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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)

FURTHER INFORMATION
IN RELATION TO THE PROPOSED CHANGE OF LISTING VENUE OF
THE DOMESTIC LISTED FOREIGN SHARES (B SHARES) AND THEIR
LISTING ON THE MAIN BOARD OF HONG KONG STOCK EXCHANGE
BY CONVERSION

Reference is made to the announcement of the Company dated 29 January 2021 in relation to, among others, the proposed change of listing venue of the domestic listed foreign shares (B Shares) and their listing on the Main Board of Stock Exchange by conversion (the “**Announcement**”). Unless otherwise stated, capitalised terms used herein shall bear the same meanings as those defined in the Announcement.

Meaning of the Minimum Percentage of Public Float

As disclosed in the Announcement, if the declared exercise of the Cash Options will result in the public float of H shares failing to meet the requirements of the Stock Exchange for the minimum public float of the H shares of listed companies, the Cash Options under the Proposal on Changing the Listing Venue of B Shares will not be implemented, the Proposal on Changing the Listing Venue of B Shares will be terminated and B Shares will continue to be traded on the Shenzhen Stock Exchange. The minimum percentage of public float under Rules 8.08 and 13.32 of the Listing Rules is applicable to the Company. As the Company has three classes of securities, the Company’s minimum percentage of public float refers to the minimum percentage of total securities of the Company held by the public (on all regulated market(s) including the Stock Exchange) in the Company’s total number of all three classes of issued shares under Rule 8.08(1) (b) of the Listing Rule and must be at least 25%.

Consequences of Insufficient Public Float

As disclosed in the Announcement, if the proportion of exercise of the Cash Options is too high, resulting in insufficient public float, the Proposal on Changing the Listing Venue of B Shares may not be able to fulfil the requirements under the Listing Rules. As the Stock Exchange would not approve the listing of the H Shares to be converted pursuant to the Proposal on Changing the Listing Venue of B Shares in this scenario, the Cash Options under the Proposal on Changing the Listing Venue of B Shares will not be implemented, the Proposal on Changing the Listing Venue of B Shares will be terminated and B Shares will continue to be traded on the Shenzhen Stock Exchange.

Shareholding Structure of the Company

Considering Chenming Holdings (Hong Kong) Limited, a wholly-owned subsidiary of the Company's controlling shareholder, Chenming Holding Company Limited, has undertaken to withdraw its rights to exercise its Cash Options in relation to its B Shares as disclosed in the Announcement, the following table sets out the shareholding structure of the Company as at the date of the Announcement, and immediately after the change of the listing venue of B Shares and their listing and trading on the Stock Exchange by conversion (assuming all of the B Shares as at the date of the Announcement complete the changing of listing venue and their listing and trading on the Stock Exchange by conversion):

Shareholders	Class of Shares	As at the date of the Announcement		Immediately after the change of the listing venue of B Shares and their listing and trading on the Stock Exchange by conversion (assuming all public holders of B Shares declare to exercise their Cash Options)		Immediately after the change of the listing venue of B Shares and their listing and trading on the Stock Exchange by conversion (assuming all public holders of B Shares do not declare to exercise their Cash Options)	
		<i>Approximate percentage of Shares held in all classes of issued Shares</i>		<i>Approximate percentage of Shares held in all classes of issued Shares</i>		<i>Approximate percentage of Shares held in all classes of issued Shares</i>	
		<i>Number of Shares held</i>	<i>(%)</i>	<i>Number of Shares held</i>	<i>(%)</i>	<i>Number of Shares held</i>	<i>(%)</i>
Substantial shareholders							
Chenming Holding Company Limited (晨鳴控股有限公司) ("Chenming Holdings")	A Shares	457,322,919	15.32	457,322,919	15.32	457,322,919	15.32
	B Shares	-	-	-	-	-	-
	H Shares	-	-	-	-	-	-
Chenming Holdings (Hong Kong) Limited (晨鳴控股(香港)有限公司) ("Chenming Holdings (HK)") (Note 1)	A Shares	-	-	-	-	-	-
	B Shares	210,717,563	7.06	-	-	-	-
	H Shares	153,414,000	5.14	364,131,563	12.20	364,131,563	12.20
Directors and other core connected persons							
	A Shares	45,178,228	1.51	45,178,228	1.51	45,178,228	1.51
	B Shares	-	-	-	-	-	-
	H Shares	-	-	-	-	-	-
Total of substantial shareholders and core connected persons							
	A Shares	502,501,147	16.84	502,501,147	16.84	502,501,147	16.84
	B Shares	210,717,563	7.06	-	-	-	-
	H Shares	153,414,000	5.14	364,131,563	12.20	364,131,563	12.20
	All classes	866,632,710	29.04	866,632,710	29.04	866,632,710	29.04
Third party(ies) who provide Cash Options							
	A Shares	-	-	-	-	-	-
	B Shares	-	-	-	-	-	-
	H Shares	-	-	495,667,703	16.61	-	-
	All classes	-	-	495,667,703	16.61	-	-
Public (Note 2)							
	A Shares	1,247,016,537	41.79	1,247,016,537	41.79	1,247,016,537	41.79
	B Shares	495,667,703	16.61	-	-	-	-
	H Shares	374,891,250	12.56	374,891,250	12.56	870,558,953	29.17
	All classes	2,117,575,490	70.96	1,621,907,787	54.35	2,117,575,490	70.96
Total		2,984,208,200	100	2,984,208,200	100	2,984,208,200	100

- Notes: 1. *As Chenming Holdings (HK) is a wholly-owned subsidiary of Chenming Holdings, Chenming Holdings is deemed to be interested in the Shares held by Chenming Holdings (HK) under the Securities and Futures Ordinance (Cap. 571).*
2. *Including the H Shares registered in the name of HKSCC Nominees Limited (as at the date of the Announcement, being 373,331,125 H Shares).*

Save as disclosed above, all other information in the Announcement remains unchanged.

Shareholders and potential investors of the Company are advised to exercise caution in dealings in the shares of the Company.

By order of the Board
Shandong Chenming Paper Holdings Limited
Chen Hongguo
Chairman

Shandong, the PRC
3 February 2021

As at the date of this announcement, the executive Directors are Mr. Chen Hongguo, Mr. Hu Changqing, Mr. Li Xingchun and Mr. Li Feng; 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*