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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 Twentieth Extraordinary Meeting of the Eighth Session of the Board of Directors” dated 29 January 2018 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
29 January 2018

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.:
2018-006

Shandong Chenming Paper Holdings Limited

Announcement in respect of Resolutions of the Twentieth Extraordinary Meeting of the Eighth Session of the Board of Directors

The Company and all members of the Board hereby warrant that the truthfulness, accuracy and completeness of the contents of the announcement which do not contain any false information, misleading statements or material omissions.

The notice of the twentieth extraordinary meeting of the eighth session of the board (the “Board”) of directors (“Directors”) of Shandong Chenming Paper Holdings Limited (the “Company”) was despatched to all Directors in writing and by post on 23 January 2018, and the said meeting was held on 29 January 2018 by means of communications. 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.

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

I. Resolution on the related party transaction in respect of the transfer of 30% equity interest in and loan due from Hongtai Real Estate held by Guangdong Dejun to the Company was considered and approved

In order to promote the diversified development of Shandong Chenming Paper Holdings Limited (“Chenming Paper” or the “Company”), further expand its business scope, ensure and facilitate the smooth commencement of various businesses of the Company in Shanghai and the surrounding areas, and enhance its overall strength and comprehensive competitiveness, the Company proposed to enter into the Equity Acquisition Agreement with Guangdong Dejun Investment Co., Ltd. (廣東德駿投資有限公司) (“Guangdong Dejun”) through Shanghai Chenming Industry Co., Ltd. (上海晨鳴實業有限公司) (“Shanghai Chenming”), a wholly-owned subsidiary of the Company. Shanghai Chenming proposed to be transferred 30% equity interest in Shanghai Hongtai Real Estate Co., Ltd. (上海鴻泰房地產有限公司, “Hongtai Real Estate” or the “Target Company”) and the loan due from Hongtai Real Estate held by Guangdong Dejun at a consideration of RMB1,275,000,000 based on the total shareholders’ equity of Hongtai Real Estate as valued at RMB3,908,397,000. The equity transaction amounted to RMB1,171,960,000 and the loan amounted to RMB103,040,000.

As Mr. Chen Hongguo, the Chairman of the Company, also serves as a director of Guangdong Dejun, the transfer of 30% equity interest in and loan due from Hongtai Real Estate held by Guangdong Dejun to Shanghai Chenming constituted a related party transaction under Rule 10.1.3 (III) of the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange. As a related party director, Mr. Chen Hongguo has abstained from voting on this resolution in accordance with the relevant regulations.

The resolution shall be submitted to the 2018 first extraordinary general meeting of the Company for consideration and approval.

The voting result of this resolution: votes for: 9, votes against: 0, votes abstained: 0.

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

II. Resolution on the establishment of Beijing Chenming Financial Leasing Company (北京晨鳴融資租賃公司) was considered and approved

In order to promote the diversified development of the finance segment of the Group, further expand the scope of the finance leasing business, enhance the overall strength and comprehensive competitiveness of the Company, and create new sources of profit growth for the Company, the Company proposed to establish a new finance leasing company, namely Beijing Chenming Financial Leasing Co., Ltd. (北京晨鳴融資租賃有限公司 (a tentative name subject to commercial and industrial registration, “Beijing Chenming Leasing”), in Beijing. The registered capital of Beijing Chenming Leasing will be RMB1,000 million, of which RMB750 million will be contributed by Shandong Chenming Financial Leasing Co., Ltd., accounting for 75% of its equity interest, and RMB250 million will be contributed by Chenming (HK) Limited, accounting for 25% of its equity interest. Capital contribution will be made in instalments in line with the business development of Beijing Chenming Leasing.

The resolution shall be submitted to the 2018 first extraordinary general meeting of the Company for consideration and approval.

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

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

III. Resolution on the establishment of Wuhan Chenming Financial Leasing Company (武漢晨鳴融資租賃公司) was considered and approved

In order to promote the diversified development of the finance segment of the Group, further expand the scope of the finance leasing business, enhance the overall strength and comprehensive competitiveness of the Company, and create new sources of profit growth for the Company, the Company proposed to establish a new finance leasing company, namely Wuhan Beijing Chenming Financial Leasing Co., Ltd. (武漢晨鳴融資租賃有限公司) (a tentative name subject to commercial and industrial registration, “Wuhan Chenming Leasing”), in Wuhan. The registered capital of Wuhan Chenming Leasing will be RMB1,000 million, of which RMB750 million will be contributed by Shandong Chenming Financial Leasing Co., Ltd., accounting for 75% of its equity interest, and RMB250 million will be contributed by Chenming (HK) Limited, accounting for 25% of its equity interest. Capital contribution will be made in instalments in line with the business development of Wuhan Chenming Leasing.

The resolution shall be submitted to the 2018 first extraordinary general meeting of the Company for consideration and approval.

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

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

IV. Resolution on the provision of guarantee in favour of related subsidiaries for their credit facilities applications was considered and approved

In order to ensure the smooth operation of the finance business of related wholly-owned subsidiaries of the Company, satisfy their normal operating needs and reduce their financial expenses, the Company proposed to provide a guarantee of RMB12,000 million in total, in favour of the related subsidiaries for their credit facilities applications to banks and non-bank institutions.

With the total amount of credit facilities granted by the relevant institutions, the related subsidiaries will enter into financing contracts with the relevant institutions according to their actual business needs, and the final guarantee amount in total will not exceed the guarantee amount granted under this resolution.

The resolution shall be submitted to the 2018 first extraordinary general meeting of the Company for consideration and approval.

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

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

Notice is hereby given.

The Board of Shandong Chenming Paper Holdings Limited

29 January 2018