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山東晨鳴紙業集團股份有限公司
SHANDONG CHENMING PAPER HOLDINGS LIMITED*
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1812)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Shandong Chenming Paper Holdings Limited (the “**Company**”) published the “Announcement in respect of Resolutions of the Fourth Meeting of the Eighth Session of the Board of Directors” dated 17 February 2017 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
17 February 2017

As at the date of this announcement, the executive Directors are Mr. Chen Hongguo, Mr. Yin Tongyuan, Mr. Li Feng and Mr. Geng Guanglin; the non-executive Directors are Ms. Yang Guihua and Ms. Zhang Hong and the independent non-executive Directors are Ms. Pan Ailing, Ms. Wang Fengrong, Mr. Huang Lei and Ms. Liang Fu.

* *For identification purposes only*

Stock abbreviation:
Chenming Paper Chenming B

Stock code:
000488 200488

Announcement No.:
2017-006

Shandong Chenming Paper Holdings Limited
Announcement in respect of Resolutions of the Fourth 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 fourth meeting of the eighth session of the Board of Shandong Chenming Paper Holdings Limited (“the Company”) was despatched to all Directors in writing and by post on 6 February 2017, and the said meeting was held at the Conference Room of Chenming Research and Development Centre, Shouguang City, Shandong Province on 17 February 2017 on site. 10 Directors were entitled to be present at the meeting and 10 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 report of the Board for the year 2016 was considered and approved

For details on the report of the Board for the year 2016, please refer to “V Discussion and Analysis of Operations” in the 2016 Annual Report. The resolution shall be submitted to the annual general meeting for 2016 (the “AGM”) of the Company for consideration and approval.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

II. The 2016 financial report was considered and approved

The resolution shall be submitted to the 2016 AGM of the Company for consideration and approval.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

III. The full text of the 2016 annual report and its summary were considered and approved

For details, please refer to the related announcements of the Company disclosed on the website of CNINFO (www.cninfo.com.cn) and Hong Kong Stock Exchange (www.hkex.com.hk) on the same date.

The resolution shall be submitted to the 2016 AGM of the Company for consideration and approval.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

IV. The 2016 Self-assessment Report on Internal Control of the Company was considered and approved

For details, please refer to the related announcement of the Company disclosed on the website of CNINFO (www.cninfo.com.cn) and Hong Kong Stock Exchange (www.hkex.com.hk) on the same date.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

V. The report of independent Directors of the Company for the year 2016 was listened

For details, please refer to the related announcement of the Company disclosed on the website of CNINFO (www.cninfo.com.cn) and Hong Kong Stock Exchange (www.hkex.com.hk) on the same date.

The report shall be submitted to the 2016 AGM of the Company for consideration and approval.

VI. The profit distribution proposal of the Company for 2016 was considered and approved

The audited consolidated net profit attributable to equity holders of Shandong Chenming Paper Holdings Limited in accordance with Accounting Standards for Business Enterprises in the PRC for 2016 was RMB2,063,986,822.25. After deducting interests for perpetual bonds for 2016 of RMB153,140,000, the outstanding distributable profit for 2016 was RMB1,910,846,822.25. According to

the Articles of Association and the Non-public Issuance of Preference Shares Prospectus, the profit distribution proposal of the Company for 2016 is set out below:

As agreed under the Non-public Issuance of Preference Shares Prospectus, holders of preference shares are entitled to profit distribution on the remaining 50% profit realised during the year of issuance with ordinary shareholders. The calculation formula is: “(Accumulated months from the next month following the issuance up to the end of the reporting period/12) × remaining profits realised for the year × 50%”. (Allocation basis will be $9/12 \times 19.11 \times 50\% = \text{RMB}717$ million)

Base on 1,936,405,467 ordinary shares in issue and simulated preference shares reduced of 387,263,339 shares (simulated as 1 share for every RMB5.81), ordinary shareholders will be entitled to cash dividend of RMB6 (tax inclusive) for every 10 shares held, with total cash dividend to be distributed to ordinary shareholders amounted to RMB1,162 million. Holders of preference shares will be entitled to cash dividend of RMB3.08 (tax inclusive) for every 10 shares held, with floating cash dividend to be distributed to holders of preference shares amounted to RMB120 million.

The resolution shall be submitted to the 2016 AGM for consideration and approval. The cash dividend will be paid to shareholders of the Company within 2 months after the distribution is considered and approved at the general meeting.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

VII. The 2016 annual remuneration scheme of the Directors and the senior management of the Company was considered and approved

For the details of the remuneration of the Directors and the senior management of the Company in 2016, please refer to the full text of the 2016 Annual Report.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

VIII. The application for general credit lines by the Company was considered and approved

To ensure smooth project construction and the capital needed for normal production and operation of the Company, and strengthen cooperation with banks to enhance the financing capacity of the Company, the Company will apply for general credit lines of RMB109,500 million for banks. The resolution will be valid until the approval of the resolution in respect of the general credit lines at the next annual general meeting.

The Board authorised the senior management of the Company to undertake the specific procedures of the application for the general credit lines and execution of related agreements.

The resolution shall be submitted to the 2016 AGM of the Company for consideration.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

IX. Provision of guarantee for the comprehensive credit line of relevant subsidiaries was considered and approved

In order to secure the smooth project construction and ordinary production operation of controlled subsidiaries and reduce their financial costs, it is intended to provide guarantee for the general credit lines to be applied by relevant controlled subsidiaries, which will amount to RMB25.6 billion in aggregate.

For details, please refer to the related announcement of the Company disclosed on the website of CNINFO (www.cninfo.com.cn) and Hong Kong Stock Exchange (www.hkex.com.hk) on the same date.

The Board authorised the senior management of the Company to undertake the specific procedures of the guarantee for the general credit lines and financing of relevant controlled subsidiaries.

The resolution shall be submitted to the 2016 AGM of the Company for consideration.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

X. Provision of financial support to relevant subsidiary was considered and approved

The Company, together with other shareholders of Haicheng Haiming Mining Company Limited (“Haiming Mining”), planned to provide financial support to Haiming Mining to maximise the benefits of the Company and save the finance expenses, given the current operating and financial circumstances of the Company. The financial support provided shall be not more than RMB600 million in aggregate. The financial support is effective for three years and on a revolving basis during its effective term. The Company charges interest on the outstanding supporting funds at a rate not lower than the prevailing bank lending rate.

The senior management of the Company including Mr. Chen Hongguo, the chairman and general manager, Mr. Yin Tongyuan, the vice chairman, Mr. Li Feng, a Director, Ms. Li Xueqin, Mr. Geng Guanglin and Mr. Hu Changqing, the deputy general managers, hold the shares of Shouguang Hengtai Enterprise Investment Company Limited (“Hengtai Enterprise”), and Hengtai Enterprise is a shareholder of Haiming Mining. Hence, the provision of financial support to relevant subsidiaries constitutes a related party transaction by virtue of Rule 10.1.3 of the listing rules of Shenzhen Stock Exchange.

Related party Directors including Mr. Chen Hongguo, Mr. Yin Tongyuan, Mr. Li Feng and Mr. Geng Guanglin had abstained from voting for this resolution in accordance with the relevant rules.

For details, please refer to the related announcement of the Company disclosed on the website of CNINFO (www.cninfo.com.cn) and Hong Kong Stock Exchange (www.hkex.com.hk) on the same date.

The Board authorised the senior management of the Company to undertake the relevant procedures of provision of financial support to relevant subsidiary.

The resolution shall be submitted to the 2016 AGM of the Company for consideration.

The voting result of this resolution: votes for: 6; votes against: 0; votes abstained: 0.

XI. Expected related party transaction associated with day-to-day operation for 2017 was considered and approved

In order to ensure stable power supply for the production of the Company and its subsidiaries, and to lower the overall costs for energy procurement, the Company will purchase energy resources such as natural gas and heavy oil from a related party, Jiangxi Chenming Natural Gas Co., Ltd. (“Jiangxi Natural Gas”), and its subsidiaries. Such transactions will constitute day-to-day operating transactions. The expected transaction cap for 2017 will be RMB350 million.

Related party Directors including Mr. Chen Hongguo, Mr. Yin Tongyuan, Mr. Li Feng and Mr. Geng Guanglin had abstained from voting for this resolution in accordance with the relevant rules.

For details, please refer to the related announcement of the Company disclosed on the website of CNINFO (www.cninfo.com.cn) and Hong Kong Stock Exchange (www.hkex.com.hk) on the same date.

The voting result of this resolution: votes for: 6; votes against: 0; votes abstained: 0.

XII. Appointment of the auditors for 2017 was considered and approved

Ruihua Certified Public Accountants (Special General Partnership) was appointed as the auditor for the financial audit and internal control audit of the Company for 2017. The fees of the two audits amounted to RMB2.60 million.

The resolution shall be submitted to the 2016 AGM of the Company for consideration.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

XIII. Issue of super and short-term commercial papers was considered and approved

In consideration of expected economic development in the future and in order to further expand its financing channels, reduce its finance costs and improve its debt structure and efficiency, the Company intends to issue super and short-term commercial papers (“Super & Short-term Commercial Paper”) of not more than RMB16.8 billion (inclusive) registered under the National Association of Financial Market Institutional Investors. Such Super & Short-term Commercial Paper is not subject to any guarantee. Particulars are as follows:

1. Size

At par value of not more than RMB16.8 billion (inclusive) in aggregate.

2. Issue target

Super & Short-term Commercial Paper will be issued publicly in the inter-bank market in China.

3. Maturity

It is proposed at the general meeting that the Board be authorised to determine the specific maturity of Super & Short-term Commercial Paper and the offer size of each maturity type by reference to the prevailing market conditions and the Company’s demand for capital before the issue. Details will be disclosed in the prospectus of Super & Short-term Commercial Paper.

4. Interest rate

The coupon rate will be determined by reference to the prevailing market conditions by the Company and the lead underwriter.

5. Use of proceeds

The proceeds from the issue of Super & Short-term Commercial Paper will be used for prepayment of issued bonds, replacement of bank borrowings, optimisation of debt structure or replenishment of working capital.

6. Term of validity of the resolution

Term of validity of the resolution of the issue of Super & Short-term Commercial Paper will be 24 months from the date of the approval of such resolution at the general meeting.

7. Measures to ensure repayment

At least the following measures are to be taken when it is expected that the Company is likely or unable to repay the principal and the interest thereof when they are due: suspension of profit distribution to the shareholders; suspension of the capital expenditure projects such as substantial external investments and acquisitions and mergers; reduction or suspension of the payment of the fees and bonus of the directors and the senior management; and no re-designation of the key responsible persons.

8. Authorisation in relation to the Super & Short-term Commercial Paper issue

To ensure that Super & Short-term Commercial Paper is issued in an orderly and efficient manner, the Board proposes to the general meeting to approve the authorisation of the management of the Company by the Board to deal with matters relating to the Super & Short-term Commercial Paper issue under the issue proposal mentioned above, including but not limited to: (1) formulation of the detailed issue proposal relating to this Super & Short-term Commercial Paper issue and amendments and adjustments of the terms thereof, including but not limited to matters relating to reporting and issue of corporate bonds such as the timing, the size, the number of tranches, the maturity, the coupon rates and the basis for determination thereof in so far as permitted by the laws and regulations in accordance with the circumstances of the Company and the market; (2) selecting underwriter for Super & Short-term Commercial Paper, entering into an underwriting agreement of Super & Short-term Commercial Paper, and formulating rules for bondholder meetings; (3) execution of any related contract, agreement and document, including but not limited to application documents, underwriting agreements and announcements of various kinds; (4) dealing with necessary matters, including but not limited to registration; (5) the term of the authorisation will be effective from the date of the resolution relating to the Super & Short-term Commercial Paper issue as approved at the general

meeting to the date of the lapse on validity of the resolution of the general meeting relating to the Super & Short-term Commercial Paper issue or completion of the above matters under the authorisation; and (6) dealing with all other necessary matters relating to the Super & Short-term Commercial Paper issue.

The resolution shall be submitted to the 2016 AGM of the Company as a special resolution for consideration.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

XIV. Issue of medium-term notes was considered and approved

In consideration of expected economic development and interest hike in the future and in order to further expand its financing channels, reduce its finance costs and improve its debt structure and efficiency, the Company intends to issue medium-term notes of not more than RMB6.0 billion (inclusive) under the National Association of Financial Market Institutional Investors. Such medium-term note is not subject to any guarantee. Particulars are as follows:

1. Size

At par value of not more than RMB6.0 billion (inclusive) in aggregate.

2. Term

Not more than five years (inclusive).

3. Coupon rate

The coupon rate will be determined based on availability of capital in the market.

4. Issue target

Institutional investors in the inter-bank market of China.

5. Use of proceeds

The proceeds from the issue of medium-term notes will be used for replacement of bank borrowings, optimisation of debt structure or replenishment of working capital.

6. Term of validity of the resolution

Term of validity of the resolution of the issue of medium-term notes will be 24 months from the date of the approval of such resolution at the general meeting.

7. Measures to ensure repayment

At least the following measures are to be taken when it is expected that the Company is likely or unable to repay the principal and the interest thereof when they are due: suspension of profit distribution to the shareholders; suspension of the capital expenditure projects such as substantial external investments and acquisitions and mergers; reduction or suspension of the payment of the fees and bonus of the directors and the senior management; and no re-designation of the key responsible persons.

8. Authorisation in relation to the medium-term note issue

To ensure that the medium-term notes are issued in an orderly and efficient manner, the Board proposes to approve the authorisation to the management of the Company by the Board to deal with matters relating to the medium-term note issue under the issue proposal mentioned above at the general meeting, including but not limited to: (1) formulation of the detailed issue proposal relating to this medium-term note issue and amendments and adjustments of the terms thereof, including but not limited to matters relating to reporting and issue thereof such as the timing, the size, the number of tranches, the coupon rates or the basis for determination thereof in so far as permitted by the laws and regulations in accordance with the circumstances of the Company and the market; (2) engaging intermediaries for the reporting of matters in relation to the issue thereof; (3) executing any related contract, agreement and document, including but not limited to application documents, underwriting agreements and announcements of various kinds; (4) dealing with necessary procedures, including but not limited to registration; (5) the term of the authorisation will be effective from the date of the resolution relating to the medium-term note issue and this resolution as approved at the general meeting to the date of the lapse of validity of the resolution of the general meeting relating to the medium-term note issue or completion of the above matters under the authorisation; and (6) dealing with all other necessary matters relating to the medium-term note issue.

The resolution shall be submitted to the 2016 AGM of the Company as a special resolution for consideration.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

XV. Issue of dedicated private debt financing instruments was considered and approved

In order to further improve the debt structure, expand the financing channels and ensure the sustainable development of the Company, the Company intends to issue dedicated private debt financing instruments of not more than RMB3.0 billion (inclusive) in the inter-bank bond market. Such dedicated private debt financing instrument is not subject to any guarantee. Particulars are as follows:

1. Size

At par value of not more than RMB3.0 billion (inclusive) in aggregate.

2. Term

Not more than five years.

3. Issue method

In a tranche or tranches by dedicated private issue.

4. Interest rate

The coupon rate will be determined based on availability of capital in the market.

5. Use of proceeds

The proceeds from the issue of dedicated private debt financing instrument will be used for replacement of bank borrowings, optimisation of debt structure or replenishment of working capital.

6. Term of validity of the resolution

Term of validity of the resolution of the issue of dedicated private debt financing instrument will be 24 months from the date of the approval of such resolution at the general meeting.

7. Issue target

Institutional investors in the inter-bank market of China.

8. Measures to ensure repayment

At least the following measures are to be taken when it is expected that the Company is likely or unable to repay the principal and the interest thereof when they are due: suspension of profit distribution to the shareholders; suspension of the capital expenditure projects such as substantial external investments and acquisitions and mergers; reduction or suspension of the payment of the fees and bonus of the directors and the senior management; and no re-designation of the key responsible persons.

9. Authorisation in relation to the dedicated private debt financing instrument issue

To ensure that the dedicated private debt financing instruments are issued in an orderly and efficient manner, the Board proposes to approve the authorisation to the management of the Company by the Board to deal with matters relating to the dedicated private debt financing instrument issue under the issue proposal mentioned above at the general meeting, including but not limited to: (1) formulation of the detailed issue proposal relating to this dedicated private debt financing instrument and amendments and adjustments of the terms thereof, including but not limited to matters relating to reporting and issue thereof such as the timing, the size, the number of tranches, terms or the coupon rates thereof in so far as permitted by the laws and regulations in accordance with the circumstances of the Company and the market; (2) engaging intermediaries for the reporting of matters in relation to the issue thereof; (3) executing any related contract, agreement and document, including but not limited to application documents and underwriting agreements; (4) dealing with necessary procedures, including but not limited to registration; (5) the term of the authorisation will be effective from the date of the resolution relating to the dedicated private debt financing instrument issue and this resolution as approved at the general meeting to the date of the lapse of validity of the resolution of the general meeting relating to the dedicated private debt financing instrument issue or completion of the above matters under the authorisation; and (6) dealing with all other necessary matters relating to the dedicated private debt financing instrument issue.

The resolution shall be submitted to the 2016 AGM of the Company as a special resolution for consideration.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

XVI. Issue of direct wealth management financing instruments was considered and approved

In consideration of expected economic development in the future and in order to further expand its financing channels, reduce its finance costs and improve its debt structure and efficiency, the Company intends to apply to financial institutions for the issue of direct wealth management financing instruments of not more than RMB1.5 billion (inclusive). Such direct wealth management financing instrument is not subject to any guarantee. Particulars are as follows:

1. Size

At par value of not more than RMB1.5 billion (inclusive) in aggregate.

2. Term

Not more than three years (inclusive).

3. Coupon rate

The coupon rate will be determined based on availability of capital in the market.

4. Issue target

Qualified investors.

5. Use of proceeds

The proceeds from the issue of direct wealth management financing instrument will be used for purchase of raw materials, optimisation of debt structure or replenishment of working capital.

6. Term of validity of the resolution

Term of validity of the resolution of the issue of direct wealth management financing instrument will be 24 months from the date of the approval of such resolution at the general meeting.

7. Measures to ensure repayment

At least the following measures are to be taken when it is expected that the Company is likely or unable to repay the principal and the interest thereof when they are due: suspension of profit distribution to the shareholders; suspension of the capital

expenditure projects such as substantial external investments and acquisitions and mergers; reduction or suspension of the payment of the fees and bonus of the directors and the senior management; and no re-designation of the key responsible persons.

8. Authorisation in relation to the direct wealth management financing instrument issue

To ensure that the direct wealth management financing instruments are issued in an orderly and efficient manner, the Board proposes to approve the authorisation to the management of the Company by the Board to deal with matters relating to the direct wealth management financing instrument issue under the issue proposal mentioned above at the general meeting, including but not limited to: (1) formulation of the detailed issue proposal relating to this direct wealth management financing instrument and amendments and adjustments of the terms thereof, including but not limited to matters relating to reporting and issue thereof such as the timing, the size, the number of tranches, the coupon rates or the basis for determination thereof in so far as permitted by the laws and regulations in accordance with the circumstances of the Company and the market; (2) engaging intermediaries for the reporting of matters in relation to the issue thereof; (3) executing any related contract, agreement and document, including but not limited to application documents, underwriting agreements and announcements of various kinds; (4) dealing with necessary procedures, including but not limited to registration; (5) the term of the authorisation will be effective from the date of the resolution relating to the direct wealth management financing instrument issue and this resolution as approved at the general meeting to the date of the lapse of validity of the resolution of the general meeting relating to the direct wealth management financing instrument issue or completion of the above matters under the authorisation; and (6) dealing with all other necessary matters relating to the direct wealth management financing instrument issue.

The resolution shall be submitted to the 2016 AGM of the Company as a special resolution for consideration.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

XVII. Issue of debts under debt financing plan by the Financial Company was considered and approved

In consideration of expected economic development in the future and in order to further expand its financing channels, reduce its finance costs and improve its debt structure and efficiency, Shandong Chenming Financial Leasing Co., Ltd.

(“Chenming Leasing”) intends to issue debts of not more than RMB1.0 billion in aggregate under debt financing plan through cooperation with Bank of Rizhao via Bank of Nanjing. Such debts are guaranteed by Shandong Chenming Paper Holdings Limited. Particulars are as follows:

1. Size

At par value of not more than RMB1.0 billion (inclusive) in aggregate.

2. Term

Not more than three years (inclusive).

3. Coupon rate

The coupon rate will be determined based on availability of capital in the market.

4. Use of proceeds

The proceeds from the issue of debts under debt financing plan will be used for optimisation of debt structure or replenishment of working capital.

5. Term of validity of the resolution

Term of validity of the resolution of the issue of debts under debt financing plan will be 24 months from the date of the approval of such resolution at the general meeting.

6. Measures to ensure repayment

At least the following measures are to be taken when it is expected that the Company is likely or unable to repay the principal and the interest thereof when they are due: suspension of profit distribution to the shareholders; suspension of the capital expenditure projects such as substantial external investments and acquisitions and mergers; reduction or suspension of the payment of the fees and bonus of the directors and the senior management; and no re-designation of the key responsible persons.

7. Authorisation in relation to the debt issue under debt financing plan

To ensure that the debts are issued under debt financing plan in an orderly and efficient manner, the Board proposes to approve the authorisation to the management of the Company by the Board to deal with matters relating to the debt financing plan under the issue proposal mentioned above at the general meeting, including but not limited to: (1) formulation of the detailed issue

proposal relating to this debt financing plan and amendments and adjustments of the terms thereof, including but not limited to matters relating to reporting and issue thereof such as the timing, the size, the number of tranches, the coupon rates or the basis for determination thereof in so far as permitted by the laws and regulations in accordance with the circumstances of the Company and the market; (2) cooperating with Bank of Nanjing and Bank of Rizhao for the reporting of matters in relation to the issue thereof; (3) executing any related contract, agreement and document, including but not limited to application documents and announcements of various kinds; (4) dealing with necessary procedures, including but not limited to registration; (5) the term of the authorisation will be effective from the date of the resolution relating to the debt financing plan and this resolution as approved at the general meeting to the date of the lapse of validity of the resolution of the general meeting relating to the debt financing plan or completion of the above matters under the authorisation; and (6) dealing with all other necessary matters relating to the debt financing plan.

The resolution shall be submitted to the 2016 AGM of the Company as a special resolution for consideration, and shall be considered and approved by Beijing Financial Assets Exchange upon approval at the general meeting.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

XVIII. Construction of 510,000-tonne high-end cultural paper project of Shouguang was considered and approved

In order to make full use of the existing pulp production capacity and cost effectiveness of Shouguang Meilun Paper Co., Ltd. and optimise the market deployment of the Company, the Board of the Company agreed to add a new production line with production capacity of 510,000 tonnes of high-end cultural paper in the original plant for 600,000-tonne coated linerboard production.

For details, please refer to the related announcement of the Company disclosed on the website of CNINFO (www.cninfo.com.cn) and Hong Kong Stock Exchange (www.hkex.com.hk) on the same date.

The resolution shall be submitted to the 2016 AGM of the Company as a special resolution for consideration.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

XIX. Investment in the establishment of Ruijing Life Insurance Co., Ltd. was considered and approved

In order to promote the diversified development of Shandong Chenming Paper Holdings Limited (“Chenming Paper”), further expand the business scope, enhance the Company’s overall strength and comprehensive competitiveness, and foster a new source of profit growth, Chenming Paper intends to jointly establish Ruijing Life Insurance Co., Ltd. (tentative name only, subject to the final company name for commercial registration) with Leader Technology Co., Ltd., Ganzhou Expressway Co., Ltd., Zhongyi Holdings Co., Ltd., Youngy Investment Holding Group Co., Ltd. and Ganzhou Water Affair Group Co., Ltd.

For details, please refer to the related announcement of the Company disclosed on the website of CNINFO (www.cninfo.com.cn) and Hong Kong Stock Exchange (www.hkex.com.hk) on the same date.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

XX. Disposal of property was considered and approved

The Company purchased the property located at No. 2 Zhongguancun South Street, Haidian District, Beijing (“Beijing Digital Tower”) with gross floor area of 1,934.87 square metres in 2001. All necessary procedures for obtaining certificates including property certificate and land use right certificate were completed. From 2001 to 2005, Beijing Digital Tower served as the sales headquarters of the Company. It was leased to other parties since 2006, primarily for commercial and office use. The current net valuation of Beijing Digital Tower amounted to RMB14.25 million. The land use right for Beijing Digital Tower will expire in 2043.

In view of the current trend of the property price, maintenance costs and the capital return, the Company intends to sell Beijing Digital Tower at the market price in order to revitalise the Company’s assets, optimise its resources allocation and enhance the capital utilisation efficiency.

The Board authorised the senior management of the Company to undertake the relevant procedures of disposal of Beijing Digital Tower.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

XXI. The report on deposit and utilisation of proceeds raised was considered and approved

For details, please refer to the related announcement of the Company disclosed on the website of CNINFO (www.cninfo.com.cn) and Hong Kong Stock Exchange (www.hkex.com.hk) on the same date.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

XXII. The general mandate to issue new shares was considered and approved

In accordance with relevant laws and regulations of the PRC, Hong Kong Listing Rules and the Articles of Association, it is proposed at the general meeting that the Board be authorised, and be approved to delegate the authority to the Chairman to allot, issue and/or deal in additional A shares and/or B shares and/or H shares and/or preference shares and to make, grant or enter into offers, agreements, options, and other rights (including but not limited to restoration of voting rights of preference shares) for such A shares, B shares, H shares and/or preference shares under the general mandate and in accordance with its terms upon the approval of this resolution at the general meeting. The number of A shares, B shares and H shares involved shall not exceed 20% of the aggregate number of each of the A shares, B shares and H shares as at the date of approval of this general mandate of the Company.

The resolution shall be submitted to the 2016 AGM of the Company as a special resolution for consideration.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

XXIII. Convening of the 2016 AGM of the Company was considered and approved

The Company will convene the 2016 AGM. For details, please refer to the related announcement disclosed on the website of CNINFO (www.cninfo.com.cn) and Hong Kong Stock Exchange (www.hkex.com.hk) on the same date.

The voting result of this resolution: votes for: 10; votes against: 0; votes abstained: 0.

Notice is hereby given.

The Board of Shandong Chenming Paper Holdings Limited
17 February 2017