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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 Second Extraordinary Meeting of the Eighth Session of the Board of Directors” dated 13 September 2016 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
13 September 2016

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.:
2016-113

SHANDONG CHENMING PAPER HOLDINGS LIMITED

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

The Company and all members of the board (the “Board”) of directors (“Directors”) hereby warrant that 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 second extraordinary 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 7 September 2016, and the said meeting was held by means of communication on 13 September 2016. 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 “Articles of Association”).

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

I. Resolution in relation to the commencement of asset securitisation business by Sales Company was considered and approved

Shandong Chenming Paper Sales Company Limited (“Sales Company”), a wholly-owned subsidiary of the Company, intends to commence asset securitisation business in exchange market with account receivable as subject. The business scale should not exceed RMB2.1 billion (inclusive) with a term of not more than 5 years. Security can be issued in tranches. The final issue price shall be determined base on market quotation.

Upon the commencement of asset securitisation business by Sales Company, the idle assets of the Company can be revitalised effectively, and the process of capital transfer can be facilitated. Moreover, this will expand the independent financing channels of the Company, as well as optimise the liability structure. This will also serve as a foundation for launching financing business in other capital market in the future.

This resolution is subject to approval at the general meeting of the Company.

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

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

II. Resolution in relation to capital increase in Chenming Finance Company was considered and approved

After operated for more than two years, Shandong Chenming Group Finance Co., Ltd. (“Chenming Finance Company”), a subsidiary of the Company, had its indicators fulfilling the regulatory requirements of regulatory authorities. In order to further improve the fund settlement, management and investment and financing standards, optimise resources utilisation, maximise profits, reduce financing costs and enhance comprehensive strength, the Company and Jiangxi Chenming Paper Co., Ltd. intend to increase the capital of Chenming Finance Company by RMB0.8 billion and RMB0.2 billion with their own funds respectively. After the completion of the capital increase, the registered capital of Chenming Finance Company will be increased to RMB2.0 billion from RMB1.0 billion.

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

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

Notice is hereby given.

Board of Shandong Chenming Paper Holdings Limited
13 September 2016