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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 “Shandong Chenming Paper Holdings Limited: Explanation on the Status of Announcement and Review Opinions of the Supervisory Committee Regarding the List of Participants under 2020 Restricted A Share Incentive Scheme” dated 7 May 2020 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
7 May 2020

As at the date of this announcement, the executive Directors are Mr. Chen Hongguo, Mr. Hu Changqing and Mr. Li Xingchun; the non-executive Directors are Mr. Han Tingde and Mr. Li Chuanxuan; and the independent non-executive Directors are Ms. Yin Meiqun, Mr. Sun Jianfei and Mr. Yang Biao.

* *For identification purposes only*

Stock code: 000488 200488 Stock abbreviation: Chenming Paper Chenming B

Announcement No.: 2020-042

Shandong Chenming Paper Holdings Limited

Explanation on the Status of Announcement and Review

Opinions of the Supervisory Committee Regarding the List of Participants under 2020 Restricted A Share Incentive Scheme

The Company and all members of the Supervisory Committee 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.

On 30 March 2020, the ninth interim meeting of the ninth session of the Board of Directors and the fourth interim meeting of the ninth session of the Supervisory Committee were convened by Shandong Chenming Paper Holdings Limited (hereinafter referred to as the “Company”), and the Resolution in relation to the “2020 Restricted Share Incentive Scheme of Shandong Chenming Paper Holdings Limited (draft)” and its summary and other relevant resolutions were considered and approved. In accordance with relevant provisions under the Management Measures for Share Incentives of Listed Companies (hereinafter referred to as the “Management Measures”), the Company announced the name and position of the proposed participants within the Company.

I. Status of Announcement and Method of Review

In accordance with the provisions under the “Management Measures” and the “Articles of Association of Shandong Chenming Paper Holdings Limited” (hereinafter referred to as the “Articles of Association”), the Supervisory Committee of the Company reviewed the list of proposed participants under “2020 Restricted Share Incentive Scheme of Shandong Chenming Paper Holdings Limited (draft)” (hereinafter referred to as the “Incentive Scheme (Draft)”) in consideration of the status of announcement, and the relevant status of announcement and method of review are set out as follows:

1. Status of announcement for participants

On 31 March 2020, the Company published the announcements in relation to the “Incentive Scheme (Draft)” and its summary, the Assessment Management Measures for the 2020 Restricted A Shares Incentive Scheme (《2020 年 A 股限制性股票激励计划实施考核管理办法》) and the List of Participants under 2020 Restricted A Share Incentive Scheme (《2020 年 A 股限制性股票激励计划激励对象名单》) on the website of <http://www.cninfo.com.cn>, and on 3 April 2020, the Company published the Notice on Announcement of the List of Participants under 2020 Restricted A Share Incentive Scheme of Shandong Chenming Paper Holdings Limited (《山东晨鸣纸业集团股份有限公司关于公司 2020 年 A 股限制性股票激励计划人员名单公示的通知》) via the internal website of the Company, to announce the name and position of the proposed participants for a period of 10 days from 3 April 2020 to 12 April 2020, during which any employee who has objections against the participants or their information may immediately report the situation to the Supervisory Committee, securities investment department or human resources department of the Company in written or oral form.

As at 12 April 2020, the Supervisory Committee of the Company and the above-mentioned departments did not receive any objection against the proposed participants from any individual.

2. The way in which the Supervisory Committee of the Company reviews the proposed participants.

The Supervisory Committee of the Company reviews the list of proposed participants, identification documents, labor/ employment contracts entered into between the proposed participants and the Company (including subsidiaries) and positions held by the proposed participants.

II. REVIEW OPINIONS OF THE SUPERVISORY COMMITTEE

In accordance with the Management Measures and the Articles of Association, the Supervisory Committee expressed the following review opinions based on the status of announcement of the name and position of the proposed participants of the Company and the review results of the Supervisory Committee:

1. The persons included in the list of participants of this "Incentive Scheme (Draft)" are in line with the conditions on participants stipulated in the regulatory documents including the Management Measures, and are in line with the conditions on participants specified in the Incentive Scheme (Draft).

2. The basic information of the participants is true, and there is no false statement, intentional concealment or information that may cause major misunderstanding.

3. The participants are the directors, senior management and core technology (business) backbones who serve in the Company (including subsidiaries) when the Company implements this scheme, and the persons who, in the opinion of the Board, shall be incentivized.

4. None of the following circumstances existed with respect to participants (1) having been declared an inappropriate candidate by stock exchange in the past 12 months; (2) having been declared an inappropriate candidate by the CSRC or its local counterparts in the past 12 months; (3) having been imposed with administrative penalties or prohibited from market entry by the CSRC or its local counterparts in the past 12 months due to material violation of laws and regulations; (4) being prohibited from acting as a director or a member of senior management of the Company by the Company Law; (5) being prohibited from participating in any share incentive scheme of listed companies by laws and regulations and (6) other circumstances as determined by the CSRC.

5. The participants shall exclude any supervisors, independent directors and external directors of the Company. None of the shareholders individually or in aggregate holding 5% or more of the shares of the Company or the *de facto* controllers and their spouses, parents or children have participated in the incentive scheme.

In conclusion, the Supervisory Committee of the Company is of the view that the participants listed under the Incentive Scheme are in compliance with the conditions on relevant laws, regulations and normative documents, and the qualifications of the participants under the Incentive Scheme are legal and valid.

Notice is hereby given.

The Supervisory Committee of
Shandong Chenming Paper Holdings Limited

7 May 2020