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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 on Investment in a Subsidiary dated 26 March 2015 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
26 March 2015

As at the date of this announcement, the executive Directors are Mr. Chen Hongguo, Mr. Yin Tongyuan, Mr. Li Feng, Mr. Geng Guanglin, Mr. Hou Huancai and Mr. Zhou Shaohua, the non-executive Directors are Mr. Wang Xiaoqun and Ms. Yang Guihua, and the independent non-executive Directors are Mr. Wang Aiguo, Mr. Zhang Zhiyuan, Ms. Zhang Hong and Ms. Pan Ailing.

* *For identification purposes only*

Stock abbreviation:
Chenming Paper,
Chenming B

Stock code:
000488 200488

Announcement No.:
2015-009

Shandong Chenming Paper Holdings Limited Announcement on Investment in a Subsidiary

The Company and all members of the board (the “Board”) hereby warrant the truthfulness, accuracy and completeness of the contents of information disclosed which do not contain any false information, misleading statements or material omissions, and jointly and severally accept responsibility for the truthfulness, accuracy and completeness of its contents.

I. Overview of external investment

1. *General description of external investment*

In order to facilitate Shandong Chenming Financial Leasing Co., Ltd. (“Financial Leasing Company”) to engage in project financing and leasing business, and increase the Company’s overall strength, comprehensive competitiveness and profit, Chenming (HK) Limited (“Chenming (HK)”), a wholly-owned subsidiary of the Company, intended to increase the capital of the Financial Leasing Company by RMB5.0 billion by installments with its own funds. After the completion of the capital increase, the registered capital of the Financial Leasing Company will change to RMB9.072 billion from RMB4.072 billion. The Board agreed to authorize the management of the Company to handle relevant issues relating to the increase of the registered capital of the Financial Leasing Company by installments.

2. *Consideration and approval of the Board*

The eighth meeting of the seventh session of the Board of the Company was convened on 26 March 2015 by way of physical meeting. All of the 12 directors were present at the meeting. The resolution on the capital increase of the Financial Leasing Company was considered and approved at the meeting with a voting result of 12 votes for, 0 vote against and 0 vote abstained.

3. *Necessary approval procedures for investment to become effective*

The external investment is subject to approval at the general meeting. The external investment is not a connected transaction and will not constitute a material asset reorganisation under the Administrative Measures for the Material Asset Reorganisations of Listed Companies.

II. General description of the investment entity

Company name: Chenming (HK) Limited

Address: CHINAWEAL CENTRE 414-424 JAFFE ROAD WANCHAI HK

Directors: Li Feng, Xiao Peng and Jia Guanlei

Registered capital: US\$29.90 million

Company type: limited liability company

Scope of business: import and export business of paper products and market research

III. General description of the investee

Company name: Shandong Chenming Financial Leasing Co., Ltd.

Address: 35/F, Block 2, Shuntai Plaza, No. 2000 Shunhua Road, Hi-tech Development Zone, Jinan

Legal representative: Wang Chunfang

Registered capital: RMB4,072 million

Company type: limited liability company (solely invested by Taiwan, Hong Kong and Macau legal entity)

Scope of business: Financial leasing business; operating leasing business; domestic and overseas leased assets acquisition; disposal of residual value for and maintenance of leased assets; and consultation on leasing transactions.

IV. Main contents of the external investment contract

No external investment contract is necessary to be entered into as the external investment is a capital increase of the indirect wholly-owned subsidiary of the Company by the wholly-owned subsidiary of the Company.

V. Purpose of the capital increase

1. *Source of funds*

The source of funds of the external investment is Chenming (HK)'s own funds.

2. *Purpose of the capital increase*

To facilitate the Financial Leasing Company to engage in project financing and leasing business, and increase the Company's overall strength, comprehensive competitiveness and profit.

VI. Documents available for inspection

Resolution of the eighth meeting of the seventh session of the Board of Shandong Chenming Paper Holdings Limited

Notice is hereby given.

Board of Shandong Chenming Paper Holdings Limited
26 March 2015