
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Shandong Chenming Paper Holdings Limited you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**(1) 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;
(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
(3) NOTICE OF 2021 FIRST EXTRAORDINARY GENERAL MEETING;
AND
(4) NOTICE OF 2021 FIRST CLASS MEETING FOR HOLDERS
OF H SHARES**

A letter from the Board is set out on pages 5 to 15 of this circular.

The EGM and the H Share Class Meeting will be held on Tuesday, 9 March 2021 at 2:00 p.m. and immediately after the conclusion of the 2021 first class meeting for holders of domestic-listed shares (A Shares and B Shares) (or any adjourned meeting thereof) on Tuesday, 9 March 2021 respectively at the conference room of the research and development centre of the Company, No. 2199 Nongsheng Road East, Shouguang City, Shandong Province, the People's Republic of China.

Notices of the EGM and the H Share Class Meeting dated 29 January 2021 have been published by the Company on the website of the Stock Exchange respectively, and have been despatched by the Company together with their respective forms of proxy for the solicitation of voting rights by the Independent Non-Executive Director.

Whether or not you are able to attend the EGM and the H Share Class Meeting, you are requested to complete and return the appropriate forms of proxy for the solicitation of voting rights by the Independent Non-Executive Director in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the EGM and the H Share Class Meeting (or any adjournment thereof (as the case may be)). Completion and return of the forms of proxy will not affect your rights to attend in person and vote at the EGM and the H Share Class Meeting, should you so wish.

* *For identification purpose only*

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DEFINITIONS

In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Articles of Association”	the articles of association of the Company, i.e. the Articles of Association of Shandong Chenming Paper Holdings Limited;
“A Share(s)”	the domestic share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Shenzhen Stock Exchange and traded in RMB (stock code: 000488);
“A Shareholder(s)”	holder(s) of A Share(s);
“Board”	the board of directors of the Company;
“B Share(s)”	the domestic listed foreign share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Main Board of Shenzhen Stock Exchange and traded in Hong Kong dollars (stock code: 200488);
“B Shareholder(s)”	holder(s) of B Share(s);
“Cash Option(s)”	the option(s) provided by third party(ies), whereby B Shareholders may choose to declare their exercise within a specified time to transfer part or all of their B Shares to such third party(ies);
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“Chairman”	the chairman of the Company;
“Chenming Holdings”	Chenming Holding Company Limited*, a limited liability company incorporated in the PRC with limited liability, and the controlling Shareholder of the Company;
“Chenming Holdings (HK)”	Chenming Holdings (Hong Kong) Limited, a limited company incorporated in Hong Kong, and a wholly-owned subsidiary of Chenming Holdings;

DEFINITIONS

“Class Meetings”	the 2021 first class meeting for holders of domestic listed shares (A Shares and B Shares) and the H Share Class Meeting to be held by the Company on 9 March 2021;
“Company”	Shandong Chenming Paper Holdings Limited*, a joint stock limited liability company incorporated in the PRC whose H Shares are listed on the Main Board of the Stock Exchange;
“CSRC”	China Securities Regulatory Commission;
“Date of the listing of the New H Shares”	the date on which the New H Shares to be listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“domestic”	within the PRC;
“EGM”	the 2021 first extraordinary general meeting to be held by the Company on 9 March 2021;
“Executive Director”	the executive Director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“HK\$”	Hong Kong Dollar(s), the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“H Share Class Meeting”	the 2021 first class meeting for holders of H Shares to be held by the Company on 9 March 2021;
“H Share Registrar”	Computershare Hong Kong Investor Services Limited;
“H Share(s)”	the overseas listed foreign share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Stock Exchange and traded in Hong Kong dollars (stock code: 01812);

DEFINITIONS

“H Shareholder(s)”	holder(s) of H Share(s);
“Latest Practicable Date”	19 February 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular;
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“New H Shares”	the new H Shares to be converted from B Shares under the Proposal of Change of B Share Listing Venue;
“overseas”	outside the PRC;
“PRC”	the People’s Republic of China, but for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“Proposal of Change of B Share Listing Venue”	the proposal involving the proposed change of listing venue of the Company’s B Shares, application for their listing on the Main Board of the Stock Exchange by conversion and conversion of B Shares into H Shares;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	A Share(s), B Share(s) and/or H Share(s);
“Shareholder(s)”	holder(s) of shares of the Company;
“Shenzhen Stock Exchange”	the Shenzhen Stock Exchange;
“Southbound Trading”	the scheme of investing in the H Shares listed on the Stock Exchange through the Shenzhen Stock Exchange;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supervisor”	the supervisor(s) of the Company; and
“%”	per cent.

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EXPECTED TIMETABLE

The expected timetable for, inter alia, 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 is set forth below:

Events	2021 (Hong Kong time)
Latest time for lodging transfer of Shares for entitlement to attend and vote at the EGM and the H Share Class Meeting	Monday, 1 March, (4:30 p.m.)
Closure of the register of members of the Company for determining the identity of the Shareholders who are entitled to attend and vote at the EGM and the H Share Class Meeting	Tuesday, 2 March to Tuesday, 9 March
Latest time to return form of proxy for the EGM and the H Share Class Meeting	Monday, 8 March, by (2 p.m.)
Date and time of the EGM	Tuesday, 9 March (2 p.m.)
Date and time of the H Share Class Meeting	Tuesday, 9 March (immediately after the conclusion of the 2021 first class meeting for holders of A Shares and B Shares (or any adjourned meeting thereof))
Publication of poll results announcement of the EGM	Tuesday, 9 March
Publication of poll results announcement of the H Shares Class Meeting	Tuesday, 9 March

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Chen Hongguo
Mr. Hu Changqing
Mr. Li Xingchun
Mr. Li Feng

Legal address:

No. 595 Shengcheng Road
Shouguang City
Shandong Province
PRC

Non-executive Directors:

Mr. Han Tingde
Mr. Li Chuanxuan

Independent non-executive Directors:

Ms. Yin Meiqun
Mr. Sun Jianfei
Mr. Yang Biao

22 February 2021

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED CHANGE OF LISTING VENUE
OF THE DOMESTIC LISTED FOREIGN SHARES (B SHARES)
AND THEIR LISTING ON THE MAIN BOARD
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(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
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OF H SHARES**

INTRODUCTION

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.

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LETTER FROM THE BOARD

The purpose of this circular is to provide you with the details of 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, so that you may make an informed decision on voting in respect of the relevant resolutions at the EGM and the H Share Class Meeting.

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

Introduction of the Proposal on Changing the Listing Venue of B Shares

As at the date of this circular, the number of total issued B Shares is 706,385,266. In accordance with the Proposal on Changing the Listing Venue of B Shares, the Company plans to apply for the change of the listing venue of its foreign shares (B Shares, which are listed on the Shenzhen Stock Exchange) and their listing and trading on the Main Board of the Stock Exchange by means of conversion into overseas listed foreign shares (H shares, to be listed on the Stock Exchange).

In order to fully protect the legitimate rights and interests of the B Shareholders and implement the Proposal on Changing the Listing Venue of B Shares, the Company will arrange for a third party(ies) to provide Cash Options to all B Shareholders. Such third party(ies) is/are expected to be financial institution(s) selected by the Company which is/are capable to engage in investment activities, and is/are independent of the Directors, supervisors, substantial shareholders and chief executive of the Group. Shareholders who originally held the B Shares may choose to declare their exercise of the Cash Option(s) within a specified time, which is expected to be at least five business days and not more than ten business days, to transfer part or all of their B Shares to the third party(ies) providing the Cash Option(s); or choose to continue to hold and keep their B Shares which will be listed on the Stock Exchange, and such B Shares will be converted into H Shares. The B Shareholders who validly declared the relevant Cash Option are entitled to the cash consideration of HK\$3.33 per Share to be paid by the Cash Option provider(s). Please refer to the paragraph headed “Cash Option” for further details.

Upon the completion of the implementation of the Cash Options, on behalf of all B Shareholders, a nominee holder authorized by the Board will open an account at the designated qualified securities company in Hong Kong for the B Shares held by all B Shareholders as and when appropriate (such account would be used only for agency transactions, and for registration of and settlement by investors) to assume custody of H Shares and handle related procedures (the Company will make separate announcement(s) on the specific terms as well as the rights and obligations arrangement of the relevant parties as and when appropriate).

Overseas investors with complete documentation may transfer their H Shares into their existing accounts after completing the registration of the H Shares, or apply for opening independent accounts at qualified securities management companies in Hong Kong or other overseas securities companies and transfer their H Shares into such new accounts.

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Upon successful implementation of the Proposal on Changing the Listing Venue of B Shares, the original B Shareholders may choose to conduct transactions through domestic or overseas securities company trading systems in accordance with their own circumstances and on the basis of voluntariness, and in compliance with laws, regulations and trading rules.

B Shares that are held in inactive accounts, and B Shares whose Cash Options' exercise are not declared or invalidly declared, will have their listing venue changed and will be listed and traded on the Main Board of the Stock Exchange by conversion upon completion of all approval procedures and implementation of the Proposal on Changing the Listing Venue of B Shares.

As advised by the Company's legal adviser as to PRC laws, the Proposal of Change of B Share Listing Venue complies with the published interpretations of relevant PRC laws, rules, regulations or administrative procedures.

Cash Option

The holders of the B Shares must declare their exercise of Cash Options within the time limit for declaration, which is expected to be at least five business days and not more than ten business days. The B Shareholders who validly declared the relevant Cash Option are entitled to the cash consideration to be paid by the Cash Option provider(s) at the price agreed in the Proposal on Changing the Listing Venue of B Shares. The Cash Options with no declaration made within the specified period will be rendered void. If a B Shareholder does not participate in the declaration of his/her Cash Option(s) or his/her declaration is invalid, the B Shares held by him/her will have their listing venue changed and will be listed and traded on the Main Board of the Stock Exchange by conversion upon completion of all approval procedures and implementation of the Proposal on Changing the Listing Venue of B Shares.

In case of any of the following circumstances, the Proposal on Changing the Listing Venue of B Shares will be terminated and the Cash Options under the Proposal on Changing the Listing Venue of B Shares will not be implemented, and B Shares will continue to be traded on the Shenzhen Stock Exchange:

1. 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 percentage of public float of listed companies' securities under Rules 8.08 and 13.32 of the Listing Rules, which requires 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 must be at least 25% under Rule 8.08(1)(b) of the Listing Rules;
2. the declared exercise of the Cash Options will result in the total number of shares held by the three largest public holders of H Shares exceeding 50% of the public float of H Shares, or the number of public shareholders in Hong Kong being less than 300;

LETTER FROM THE BOARD

3. the Proposal on Changing the Listing Venue of B Shares fails to obtain the necessary approvals at the EGM or the Class Meetings or permits or approvals from the CSRC and other domestic and overseas government departments and authorities (if necessary); or
4. the Company is unable to arrange for any third party(ies) to provide the Cash Option.

If none of the aforementioned circumstances occurs beyond the time limit for declaration, the Cash Options will be cleared and settled. The B Shareholders who validly made declaration within the time limit will be entitled to the cash consideration to be paid by the Cash Option provider(s) at the price agreed in the Proposal on Changing the Listing Venue of B Shares. The specific price shall represent a premium of 5% to the closing price of HK\$3.17 per share on the date of passing of the Board resolution in respect of the Proposal on Changing the Listing Venue of B Shares (29 January 2021), i.e. HK\$3.33 per Share. Chenming Holdings (Hong Kong), an overseas wholly-owned subsidiary of Chenming Holdings (the controlling shareholder of the Company), has undertaken to withdraw its rights to exercise its Cash Options.

The detailed arrangements of the Company's Cash Options proposal (including but not limited to the time limit for registration and declaration, the method of declaration and settlement of the Cash Options, etc.) will be disclosed in a timely manner, following the EGM and obtaining the approval from the CSRC, in accordance with applicable laws and regulations.

Authorisation and Approval

The Proposal on Changing the Listing Venue of B Shares is subject to the following authorisations and approvals:

1. The Proposal on Changing the Listing Venue of B Shares being considered at the EGM and the Class Meetings, and is respectively: (1) approved by votes representing more than two-thirds of the voting rights held by all Shareholders attending the EGM; (2) approved by votes representing more than two-thirds of the voting rights held by all Shareholders and the B Shareholders attending the Class Meeting for holders of domestic-listed Shares; and (3) approved by votes representing more than two-thirds of the voting rights held by the Shareholders attending the Class Meeting for holders of foreign-listed Shares;
2. The Company submits relevant documents to the CSRC and obtains approval for the Proposal on Changing the Listing Venue of B Shares;
3. The Company obtains approval from the Stock Exchange for the listing of the New H Shares; and

LETTER FROM THE BOARD

4. Review or approval (if necessary) by other government departments and authorities.

The Proposal on Changing the Listing Venue of B Shares will be terminated if it fails to obtain any of the above approvals.

Schedule

Subject to the authorisations and approvals as set out in this circular, the key events of the Proposal on Changing the Listing Venue of B Shares are stated as follows, and the detailed timing arrangements will be announced separately:

1. Submitting application to the CSRC under the Proposal of Change of B Share Listing Venue;
2. Obtaining the approval granted by the CSRC for the application under the Proposal of Change of B Share Listing Venue;
3. The register of B Shares for determining the identity of the B Shareholders who are entitled to the Cash Option(s);
4. Declaring their exercise of the Cash Option(s) by B Shareholders;
5. Publishing the announcement in relation to the results of the implementation of the Cash Options;
6. Obtaining the approval granted by the Shenzhen Stock Exchange for the application of delisting B Shares;
7. Obtaining the approval granted by the Listing Committee of the Stock Exchange for the New H Shares;
8. Delisting of B Shares;
9. Publishing the announcement in relation to the listing of the New H Shares on the Main Board of the Stock Exchange.

Public Float

Shares listed and traded on the Stock Exchange must meet the percentage of public float required from time to time under the Listing Rules. 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.

LETTER FROM THE BOARD

Status of the New H Shares

Under Article 75 of the Articles of Association, the New H Shares will rank *pari passu* in all respects with the H Shares in issue on the Date of the listing of the New H Shares. Holders of the New H Shares will be entitled to receive all future dividends and distributions (if any) which are declared, made or paid after the Date of the listing of the New H Shares. The change of the listing venue of B Shares and their listing and trading on the Main Board of the Stock Exchange by conversion should not result in any change to the rights of the H Shares.

Effect to the Company's Shareholding Structure upon the Change of the Listing Venue of B Shares and Their Listing and Trading on the Main Board of the Stock Exchange by Conversion

Considering Chenming Holdings (Hong Kong) has undertaken to withdraw its rights to exercise its Cash Options in relation to its B Shares, the following table sets out the shareholding structure of the Company as at the date of the Latest Practicable Date, and immediately after the change of the listing venue of B Shares and their listing and trading on the Main Board of the Stock Exchange by conversion (assuming all of the B Shares as at the date of the Latest Practicable Date complete the changing of listing venue and their listing and trading on the Main Board of the Stock Exchange by conversion):

Shareholders	Class of Shares	As at the date of the Latest Practicable Date		Immediately after the change of the listing venue of B Shares and their listing and trading on the Main Board of the Stock Exchange by conversion (assuming all public B Shareholders declare to exercise their Cash Options)		Immediately after the change of the listing venue of B Shares and their listing and trading on the Main Board of the Stock Exchange by conversion (assuming all public B Shareholders do not declare to exercise their Cash Options)	
		<i>Approximate percentage of Shares held in all classes of issued Shares</i>	<i>Number of Shares held (%)</i>	<i>Approximate percentage of Shares held in all classes of issued Shares</i>	<i>Number of Shares held (%)</i>	<i>Approximate percentage of Shares held in all classes of issued Shares</i>	<i>Number of Shares held (%)</i>
Substantial shareholders							
Chenming Holding	A Shares	457,322,919	15.32	457,322,919	15.32	457,322,919	15.32
	B Shares	-	-	-	-	-	-
	H Shares	-	-	-	-	-	-
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

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Shareholders	Class of Shares	As at the date of the Latest Practicable Date		Immediately after the change of the listing venue of B Shares and their listing and trading on the Main Board of the Stock Exchange by conversion (assuming all public B Shareholders declare to exercise their Cash Options)		Immediately after the change of the listing venue of B Shares and their listing and trading on the Main Board of the Stock Exchange by conversion (assuming all public B Shareholders do not declare to exercise their Cash Options)	
		<i>Approximate percentage of Shares held in all classes of</i>	<i>Approximate percentage of Shares held in all classes of</i>	<i>Approximate percentage of Shares held in all classes of</i>	<i>Approximate percentage of Shares held in all classes of</i>		
		<i>Number of Shares held</i>	<i>issued Shares (%)</i>	<i>Number of Shares held</i>	<i>issued Shares (%)</i>	<i>Number of Shares held</i>	<i>issued Shares (%)</i>
Directors and other core connected persons							
Chen Hongguo ^{Note 2}	A Shares	31,080,044	1.04	31,080,044	1.04	31,080,044	1.04
	B Shares	-	-	-	-	-	-
	H Shares	-	-	-	-	-	-
Hu Changqing ^{Note 2}	A Shares	5,042,857	0.17	5,042,857	0.17	5,042,857	0.17
	B Shares	-	-	-	-	-	-
	H Shares	-	-	-	-	-	-
Li Xingchun ^{Note 2}	A Shares	5,000,000	0.17	5,000,000	0.17	5,000,000	0.17
	B Shares	-	-	-	-	-	-
	H Shares	-	-	-	-	-	-
Li Feng ^{Note 2}	A Shares	3,906,027	0.13	3,906,027	0.13	3,906,027	0.13
	B Shares	-	-	-	-	-	-
	H Shares	-	-	-	-	-	-
Li Kang ^{Note 2}	A Shares	149,300	0.01	149,300	0.01	149,300	0.01
	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(s) Cash Options ^{Note 3}							
	A Shares	-	-	-	-	-	-
	B Shares	-	-	-	-	-	-
	H Shares	-	-	495,667,703	16.61	-	-
	All classes	-	-	495,667,703	16.61	-	-

LETTER FROM THE BOARD

Shareholders	Class of Shares	As at the date of the Latest Practicable Date		Immediately after the change of the listing venue of B Shares and their listing and trading on the Main Board of the Stock Exchange by conversion (assuming all public B Shareholders declare to exercise their Cash Options)		Immediately after the change of the listing venue of B Shares and their listing and trading on the Main Board of the Stock Exchange by conversion (assuming all public B Shareholders do not declare to exercise their Cash Options)	
		<i>Approximate percentage of Shares held in all classes of</i>	<i>Number of issued Shares (%)</i>	<i>Approximate percentage of Shares held in all classes of</i>	<i>Number of issued Shares (%)</i>	<i>Approximate percentage of Shares held in all classes of</i>	<i>Number of issued Shares (%)</i>
Public ^{Note 4}	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. Mr. Chen Hongguo is the Chairman and an Executive Director; Mr. Hu Changqing, Mr. Li Xingchun, and Mr. Li Feng are Executive Directors; Mr. Li Kang is a Supervisor.
3. Assuming the shares held by third party(ies) who provide(s) Cash Options would not be deemed as shares held by public.
4. Including the H Shares registered in the name of HKSCC Nominees Limited (as at the date of the Latest Practicable Date, being 373,331,125 H Shares).

LETTER FROM THE BOARD

Application for Listing

Application will be made by the Company to the Listing Committee of the Stock Exchange for the approval for the listing of, and permission to deal in, the New H Shares. Subject to the obtaining of the authorisations and approvals as set out in this circular (including but not limited to the granting of the aforesaid listing approval by the Stock Exchange), the New H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS. All necessary arrangements will be made by the Company for the New H Shares to be admitted into CCASS. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Closure of Registrar of Members

The register of members of the Company will be temporarily closed from 2 March 2021 to 9 March 2021 (both days inclusive) during which no transfer of H shares of the Company will be registered in order to determine the list of H shareholders of the Company for attending the EGM and the H Share Class Meeting. The last lodgment for the transfer of the H shares of the Company should be made on 1 March 2021 at Computershare Hong Kong Investor Services Limited by or before 4:30 p.m. The holders of H shares of the Company or their proxies being registered at the close of business on 1 March 2021 are entitled to attend the EGM and the H Share Class Meeting by presenting their identity documents. The address of Computershare Hong Kong Investor Services Limited, the H share registrar of the Company, is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

Further Information on the Mechanism and Procedures for Conversion

The B Shares would only be admitted and listed as H Shares on the Stock Exchange following the approval of the CSRC and completion of the following procedures: the B Shares will be withdrawn from the China Securities Depository and Clearing Corporation Limited and the Company will re-register such Shares on the H Share register maintained in Hong Kong and instruct the H Share Registrar to issue H Share certificates. The transfer of B Shares to the Stock Exchange will be required to meet the established administrative procedures for listing at the Stock Exchange, including the submission of necessary documentation and the delivery of the Shares for inclusion in the H Share register of the Company. Registration on the Company's H Share register will be conditional on (1) the H Share Registrar lodging with the Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register and the due despatch of H Share certificates, and (2) the admission of the H Shares to trade on the Stock Exchange in compliance with the Listing Rules, the General Rules of CCASS and the CCASS Operational Procedures in force from time to time. Until the converted Shares are re-registered on the H Share register, such Shares would not be listed as H Shares.

The expected completion date of the Proposal on Changing the Listing Venue of B Shares and the expected date of commencement of dealings in the New H Shares, is Thursday, 20 May 2021 (Hong Kong time) on 9:00 a.m. The expected completion date is indicative only and may be extended or varied. Any changes to the expected completion date will be announced by the Company as and when appropriate. The Company will make an announcement to inform

LETTER FROM THE BOARD

Shareholders and the public of the obtaining of the approval from CSRC and progress of the Company's application to the CSRC and the above withdrawal procedures as soon as practicable, and in any event not less than three days prior to the effective date of the Proposal on Changing the Listing Venue of B Shares.

Reasons of the Proposal on Changing the Listing Venue of B Shares

The Board is of the view that the Proposal on Changing the Listing Venue of B Shares is made on the basis of full consideration of the circumstance of the trading and circulation of B Shares and the necessity of listing and circulation of the Company's shares on the Main Board of the Stock Exchange. The trading of B Shares has been inactive as compared to that of the A Shares and H Shares. The trading volume and turnover rate of the A Shares, B Shares and H Shares for the period between 1 January 2020 and 31 December 2020 ("Period") are set forth as follows:

Class of Shares	Trading volume during the Period	Turnover rate during the Period	Average daily turnover rate during the Period
A Shares	8,916,111,900	537.32%	2.21%
H Shares	931,682,900	176.35%	0.63%
B Shares	417,935,900	59.17%	0.24%

The general trading inactivity of the B Shares, as indicated from the above lower trading volume and turnover rate of the B Shares compared to those of A Shares and H Shares during the Period, hinders the market's valuation and resource allocation functions. After the implementation of the Proposal on Changing the Listing Venue of B Shares, it will completely solve the problem of the trading inactivity of B Shares. The change of listing venue and the listing and trading on the Main Board of the Stock Exchange help to further deepen the Company's market image, improve its market competitiveness, and promote the development of its industrial structure in the direction of advanced development.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Pursuant to the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Letter of Opinions on Supplementary Amendments to Articles of Association of Companies Listed in Hong Kong ("Zheng Jian Hai Han [1995] No. 1") and the Opinions on Further Promoting the Regular Operation of Companies Listed Abroad and Deepening the Reform, and with reference to the relevant requirements under the Guidance for the Articles of Association of Listed Companies (Revised in 2019) and the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange, the Company will amend the Articles of Association. The existing Articles of Association of the Company shall remain valid until the completion of the Proposal on Changing the Listing Venue of B Shares.

LETTER FROM THE BOARD

The resolution in relation to the consideration and approval of the “Articles of Association of Shandong Chenming Paper Holdings Limited (Draft, Applicable after the Changing of the Listing Venue of the B Shares)” has been considered and approved in the Board meeting on 29 January 2021 and will be submitted as a special resolution for consideration and approval at the EGM and the H Share Class Meeting.

The proposed amendments to the Articles of Association shall be subject to the approvals or permits required by, or registration with, the relevant regulatory authorities, and shall come into effect upon the approval by the relevant regulatory authorities and the change of the listing venue of B Shares and their listing on the Main Board of the Stock Exchange by conversion. The proposed amendments to the Articles of Association are set out in the Appendix to this circular.

The legal advisers of the Company as to Hong Kong laws and the PRC laws have respectively confirmed that the proposed amendments to the Articles of Association are in compliance with the requirements of the Listing Rules and the laws of the PRC. The Company also has confirmed that there is nothing unusual about the proposed amendments to the Articles of Association for a company listed in Hong Kong.

RECOMMENDATION

The Board is of the view that the terms of the Proposal on Changing the Listing Venue of B Shares are fair and reasonable, in line with the Company’s development strategies, and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the special resolutions proposed at the EGM and the H Shares Class Meeting.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with respect to the Company. The information contained herein relating to the Company has been supplied by the Directors, who collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, no other facts are omitted in this circular which would make any statement herein misleading insofar as it relates to the Company.

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

Comparison chart on the amendments to the Articles of Association

Original Article	Amended Article
<p>(The Articles of Association is formulated in accordance with the currently effective law, regulation and constitutional system of The Company Law of the People’s Republic of China (the “Company Law”), Mandatory Provisions for the Articles of Association of Companies Listed Overseas (the “Mandatory Provisions”), Circular Regarding Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong (“Zheng Jian Hai Han [1995] No.1”), Opinions on Further Standardising Operations and Intensifying Reforms of Companies Listed Overseas (“Opinions”), Notice on further implementation of Cash Dividends Distribution of Listed Companies (Lu Zheng Jian Fa [2012] No.18), Notice on amendment to Articles of Association governing the Cash Dividends Distribution ([2012] No.18), State Council Guiding Opinions on The Experimental Development of Preference Shares (Guo Fa [2013] No.46), Experimental Administrative Measures on Preference Shares (CSRC Order No.97), Guidelines for the Articles of Association for Listed Companies (as amended in 2019) (the “Guidelines for the Articles of Association”), Code of Corporate Governance for Listed Companies (the “CG Code” or “CSRC Announcement [2018] No. 29”), Procedural Rules for General Meeting of Listed Companies (the “Procedural Rules for General Meeting” or “Zheng Jian Fa [2016] No. 22”), Guiding Opinions on the Establishment of Independent Director System of Listed Companies (the “Guiding Opinions” or “Zheng Jian Fa [2001] No. 102”), Regulatory Guidance for Listed Companies No. 3-Distribution of Cash Dividends by Listed Companies (“Distribution of Cash Dividends by Listed Companies” or “[2013] No. 43”), Reply of the State Council on the Adjustment of the Notice Period of the General Meeting and Other Matters Applicable to Overseas Listed Companies (“Reply of the State Council”) and Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and Rules Governing the Listing of Securities of Shenzhen Stock Exchange (the “SZSE Listing Rules”))</p>	<p>(The Articles of Association is formulated in accordance with the currently effective law, regulation and constitutional system of The Company Law of the People’s Republic of China (the “Company Law”), Special Provisions of the State Council Concerning the Floatation and Listing Abroad of Stocks by Limited Stock Companies (State Council Order No. 160) (the “Special Provisions”), Mandatory Provisions for the Articles of Association of Companies Listed Overseas (the “Mandatory Provisions”), Circular Regarding Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong (“Zheng Jian Hai Han [1995] No.1”), Opinions on Further Standardising Operations and Intensifying Reforms of Companies Listed Overseas (“Opinions”), Notice on further implementation of Cash Dividends Distribution of Listed Companies (Lu Zheng Jian Fa [2012] No.18), Notice on amendment to Articles of Association governing the Cash Dividends Distribution ([2012] No.18), State Council Guiding Opinions on The Experimental Development of Preference Shares (Guo Fa [2013] No.46), Experimental Administrative Measures on Preference Shares (CSRC Order No.97), Guidelines for the Articles of Association for Listed Companies (as amended in 2019) (the “Guidelines for the Articles of Association”), Code of Corporate Governance for Listed Companies (the “CG Code” or “CSRC Announcement [2018] No. 29”), Procedural Rules for General Meeting of Listed Companies (the “Procedural Rules for General Meeting” or “Zheng Jian Fa [2016] No. 22”), Guiding Opinions on the Establishment of Independent Director System of Listed Companies (the “Guiding Opinions” or “Zheng Jian Fa [2001] No. 102”), Regulatory Guidance for Listed Companies No. 3-Distribution of Cash Dividends by Listed Companies (“Distribution of Cash Dividends by Listed Companies” or “[2013] No. 43”), Reply of the State Council on the Adjustment of the Notice Period of the General Meeting and Other Matters Applicable to Overseas Listed Companies (“Reply of the State Council”) and Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and Rules Governing the Listing of Securities of Shenzhen Stock Exchange (the “SZSE Listing Rules”))</p>

Original Article	Amended Article
<p>Article 27</p> <p>The number of ordinary shares issued by the Company upon approval is 3,030,248,674.</p> <p>The total number of ordinary shares issued in the initial public offering is 66,647,400. The number of shares issued to the promoter Shouguang State Owned Assets Administration Bureau at the time of its establishment is 46,497,400, accounting for 69.77% of the aggregate issued by the Company in the initial public offering.</p> <p>On 24 December 2013, the Company cancelled the repurchased 86,573,974 domestic listed foreign shares. The total number of ordinary shares is changed to 1,975,471,967 shares.</p> <p>On 14 May 2014, the Company cancelled the repurchased 39,066,500 overseas listed foreign shares. The total number of ordinary shares is changed to 1,936,405,467 shares.</p> <p>On 17 March 2016, the number of preference shares issued by the Company upon approval was 22,500,000, on 17 August 2016, the number of preference shares issued by the Company upon approval was 10,000,000, on 22 September 2016, the number of preference shares issued by the Company upon approval was 12,500,000.</p> <p>As considered and approved by the 2017 shareholders' general meeting of the Company, the Company issued 5 bonus shares for every 10 shares to shareholders of the ordinary shares by way of conversion of capital reserve based on the total share capital of the Company of 1,936,405,467 shares as at 31 December 2017. For the issue by way of conversion, the Company issued an aggregate of 968,202,733 ordinary shares, including 556,639,228 A shares held by shareholders of domestic shares, 235,461,755 B shares held by shareholders of domestic listed foreign shares and 176,101,750 H shares held by shareholders of overseas listed foreign shares.</p>	<p>Article 27</p> <p>The number of ordinary shares issued by the Company upon approval is 2,984,208,200.</p> <p>The total number of ordinary shares issued in the initial public offering is 66,647,400. The number of shares issued to the promoter Shouguang State Owned Assets Administration Bureau at the time of its establishment is 46,497,400, accounting for 69.77% of the aggregate issued by the Company in the initial public offering.</p> <p>On 24 December 2013, the Company cancelled the repurchased 86,573,974 domestic listed foreign shares. The total number of ordinary shares is changed to 1,975,471,967 shares.</p> <p>On 14 May 2014, the Company cancelled the repurchased 39,066,500 overseas listed foreign shares. The total number of ordinary shares is changed to 1,936,405,467 shares.</p> <p>On 17 March 2016, the number of preference shares issued by the Company upon approval was 22,500,000, on 17 August 2016, the number of preference shares issued by the Company upon approval was 10,000,000, on 22 September 2016, the number of preference shares issued by the Company upon approval was 12,500,000.</p> <p>As considered and approved by the 2017 shareholders' general meeting of the Company, the Company issued 5 bonus shares for every 10 shares to shareholders of the ordinary shares by way of conversion of capital reserve based on the total share capital of the Company of 1,936,405,467 shares as at 31 December 2017. For the issue by way of conversion, the Company issued an aggregate of 968,202,733 ordinary shares, including 556,639,228 A shares held by shareholders of domestic shares, 235,461,755 B shares held by shareholders of domestic listed foreign shares and 176,101,750 H shares held by shareholders of overseas listed foreign shares.</p>

Original Article	Amended Article
	<p>As considered and approved by the 2020 second extraordinary general meeting, the 2020 first class meeting for holders of domestic-listed shares and the 2020 first class meeting for holders of foreign-listed shares held on 15 May 2020, an aggregate of 79.6 million restricted A shares were issued to 111 incentive participants. Upon the issuance, the total number of ordinary shares of the Company is 2,984,208,200.</p> <p>On [●] 2021, as approved by CSRC and Hong Kong Stock Exchange, the place of listing of domestic-listed foreign shares of the Company changed to the Main Board of Hong Kong Stock Exchange by way of share conversion.</p> <p>Upon the completion of the above change of place of listing of listed foreign shares and the listing and trading on the Main Board of Hong Kong Stock Exchange, the total number of shares of the Company is: 2,984,208,200 ordinary shares and 45,000,000 preference shares.</p>

Original Article	Amended Article
<p>Article 28</p> <p>Approved by Document [1997] No.63 issued by the People's Government of Shandong Province on February 28, 1997 and by Securities Commission of the State Council on May 4, 1997, the Company issued 115,000,000 domestic listed foreign shares for the first time to overseas investors. The shares became listed in Shenzhen Stock Exchange on May 26, 1997.</p> <p>Approved by Zheng Jian Gong Si Zi [2000] No.151 issued by China Securities Regulatory Commission on September 30, 2000, the Company issued 70,000,000 Renminbi-denominated ordinary shares, which became listed in Shenzhen Stock Exchange on November 20, 2000.</p> <p>Approved by The Stock Exchange of Hong Kong Limited, the Company initially issued 355,700,000 H shares, which became listed on the SEHK on June 18, 2008, in a global offering.</p> <p>Approved by Zheung Jian Xu Ke [2015] No. 2130 issued by China Securities Regulatory Commission on 17 September 2015, to issue not more than 45,000,000 preference shares. Among which, 22,500,000 preference shares were issued for the first time, and listed on Shenzhen Stock Exchange on 8 April 2016; 10,000,000 preference shares were issued for the second time, and listed on Shenzhen Stock Exchange on 12 September 2016; 12,500,000 preference shares were issued for the third time, and listed on Shenzhen Stock Exchange on 24 October 2016.</p> <p>As considered and approved by the 2017 shareholders' general meeting of the Company, the Company issued 5 bonus shares for every 10 shares to shareholders of the ordinary shares by way of conversion of capital reserve based on the total share capital of the Company of 1,936,405,467 shares as at 31 December 2017. For the issue by way of conversion, the Company issued an aggregate of 968,202,733 ordinary shares, including 556,639,228 A shares held by shareholders of domestic shares, 235,461,755 B shares held by shareholders of domestic listed foreign shares and 176,101,750 H shares held by shareholders of overseas listed foreign shares.</p>	<p>Article 28</p> <p>Approved by Document [1997] No.63 issued by the People's Government of Shandong Province on February 28, 1997 and by Securities Commission of the State Council on May 4, 1997, the Company issued 115,000,000 domestic listed foreign shares for the first time to overseas investors. The shares became listed in Shenzhen Stock Exchange on May 26, 1997.</p> <p>Approved by Zheng Jian Gong Si Zi [2000] No.151 issued by China Securities Regulatory Commission on September 30, 2000, the Company issued 70,000,000 Renminbi-denominated ordinary shares, which became listed in Shenzhen Stock Exchange on November 20, 2000.</p> <p>Approved by The Stock Exchange of Hong Kong Limited, the Company initially issued 355,700,000 H shares, which became listed on the SEHK on June 18, 2008, in a global offering.</p> <p>Approved by Zheung Jian Xu Ke [2015] No. 2130 issued by China Securities Regulatory Commission on 17 September 2015, to issue not more than 45,000,000 preference shares. Among which, 22,500,000 preference shares were issued for the first time, and listed on Shenzhen Stock Exchange on 8 April 2016; 10,000,000 preference shares were issued for the second time, and listed on Shenzhen Stock Exchange on 12 September 2016; 12,500,000 preference shares were issued for the third time, and listed on Shenzhen Stock Exchange on 24 October 2016.</p> <p>As considered and approved by the 2017 shareholders' general meeting of the Company, the Company issued 5 bonus shares for every 10 shares to shareholders of the ordinary shares by way of conversion of capital reserve based on the total share capital of the Company of 1,936,405,467 shares as at 31 December 2017. For the issue by way of conversion, the Company issued an aggregate of 968,202,733 ordinary shares, including 556,639,228 A shares held by shareholders of domestic shares, 235,461,755 B shares held by shareholders of domestic listed foreign shares and 176,101,750 H shares held by shareholders of overseas listed foreign shares.</p>

Original Article	Amended Article
<p>The total number of shares of the Company is: 2,904,608,200 ordinary shares and 45,000,000 preference shares, where included in the ordinary shares are:</p> <p>1,669,917,684 A shares held by shareholders of domestic listed domestic shares, accounting for 57.49% of the total shares; including 439,505,485 A shares (state-owned corporate shares) held by Shouguang Chenming Holdings Company Limited (壽光晨鳴控股有限公司), accounting for 15.13% of the total shares. 1,230,412,199 A shares held by shareholders of other domestic shares, accounting for 42.36% of the total shares;</p> <p>706,385,266 B shares held by shareholders of domestic listed foreign shares, accounting for 24.32% of the total shares; and</p> <p>528,305,250 H shares held by shareholders of overseas listed foreign shares, accounting for 18.19% of the total shares.</p>	<p>As considered and approved by the 2020 second extraordinary general meeting, the 2020 first class meeting for holders of domestic-listed shares and the 2020 first class meeting for holders of foreign-listed shares held on 15 May 2020, an aggregate of 79.6 million restricted A shares were issued to 111 incentive participants. Upon the issuance, the total number of ordinary shares of the Company is 2,984,208,200.</p> <p>On [●] 2021, as approved by CSRC and Hong Kong Stock Exchange, the place of listing of domestic-listed foreign shares of the Company changed to the Main Board of Hong Kong Stock Exchange by way of share conversion.</p> <p>Upon the completion of the above change of place of listing of listed foreign shares and the listing and trading on the Main Board of Hong Kong Stock Exchange, the total number of shares of the Company is: 2,984,208,200 ordinary shares and 45,000,000 preference shares, where included in the ordinary shares are:</p> <p>1,749,517,684 A shares held by shareholders of domestic listed domestic shares, accounting for 58.63% of the total shares; including 457,322,919 A shares (state-owned corporate shares) held by Chenming Holdings Company Limited (晨鳴控股有限公司), accounting for 15.32% of the total shares. 1,292,194,765 A shares held by shareholders of other domestic shares, accounting for 43.30% of the total shares; 1,234,690,516 H shares held by shareholders of overseas listed foreign shares, accounting for 41.37% of the total shares.</p>

Original Article	Amended Article
<p>Article 29</p> <p>The Board of Directors of the Company may separately implement plans approved by securities supervisory authorities of PRC to issue domestic shares, domestic and overseas listed foreign shares.</p> <p>The Company's plans for the separate issues of domestic shares, domestic and overseas listed foreign shares in accordance with the foregoing may be implemented separately within 15 months of the approval by securities supervisory authorities of PRC.</p>	<p>Article 29</p> <p>The Board of Directors of the Company may separately implement plans approved by securities supervisory authorities of PRC to issue domestic shares and overseas listed foreign shares.</p> <p>The Company's plans for the separate issues of domestic shares and overseas listed foreign shares in accordance with the foregoing may be implemented separately within 15 months of the approval by securities supervisory authorities of PRC.</p>
<p>Article 30</p> <p>Of the total number of shares specified in an issue plan of the Company, including domestic shares, domestic and overseas listed foreign shares, shares of each class must be fully subscribed for in each offering. Where it is impossible to fully subscribe for shares of any class, such shares can be issued through several times subject to the approval of securities supervisory authorities of PRC.</p>	<p>Article 30</p> <p>Of the total number of shares specified in an issue plan of the Company, including domestic shares and overseas listed foreign shares, shares of each class must be fully subscribed for in each offering. Where it is impossible to fully subscribe for shares of any class, such shares can be issued through several times subject to the approval of securities supervisory authorities of PRC.</p>
<p>Article 31</p> <p>The Company's registered capital is RMB2,904,608,200.</p>	<p>Article 31</p> <p>The Company's registered capital is RMB2,984,208,200.</p>
<p>Article 35</p> <p>Domestic shares, domestic and overseas listed foreign shares and preference shares must be traded, granted, inherited and mortgaged in accordance with provisions of laws of PRC and the Articles. Assignment and transfer of the Company's shares shall be registered with the share registrar appointed by the Company, and in accordance with the relevant requirements.</p>	<p>Article 35</p> <p>Domestic shares, overseas listed foreign shares and preference shares must be traded, granted, inherited and mortgaged in accordance with provisions of laws of PRC and the Articles. Assignment and transfer of the Company's shares shall be registered with the share registrar appointed by the Company, and in accordance with the relevant requirements.</p>

Original Article	Amended Article
<p>Article 114</p> <p>Notice of shareholders' general meetings for shareholders of domestic listed domestic shares [A shares] and domestic listed foreign shares [B shares] shall be published on newspapers, periodicals specified and websites specified by securities supervisory authorities of PRC twenty (20) clear working days (both days exclusive) prior to the meeting. Notice of extraordinary general meetings shall be published on newspapers, periodicals specified and websites specified by securities supervisory authorities of PRC fifteen (15) days prior to the meeting. The notice will be deemed received by the abovementioned shareholders once being published.</p>	<p>Article 114</p> <p>Notice of shareholders' general meetings for shareholders of domestic listed domestic shares [A shares] shall be published on newspapers, periodicals specified and websites specified by securities supervisory authorities of PRC twenty (20) clear working days (both days exclusive) prior to the meeting. Notice of extraordinary general meetings shall be published on newspapers, periodicals specified and websites specified by securities supervisory authorities of PRC fifteen (15) days prior to the meeting. The notice will be deemed received by all shareholders of domestic listed domestic shares [A shares] once being published.</p>
<p>Article 165</p> <p>The resolutions of the General Meeting shall be announced in a timely manner, and the announcement shall indicate the number of shareholders and proxies that attended the meeting, the total number of voting shares and its proportion to the total share capital carrying voting rights of the Company, and the voting method, voting results of each resolution and details of each resolution passed. The attendance and voting of the holders of domestic shares (A shares), domestic listed foreign shares (B shares) and overseas listed foreign shares (H shares) and preference shares shall be analyzed statistically and announced respectively.</p> <p>Where a motion has not been adopted or the resolution of any previous shareholders' general meeting has been modified in the current shareholders' general meeting, a special explanation shall be made in the announcement on the resolutions of the shareholders' general meeting.</p>	<p>Article 165</p> <p>The resolutions of the General Meeting shall be announced in a timely manner, and the announcement shall indicate the number of shareholders and proxies that attended the meeting, the total number of voting shares and its proportion to the total share capital carrying voting rights of the Company, and the voting method, voting results of each resolution and details of each resolution passed. The attendance and voting of the holders of domestic shares (A shares), overseas listed foreign shares (H shares) and preference shares shall be analyzed statistically and announced respectively.</p> <p>Where a motion has not been adopted or the resolution of any previous shareholders' general meeting has been modified in the current shareholders' general meeting, a special explanation shall be made in the announcement on the resolutions of the shareholders' general meeting.</p>

Original Article	Amended Article
<p>Article 174</p> <p>The following circumstances shall be deemed to be a variation or abrogation of the rights of holders of certain class shares:</p> <p>(1) the increase or decrease in the number of shares of such class (including without limitation additional offer (or repurchase) of H shares or additional offer (repurchase) of A shares and/or H shares), or the increase or decrease in the number of shares of a class having equal or additional voting rights, distribution rights or other privileges, except for transfer of shares held by domestic share shareholders of the Company to overseas investors and trade of such shares in overseas markets as stated in Article 26 herein;</p> <p>.....</p>	<p>Article 174</p> <p>The following circumstances shall be deemed to be a variation or abrogation of the rights of holders of certain class shares:</p> <p>(1) the increase or decrease in the number of shares of such class (including without limitation additional offer (or repurchase) of H shares or additional offer (repurchase) of A shares), or the increase or decrease in the number of shares of a class having equal or additional voting rights, distribution rights or other privileges, except for transfer of shares held by domestic share shareholders of the Company to overseas investors and trade of such shares in overseas markets as stated in Article 26 herein;</p> <p>.....</p>
<p>Article 359</p> <p>The Company shall settle disputes as follows:</p> <p>(1) Whenever any disputes or claims arise between holders of the overseas listed foreign shares and the Company, holders of the overseas listed foreign shares and the Company's Directors, supervisors, managers or other senior management members, or holders of the overseas listed foreign shares and holders of domestic shares, holders of overseas listed foreign shares and holders of domestic listed foreign shares, based on the Articles of Association or any rights or obligations conferred or imposed by the PRC Company Law or any other relevant laws and administrative regulations concerning the affairs of the Company, such disputes or claims shall be referred by the relevant parties to arbitration.</p>	<p>Article 359</p> <p>The Company shall settle disputes as follows:</p> <p>(1) Whenever any disputes or claims arise between holders of the overseas listed foreign shares and the Company, holders of the overseas listed foreign shares and the Company's Directors, supervisors, managers or other senior management members, or holders of the overseas listed foreign shares and holders of domestic shares, based on the Articles of Association or any rights or obligations conferred or imposed by the PRC Company Law or any other relevant laws and administrative regulations concerning the affairs of the Company, such disputes or claims shall be referred by the relevant parties to arbitration.</p>

Original Article	Amended Article
<p data-bbox="240 257 376 283">Article 367</p> <p data-bbox="240 331 785 729">As to the notices to be issued by the Company to the holder of domestic shares (including holders of domestic shares (A share)—and holders of domestic listed foreign shares (B share)) and holders of preference shares, the Company shall publish an announcement on one or more newspaper designated by the securities regulatory authorities of the PRC; once the announcement is published, the holders of domestic shares shall be deemed to have received the relevant notice.</p>	<p data-bbox="809 257 944 283">Article 367</p> <p data-bbox="809 331 1353 693">As to the notices to be issued by the Company to the holder of domestic shares (including holders of domestic shares (A share)) and holders of preference shares, the Company shall publish an announcement on one or more newspaper designated by the securities regulatory authorities of the PRC; once the announcement is published, the holders of domestic shares shall be deemed to have received the relevant notice.</p>



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)

NOTICE OF 2021 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2021 first extraordinary general meeting (the “**EGM**”) of Shandong Chenming Paper Holdings Limited (the “**Company**”) will be held at 2:00 p.m. on Tuesday, 9 March 2021, at the conference room of the research and development centre of the Company, No. 2199 Nongsheng Road East, Shouguang City, Shandong Province, the People’s Republic of China (the “**PRC**”) for the purpose of passing the following resolutions:

SPECIAL RESOLUTIONS

1. Resolution in relation to the “Proposal on the Domestic Listed Foreign Shares of the Company Changing Listing Venue to be Listed and Traded on the Main Board of The Stock Exchange of Hong Kong Limited by Way of Conversion”
2. Resolution in relation to the full authorisation granted by the general meeting of the Company to the Board and its authorised persons to deal with matters relating to the domestic listed foreign shares changing listing venue to be listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited by way of conversion
3. Resolution in relation to the designation of persons authorised by the Board
4. Resolution in relation to the consideration and approval of the “Articles of Association of Shandong Chenming Paper Holdings Limited (Draft, Applicable after the Changing of the Listing Venue of the B Shares)”

* *For identification purpose only*

NOTICE OF 2021 FIRST CLASS MEETING FOR HOLDERS OF H SHARES

5. Resolution in relation to the period of validity of the resolution regarding the domestic listed foreign shares of the Company changing listing venue to be listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited by way of conversion

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

Shandong, PRC
29 January 2021

Notes:

1. The register of members of the Company will be temporarily closed from 2 March 2021 to 9 March 2021 (both days inclusive) during which no transfer of H shares of the Company will be registered in order to determine the list of holders of H shares of the Company for attending the EGM. The last lodgment for the transfer of the H shares of the Company should be made on 1 March 2021 at Computershare Hong Kong Investor Services Limited by or before 4:30 p.m. The holders of H shares of the Company or their proxies being registered at the close of business on 1 March 2021 are entitled to attend the EGM by presenting their identity documents. The address of Computershare Hong Kong Investor Services Limited, the H share registrar of the Company, is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
2. Each shareholder having the rights to attend and vote at the EGM is entitled to appoint one or more proxies (whether a shareholder or not) to attend and vote on his behalf. Should more than one proxy be appointed by one shareholder, such proxy shall only exercise his voting rights on a poll.
3. Shareholders can appoint a proxy by an instrument in writing (i.e. by using the proxy form enclosed). The proxy form shall be signed by the person appointing the proxy or an attorney authorised by such person in writing. If the proxy form is signed by an attorney, the power of attorney or other documents of authorisation shall be notarially certified. To be valid, the proxy form and the notarially certified power of attorney or other documents of authorisation must be delivered to in the case of H shares, the Company's H share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; not later than 24 hours before the time scheduled for the holding of the EGM or any adjournment thereof.
4. Shareholders or their proxies shall present proofs of their identities upon attending the EGM. Should a proxy be appointed, the proxy shall also present the proxy form.
5. The EGM is expected to last for half day. The shareholders and proxies attending the EGM shall be responsible for their own travelling and accommodation expenses.
6. The Company's registered address:
No. 595 Shengcheng Road, Shouguang City, Shandong Province, the PRC
Postal code: 262705
Telephone: (86)-536-2158008
Facsimile: (86)-536-2158977



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)

NOTICE OF 2021 FIRST CLASS MEETING FOR HOLDERS OF H SHARES

NOTICE IS HEREBY GIVEN THAT the 2021 first class meeting for holders of overseas listed foreign shares (H shares) of the Company (“**H Shares**”) (the “**Class Meeting**”) of Shandong Chenming Paper Holdings Limited (the “**Company**”) will be held immediately after the conclusion of the 2021 first class meeting for holders of domestic-listed shares (A shares and B shares) (or any adjourned meeting thereof) of the Company on Tuesday, 9 March 2021 at the conference room of the research and development centre of the Company, No. 2199 Nongsheng Road East, Shouguang City, Shandong Province, the People’s Republic of China (the “**PRC**”) for the purpose of passing the following resolutions:

SPECIAL RESOLUTIONS

1. Resolution in relation to the “Proposal on the Domestic Listed Foreign Shares of the Company Changing Listing Venue to be Listed and Traded on the Main Board of The Stock Exchange of Hong Kong Limited by Way of Conversion”
2. Resolution in relation to the full authorisation granted by the general meeting of the Company to the Board and its authorised persons to deal with matters relating to the domestic listed foreign shares changing listing venue to be listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited by way of conversion
3. Resolution in relation to the designation of persons authorised by the Board
4. Resolution in relation to the consideration and approval of the “Articles of Association of Shandong Chenming Paper Holdings Limited (Draft, Applicable after the Changing of the Listing Venue of the B Shares)”

* For identification purpose only

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5. Resolution in relation to the period of validity of the resolution regarding the domestic listed foreign shares of the Company changing listing venue to be listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited by way of conversion

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

Shandong, PRC
29 January 2021

Notes:

1. The register of members of the Company will be temporarily closed from 2 March 2021 to 9 March 2021 (both days inclusive) during which no transfer of H shares of the Company will be registered in order to determine the list of holders of H shares of the Company for attending the 2021 first class meeting for holders of H Shares. The last lodgment for the transfer of the H shares of the Company should be made on 1 March 2021 at Computershare Hong Kong Investor Services Limited by or before 4:30 p.m. The holders of H shares of the Company or their proxies being registered at the close of business on 1 March 2021 are entitled to attend the 2021 first class meeting for holders of H Shares by presenting their identity documents. The address of Computershare Hong Kong Investor Services Limited, the H share registrar of the Company, is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
2. Each shareholder having the rights to attend and vote at the class meeting is entitled to appoint one or more proxies (whether a shareholder or not) to attend and vote on his behalf. Should more than one proxy be appointed by one shareholder, such proxy shall only exercise his voting rights on a poll.
3. Shareholders can appoint a proxy by an instrument in writing (i.e. by using the proxy form enclosed). The proxy form shall be signed by the person appointing the proxy or an attorney authorised by such person in writing. If the proxy form is signed by an attorney, the power of attorney or other documents of authorisation shall be notarially certified. To be valid, the proxy form and the notarially certified power of attorney or other documents of authorisation must be delivered to in the case of H shares, the Company's H share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; not later than 24 hours before the time scheduled for the holding of the general meeting or any adjournment thereof.
4. Shareholders or their proxies shall present proofs of their identities upon attending the class meeting. Should a proxy be appointed, the proxy shall also present the proxy form.
5. The class meeting is expected to last for half day. The shareholders and proxies attending the class meeting shall be responsible for their own travelling and accommodation expenses.
6. The Company's registered address:
No. 595 Shengcheng Road, Shouguang City, Shandong Province, the PRC
Postal code: 262705
Telephone: (86)-536-2158008
Facsimile: (86)-536-2158977