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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 on Provision of Financial Support to Investee” dated 27 April 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  
27 April 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.:  
2017-046

## **Shandong Chenming Paper Holdings Limited** **Announcement on Provision of Financial Support to Investee**

The Company and all members of the board (the “Board”) of directors (“Directors”) 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.

### **I. Overview of provision of financial support**

On 27 April 2017, the “Resolution on Provision of Financial Support to An Investee” was considered and approved at the fifth meeting of the eighth session of the Board of Shandong Chenming Paper Holdings Limited (the “Company”). The Directors present at the meeting passed the resolution unanimously. The Company intended to provide financial support to its investee, Weifang Sime Darby West Port Co., Ltd. (潍坊森達美西港有限公司) (“Sime Darby West Port”), to maintain the ordinary operation of its projects, and to maximise the benefits of the Company, given the current operation and capital utilisation of the Company. The financial support shall be not more than RMB130 million, and is effective for five years. The Company will receive interest on the financial support at a rate of 6% per annum.

### **Breakdown of the Financial Support provided by the Company to the Investee**

Unit: RMB’0,000

<b>No.</b>	<b>Name of investee</b>	<b>Shareholding percentage (%)</b>	<b>Gearing ratio (%)</b>	<b>Support amount</b>
1	Weifang Sime Darby West Port Co., Ltd.	50	81.99	13,000
<b>Total</b>		—	—	13,000

### **II. Basic information about the company receiving financial support**

1. Company name: Weifang Sime Darby West Port Co., Ltd.
2. Registered address: 25 miles to the north of Yangzi Sub-district Office, Binhai District, Weifang

3. Legal representative: Hou Huancai
4. Registered capital: RMB200 million
5. Date of establishment: 28 June 2013
6. Scope of business: Port terminal construction, management, and operation
7. Shareholders: Owned by the Company as to 50% and owned by Sime Darby Overseas (HK) Limited (“Sime Darby (HK)”) as to 50%

As at 31 December 2016, the total assets, total liabilities, net assets and net profit of Sime Darby West Port amounted to RMB354.9939 million, RMB291.0418 million, RMB63.9521 million and -RMB839,300, respectively. The amounts are audited. Sime Darby (HK) will provide financial support in proportion to the capital contribution ratio.

The financial support does not constitute a material asset reorganisation or a related party transaction and is subject to consideration and approval at the 2017 first extraordinary general meeting of the Company.

### **III. Other party of the transaction**

1. Company name: Sime Darby Overseas (HK) Limited
2. Registered address: 5/F, Sime Darby House, 380 Castle Peak Road, Tsuen Wan, the New Territories, Hong Kong
3. Registered capital: HK\$200 million
4. Date of establishment: 21 March 2007
5. Shareholders and their shareholdings: Sime Darby Utilities Sdn Bhd (100%)

As of 31 December 2016, the total assets, total liabilities, net assets and net profit of Sime Darby (HK) amounted to HK\$3,218.6782 million, HK\$3,151.4210 million, HK\$67.2571 million and -HK\$14.3829 million, respectively.

#### **IV. Major contents of the support agreement**

Sime Darby West Port and the Company will enter into a support agreement, pursuant to which the term of the support, liability for breach of contract and others will be agreed on according to its actual needs during its operations based on the total support amount to Sime Darby West Port as considered, approved and passed by the Board of the Company and the shareholders at the general meeting. The final total support amount will not exceed the amount granted in the financial support.

#### **IV. Opinions of independent Directors**

From our point of view, provision of financial support to Sime Darby West Port by Chenming Paper, provided that the capital requirement for the ordinary production and operation of the Company is fulfilled, can fulfil the capital requirement for the operation and development of Sime Darby West Port, thereby further expanding the business scale of Sime Darby West Port. The target receiving the financial support as mentioned above is an investee of the Company. Sime Darby Overseas (HK) Limited will also provide financial support in proportion to its capital contribution ratio. The risk exposures in relation to the provision of financial support to Sime Darby West Port by the Company are controllable. The financial support will be mainly used to replenish the working capital of Sime Darby West Port and as a financial source for its development project. The Company will receive interest on the financial support at a rate of 6% per annum. The provision financial support to Sime Darby West Port by the Company will not prejudice the interest of the Company and its shareholders.

#### **V. Opinions of the Board**

The target receiving the financial support as mentioned above is an investee of the Company. Sime Darby (HK) will also provide financial support in proportion to its capital contribution ratio. The risk exposures in relation to the provision of financial support to Sime Darby West Port by the Company are controllable. The financial support will be mainly used to replenish the working capital of Sime Darby West Port and as a financial source for its development project. The Company will receive interest on the financial support at a rate of 6% per annum. The provision of financial support to Sime Darby West Port by the Company will not prejudice the interest of the Company and its shareholders. Through provision of financial support to Sime Darby West Port by the Company, the project construction can be accelerated. Upon the completion of project development, the brand influence of the Company will be enhanced, and the industry chain of the Company will be expanded with sustainable profitability of the Company being strengthened.

## **VI. Accumulated external financial support and overdue financial support**

As at 31 March 2017, the incurred balance of external financial support of the Company and its controlling subsidiary amounted to RMB1.265 billion (excluding the financial support of its controlling subsidiary included in its consolidated financial statements). With the inclusion of the amount of financial support to be provided to Sime Darby West Port by the Company, the total amount of external financial support of the Company and its controlling subsidiary will be amounted to RMB1.395 billion (excluding the financial support of its controlling subsidiary included in its consolidated financial statements), representing 6.18% and 1.70% of net assets and total assets under the latest audited consolidated financial statements of the Company, respectively. The Company did not have any overdue external financial support.

## **VII. Documents available for inspection**

1. Resolutions of the fifth meeting of the eighth session of the Board of the Company
2. Opinion from independent Directors

Notice is hereby given.

**Board of Shandong Chenming Paper Holdings Limited**  
**27 April 2017**