for trading	133,349,089.17	192,907,800.62
Accounts receivable	2,131,776,277.60	1,984,931,665.82
Accounts receivable financing	1,071,559,674.38	488,385,666.76
Prepayments	970,225,012.16	964,290,512.36
Other receivables	2,328,858,634.34	2,417,240,559.46
Including: Interest receivable		
Dividends receivable		
Inventories	4,792,168,427.01	5,135,293,347.82
Non-current assets due within one year	4,177,625,745.65	4,222,744,207.34
Other current assets	2,994,706,976.55	2,716,918,695.85
Total current assets	36,528,990,442.97	35,882,250,055.01

Item	31 March 2021	31 March 2020
NON-CURRENT ASSETS:		
Long-term receivables	3,564,138,570.89	4,658,884,857.95
Long-term equity investments	4,330,470,084.83	3,906,158,402.45
Other non-current financial assets	141,910,000.00	145,910,000.00
Investment properties	5,904,542,766.83	5,943,159,568.00
Fixed assets	37,069,924,037.14	37,651,706,658.97
Construction in progress	209,993,857.82	179,857,941.83
Right-of-use assets	203,959,508.33	205,876,719.75
Intangible assets	1,760,834,492.05	1,774,624,509.33
Goodwill	32,916,531.95	32,916,531.95
Long-term prepaid expenses	50,192,010.61	51,061,485.49
Deferred income tax assets	1,080,558,605.22	1,084,164,679.14
Other non-current assets	46,160,247.61	58,886,418.75
Total non-current assets	54,395,600,713.28	55,693,207,773.61
Total assets	90,924,591,156.25	91,575,457,828.62

Item	31 March 2021	31 March 2020
CURRENT LIABILITIES:		
Short-term borrowings	33,268,267,316.37	32,793,992,957.86
Bills payable	3,432,666,717.36	2,998,936,736.34
Accounts payable	3,855,682,286.87	4,042,430,732.31
Contract liabilities	1,278,950,068.66	1,051,147,044.74
Staff remuneration payables	246,600,772.07	232,376,585.31
Taxes payable	577,871,369.35	652,647,840.63
Other payables	2,158,460,520.52	1,956,715,367.83
Including: Interest payable	124,127,590.49	178,992,959.85
Non-current liabilities due within one year	6,455,050,444.78	7,160,949,615.93
Other current liabilities		157,037,833.35
Total current liabilities	51,273,549,495.98	51,046,234,714.30
NON-CURRENT LIABILITIES:		
Long-term borrowings	7,910,917,576.83	8,077,150,979.15
Bonds payable	1,431,094,643.22	1,536,877,351.46
Lease liabilities	60,507,444.90	60,271,769.90
Long-term payables	2,097,419,701.30	2,295,309,357.74
Provisions	325,259,082.28	325,259,082.28
Deferred income	1,611,501,629.24	1,637,996,636.51
Deferred income tax liabilities	6,572,535.97	6,572,535.97
Other non-current liabilities	790,674,113.83	789,521,686.07
Total non-current liabilities	14,233,946,727.57	14,728,959,399.08
TOTAL LIABILITIES	65,507,496,223.55	65,775,194,113.38

Item	31 March 2021	31 March 2020
OWNERS' EQUITY:		
Share Capital	2,984,208,200.00	2,984,208,200.00
Other equity instruments	3,234,750,000.00	5,473,500,000.00
Including: Preference shares	2,238,750,000.00	4,477,500,000.00
Perpetual bonds	996,000,000.00	996,000,000.00
Capital reserves	5,164,584,381.71	5,321,911,413.75
Less: Treasury shares	226,860,000.00	226,860,000.00
Other comprehensive income	-596,785,620.17	-561,686,607.66
Surplus reserves	1,212,009,109.97	1,212,009,109.97
General risk provisions	74,122,644.20	74,122,644.20
Retained profit	11,080,740,606.58	9,999,764,028.74
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	22,926,769,322.29	24,276,968,789.00
Minority interest	2,490,325,610.41	1,523,294,926.24
Total owners' equity	25,417,094,932.70	25,800,263,715.24
TOTAL LIABILITIES AND OWNERS' EQUITY	90,924,591,156.25	91,575,457,828.62

Legal Representative:
Chen Hongguo

Head in charge
of accounting:
Dong Lianming

Head of the
accounting department:
Zhang Bo

2. Balance sheet of the Company

Unit: RMB

Item	31 March 2021	31 March 2020
CURRENT ASSETS:		
Monetary funds	5,486,271,398.73	4,720,330,804.07
Bills receivable	2,056,450,000.00	1,470,720,000.00
Accounts receivable	135,621,541.49	694,836,561.24
Accounts receivable financing	34,707,031.58	24,339,933.19
Prepayments	2,036,291,136.24	1,697,770,445.12
Other receivables	10,188,381,508.11	10,637,425,503.02
Including: Interest receivable		–
Dividends receivable		200,000,000.00
Inventories	684,167,021.66	637,293,495.29
Non-current assets due within one year	90,210,433.35	146,934,211.22
Other current assets	37,260,448.37	45,764,272.71
Total current assets	20,749,360,519.53	20,075,415,225.86
NON-CURRENT ASSETS:		
Long-term receivables	56,275,718.51	64,762,373.99
Long-term equity investments	22,535,647,973.47	22,192,108,035.92
Other non-current financial assets	141,910,000.00	141,910,000.00
Fixed assets	3,923,747,756.69	3,984,339,880.51
Construction in progress	81,012,306.96	80,192,749.46
Intangible assets	531,192,360.51	534,900,368.31
Deferred income tax assets	365,117,536.32	418,717,829.13
Total non-current assets	27,634,903,652.46	27,416,931,237.32
Total assets	48,384,264,171.99	47,492,346,463.18

Item	31 March 2021	31 March 2020
CURRENT LIABILITIES:		
Short-term borrowings	12,447,825,609.09	10,929,616,612.59
Bills payable	9,384,833,589.13	7,603,416,890.27
Accounts payable	954,674,397.02	812,111,491.23
Contract liabilities	2,069,347,573.92	156,487,086.88
Staff remuneration payables	95,055,564.92	89,416,732.50
Taxes payable	106,605,422.38	147,669,266.97
Other payables	3,136,617,221.24	5,869,352,883.62
Including: Interest payable	47,051,472.24	97,497,305.56
Non-current liabilities due within one year	1,386,461,648.99	2,374,029,490.27
Other current liabilities		312,130,833.35
Total current liabilities	29,581,421,026.69	28,294,231,287.68
NON-CURRENT LIABILITIES:		
Long-term borrowings	1,254,500,000.00	1,295,000,000.00
Bonds payable	349,964,000.00	439,957,250.00
Long-term payables	540,701,875.78	631,776,192.80
Provisions	325,259,082.28	325,259,082.28
Deferred income	37,304,871.87	38,017,165.55
Other non-current liabilities	1,196,116,666.67	1,194,883,344.67
Total non-current liabilities	3,703,846,496.60	3,924,893,035.30
TOTAL LIABILITIES	33,285,267,523.29	32,219,124,322.98

Item	31 March 2021	31 March 2020
OWNERS' EQUITY:		
Share Capital	2,984,208,200.00	2,984,208,200.00
Other equity instruments	3,234,750,000.00	5,473,500,000.00
Including: Preference shares	2,238,750,000.00	4,477,500,000.00
Perpetual bonds	996,000,000.00	996,000,000.00
Capital reserves	5,126,981,432.38	5,124,308,464.42
Less: Treasury shares	226,860,000.00	226,860,000.00
Surplus reserves	1,199,819,528.06	1,199,819,528.06
Retained profit	2,780,097,488.26	718,245,947.72
Total owners' equity	15,098,996,648.70	15,273,222,140.20
TOTAL LIABILITIES AND OWNERS' EQUITY	48,384,264,171.99	47,492,346,463.18

3. Consolidated Income Statement

Unit: RMB

Item	Amounts for the period	Amounts for the prior period
I. Total revenue	10,205,724,007.89	6,085,376,805.28
Including: Revenue	10,205,724,007.89	6,085,376,805.28
II. Total operating costs	8,699,358,923.27	5,834,610,012.18
Including: Operating costs	7,237,915,113.40	4,562,294,089.65
Taxes and surcharges	78,065,205.81	47,639,420.31
Sales and distribution expenses	69,649,821.99	72,504,493.86
General and administrative expenses	249,151,918.06	246,726,191.21
Research and development expenses	365,485,850.44	253,652,714.07
Finance expenses	699,091,013.57	651,793,103.08
Including: Interest expenses	731,861,718.88	673,866,359.05
Interest income	75,556,660.16	81,512,048.23
Plus: Other income	58,431,534.65	60,795,590.78
Investment income (“-” denotes loss)	62,891,682.38	89,156,680.14
Including: Investment income from associates and joint ventures	45,311,682.38	76,715,510.22
Gain on change in fair value (“-” denotes loss)	-59,993,447.44	
Credit impairment loss (“-” denotes loss)	-118,711,577.64	-179,716,703.05
Loss on impairment of assets (“-” denotes loss)	-56,357.78	-164,217.76
Gain on disposal of assets (“-” denotes loss)	4,804,612.13	-16,937,727.55
III. Operating profit (“-” denotes loss)	1,453,731,530.92	203,900,415.66
Plus: Non-operating income	9,178,708.39	29,326,528.55
Less: Non-operating expenses	749,586.99	2,456,719.00

Item	Amounts for the period	Amounts for the prior period
IV. Total profit (“-” denotes total loss)	1,462,160,652.32	230,770,225.21
Less: Income tax expenses	216,053,390.31	19,890,332.52
V. Net profit (“-” denotes net loss)	1,246,107,262.01	210,879,892.69
(I) Classification according to the continuity of operation		
Net profit from continuing operations (“-” denotes net loss)	1,246,107,262.01	210,879,892.69
(II) Classification according to ownership		
1. Net profit attributable to shareholders of the Company	1,179,076,577.84	202,790,856.25
2. Profit or loss of minority interest	67,030,684.17	8,089,036.44
VI. Net other comprehensive income after tax	-35,099,012.51	-109,991,102.69
Net other comprehensive income after tax attributable to shareholders of the Company	-35,099,012.51	-109,991,102.69
(I) Other comprehensive income that will be reclassified to profit and loss	-35,099,012.51	-109,991,102.69
Exchange differences on translation	-35,099,012.51	-109,991,102.69
VII. Total comprehensive income	1,211,008,249.50	100,888,790.00
Total comprehensive income attributable to shareholders of the Company	1,143,977,565.33	92,799,753.56
Total comprehensive income attributable to minority interest	67,030,684.17	8,089,036.44
VIII. Earnings per share:		
(I) Basic earnings per share	0.365	0.019
(II) Diluted earnings per share	0.365	0.019

Legal Representative:
Chen Hongguo

Head in charge
of accounting:
Dong Lianming

Head of the
accounting department:
Zhang Bo

4. *Income statement of the Company*

Unit: RMB

Item	Amounts for the period	Amounts for the prior period
I. Revenue	2,613,450,941.85	1,916,635,173.20
Less: Operating costs	1,922,596,656.63	1,492,710,855.82
Taxes and surcharges	20,845,842.17	9,314,020.08
Sales and distribution expenses	1,825,850.25	2,498,008.29
General and administrative expenses	64,144,088.86	72,148,076.69
Research and development expenses	106,717,546.36	61,093,032.27
Finance expenses	127,483,129.49	227,917,229.09
Including: Interest expenses	233,988,045.40	422,979,137.81
Interest income	142,052,390.18	231,893,683.70
Plus: Other income	903,193.98	1,085,293.68
Investment income (“-” denotes loss)	1,814,669,937.55	501,463,589.70
Including: Investment income from associates and joint ventures	-330,062.45	-1,636,410.30
Credit impairment loss (“-” denotes loss)	24,671,113.05	17,806,046.25
Gain on disposal of assets (“-” denotes loss)	3,232,429.29	5,198,189.62

Item	Amounts for the period	Amounts for the prior period
II. Operating profit (“-” denotes loss)	2,213,314,501.96	576,507,070.21
Plus: Non-operating income	332,512.00	3,006,242.05
Less: Non-operating expenses	95,180.61	102,862.97
III. Total profit (“-” denotes total loss)	2,213,551,833.35	579,410,449.29
Less: Income tax expenses	53,600,292.81	5,134,164.16
IV. Net profit (“-” denotes net loss)	2,159,951,540.54	574,276,285.13
Net profit from continuing operations (“-” denotes net loss)	2,159,951,540.54	574,276,285.13
V. Total comprehensive income	2,159,951,540.54	574,276,285.13
VI. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated cash flow statement

Unit: RMB

Item	Amounts for the period	Amounts for the prior period
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	10,744,320,121.77	6,083,538,589.42
Tax rebates received	597,608.00	152,548.94
Cash received relating to other operating activities	582,514,746.24	654,984,761.52
Subtotal of cash inflows from operating activities	11,327,432,476.01	6,738,675,899.88
Cash paid for goods and services	6,594,672,121.55	5,294,624,400.87
Cash paid to and for employees	284,568,485.66	262,530,875.99
Payments of taxes and surcharges	653,100,300.70	193,288,988.67
Cash paid relating to other operating activities	408,201,345.83	332,650,112.15
Subtotal of cash outflows from operating activities	7,940,542,253.74	6,083,094,377.68
Net cash flows from operating activities	3,386,890,222.27	655,581,522.20
II. Cash flows from investing activities:		
Cash received from investment income	43,000,000.00	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,263,265.60	73,153,160.00
Net cash received from disposal of subsidiaries and other business units	10,000,000.00	217,810,000.00
Cash received relating to other investing activities	240,000,000.00	129,197,968.06
Subtotal of cash inflows from investing activities	296,263,265.60	420,161,128.06
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	83,746,279.84	57,107,045.84
Cash paid on investments	400,000,000.00	32,253,000.00
Subtotal of cash outflows from investing activities	483,746,279.84	89,360,045.84
Net cash flows from investing activities	-187,483,014.24	330,801,082.22

Item	Amounts for the period	Amounts for the prior period
III. Cash flows from financing activities:		
Cash received from investments	900,000,000.00	
Including: Cash received from subsidiaries from minority investment	900,000,000.00	
Cash received from borrowings	10,320,674,739.57	8,767,475,858.20
Cash received relating to other financing activities	204,630,000.00	320,000,000.00
Subtotal of cash inflows from financing activities	11,425,304,739.57	9,087,475,858.20
Cash repayments of amounts borrowed	9,707,520,165.73	9,045,058,473.31
Cash paid for dividend and profit distribution or interest payment	702,671,547.99	718,587,541.05
Cash paid relating to other financing activities	4,300,910,469.60	1,410,982,326.58
Subtotal of cash outflows from financing activities	14,711,102,183.32	11,174,628,340.94
Net cash flows from financing activities	-3,285,797,443.75	-2,087,152,482.74
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-6,328,260.97	-8,973,806.00
V. Net increase in cash and cash equivalents	-92,718,496.69	-1,109,743,684.32
Plus: Balance of cash and cash equivalents as at the beginning of the period	4,389,169,963.79	2,890,328,027.41
VI. Balance of cash and cash equivalents as at the end of the period	4,296,451,467.10	1,780,584,343.09

6. Cash flow statement of the Company

Unit: RMB

Item	Amounts for the period	Amounts for the prior period
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	3,203,517,391.29	2,016,322,718.53
Tax rebates received	90,900.00	—
Cash received relating to other operating activities	36,255,390.79	80,132,375.79
Subtotal of cash inflows from operating activities	3,239,863,682.08	2,096,455,094.32
Cash paid for goods and services	1,440,944,427.90	1,053,052,884.20
Cash paid to and for employees	78,272,356.22	77,807,706.75
Payments of taxes and surcharges	133,440,933.20	30,799,543.79
Cash paid relating to other operating activities	61,160,034.75	98,434,983.32
Subtotal of cash outflows from operating activities	1,713,817,752.07	1,260,095,118.06
Net cash flows from operating activities	1,526,045,930.01	836,359,976.26
II. Cash flows from investing activities:		
Cash received from investment income	2,015,000,000.00	500,000,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	92,435.99	1,153,160.00
Net cash received from disposal of subsidiaries and other business units		217,810,000.00
Cash received relating to other investing activities	240,000,000.00	129,197,968.06
Subtotal of cash inflows from investing activities	2,255,092,435.99	848,161,128.06
Cash paid for purchase of fixed assets, intangible assets and other long-term assets		2,025,213.00
Cash paid on investments	314,370,000.00	27,500,000.00
Subtotal of cash outflows from investing activities	314,370,000.00	29,525,213.00
Net cash flows from investing activities	1,940,722,435.99	818,635,915.06

Item	Amounts for the period	Amounts for the prior period
III. Cash flows from financing activities:		
Cash received borrowings	6,409,417,925.50	5,527,955,369.41
Cash received relating to other financing activities		695,738,215.55
Subtotal of cash inflows from financing activities	6,409,417,925.50	6,223,693,584.96
Cash repayments of amounts borrowed	5,064,328,929.00	6,174,301,531.59
Cash paid for dividend and profit distribution or interest payment	206,137,718.69	422,979,137.81
Cash paid relating to other financing activities	4,232,236,767.53	1,389,481,422.69
Subtotal of cash outflows from financing activities	9,502,703,415.22	7,986,762,092.09
Net cash flows from financing activities	-3,093,285,489.72	-1,763,068,507.13
IV. Effect of foreign exchange rate changes on cash and cash equivalents	956,450.07	226,208.85
V. Net increase in cash and cash equivalents	374,439,326.35	-107,846,406.96
Plus: Balance of cash and cash equivalents as at the beginning of the period	301,284,723.52	136,328,721.71
VI. Balance of cash and cash equivalents as at the end of the period	675,724,049.87	28,482,314.75

II. Reason for Adjustment in the Financial Statement

1. *Adjustment to the relevant items in the financial statements at the beginning of the year due to the first adoption of the New Standards for Lease in 2021*

Applicable Not applicable

2. *Reason for the retrospective adjustment to the comparative data in the prior period due to the first adoption of the New Standards for Lease in 2021*

Applicable Not applicable

III. Auditors' Report

Has the first quarterly report already been audited yet?

Yes No

The first quarterly report of the Company is unaudited.

By order of the Board
Shandong Chenming Paper Holdings Limited
CHEN HONGGUO
Chairman

Shandong, the PRC
19 April 2021

As at the date of this announcement, the executive Directors are Mr. Chen Hongguo, Mr. Hu Changqing, Mr. Li Xingchun and Mr. Li Feng; the non-executive Directors are Mr. Han Tingde and Mr. Li Chuanxuan; and the independent non-executive Directors are Ms. Yin Meiqun, Mr. Sun Jianfei and Mr. Yang Biao.

* *For identification purposes only*