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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)

**INDICATIVE ANNOUNCEMENT IN RELATION TO IMPOSITION OF
OTHER RISK WARNINGS IN RESPECT OF A SHARES AND B SHARES
OF THE COMPANY AND SUSPENSION OF TRADING IN A SHARES AND
B SHARES OF THE COMPANY**

This announcement is made by Shandong Chenming Paper Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Inside Information Provision under Part XIVA of the Securities and Futures Ordinance (Cap. 571).

**TYPE, ABBREVIATION AND STOCK CODE OF SHARES AND DATE OF IMPOSING
OTHER RISK WARNINGS**

1. Type of shares: RMB ordinary shares (A shares)
 - (1) Stock abbreviation: Change from “Chenming Paper” to “ST Chenming”
 - (2) Stock code: 000488
 - (3) Date of imposing other risk warnings: 21 February 2025
 - (4) Daily limit in respect of the increase or decrease in stock price of A shares of the Company after the imposition of other risk warnings: 5%.
 - (5) Date of suspension and resumption of trading of A shares of the Company: A shares will be suspended for trading from the opening session on 20 February 2025 and resumed for trading from the opening session on 21 February 2025.

2. Type of shares: Domestic-listed foreign shares (B shares)
 - (1) Stock abbreviation: Change from “Chenming B” to “ST Chenming B”
 - (2) Stock code: 200488
 - (3) Date of imposing other risk warnings: 21 February 2025
 - (4) Daily limit in respect of the increase or decrease in stock price of B shares of the Company after the imposition of other risk warnings: 5%.
 - (5) Date of suspension and resumption of trading of B shares of the Company: B shares will be suspended for trading from the opening session on 20 February 2025 and resumed for trading from the opening session on 21 February 2025.

KEY REASONS FOR THE IMPOSITION OF OTHER RISK WARNINGS

As at the date of this announcement, the Huanggang production base of the Company is under normal operation. Certain production lines at the Shouguang production base have resumed production, with resumed capacity representing 23.23% of total capacity. Other production bases are under outage maintenance. As the outage maintenance of the Company’s production bases underwent for more than 3 months while material portion of which is yet to resume production, pursuant to Rule 9.8.1 (5) of the Rules Governing the Listing of Shares on Shenzhen Stock Exchange, which stipulates that “the company’s production and operations are seriously affected and are not expected to return to normal within 3 months”, the trading of the Company’s A shares and B shares falls under the situation for other risk warnings.

INDICATION ON ISSUES IN RELATION TO THE IMPOSITION OF OTHER RISK WARNINGS

According to the relevant requirements under Rule 9.1.5 of the Rules Governing the Listing of Shares on Shenzhen Stock Exchange, trading in the Company’s A shares and B shares will be suspended for one day on 20 February 2025, and trading will resume on 21 February 2025, on which day the other risk warnings will be imposed. After the imposition of other risk warnings, the stock abbreviation of A shares will be changed from “Shandong Chenming” to “ST Chenming”, and the stock code will be “000488”; the stock abbreviation of B shares will be changed from “Chenming B” to “ST Chenming B”, and the stock code will be “200488”. After the imposition of other risk warnings, the daily limit in respect of the decrease or increase in the stock price of the A shares and B shares of the Company is 5%.

THE BOARD’S OPINIONS AND SPECIFIC MEASURES TO SEEK REVOCATION OF OTHER RISK WARNINGS

The board of directors of the Company (the “**Board**”) is fully aware of the adverse impacts caused by the imposition of other risk warnings on the shares of Company, and will continue to urge the management of the Company to take effective measures to make proactive efforts towards the resumption of operation and production at the production bases by adopting the following specific measures:

Firstly, the Company will make every effort to promote the resumption of operation and production. The government task force, in collaboration with the Company, has formulated a comprehensive work plan from eight aspects including full resumption of operation and production, introduction of strategic investments, grant of syndicated loan, and asset disposal, to provide precise guidance for the Company in restoring production. Adhering to the principle of “one policy for one enterprise, one policy for one region”, the Company will actively engage with local governments to finalise specific cooperation details in pursuit of the full resumption of operation and production at its major production bases. In accordance with the established production resumption plans for each base, the Company will conduct comprehensive overhauls across all production systems, improve automated detection and control functions, and enhance equipment integrity and operational efficiency. Striving to achieve the resumption of operation and production within the shortest possible time, the Company will also strengthen its communication and coordination with suppliers to foster stable long-term cooperative relationships between them.

Secondly, the Company will make every effort to speed up the granting of a new syndicated credit facility. On 18 December 2024, provincial debt committees had been set up. It is agreed that they shall maintain the stability of existing credit facilities. They will renew expiring loans wherever possible without loan cancellations or delays, and will provide support such as extended loan terms, reduced interest rates and extended interest settlement cycles, in order to alleviate the operational burden on the Company. The relevant matters are still subject to the respective consideration and approval procedures of the financial institutions. The Company will actively communicate and coordinate with all banks in the syndicate to speed up internal approvals and push for the early granting of a new syndicated credit facility of RMB2.31 billion to inject funds for the resumption of operation and production of the Company.

Thirdly, the Company will make every effort to revitalise and dispose of its existing assets. The Company will strengthen the disposal of assets in its non-principal business, establish an asset management center, adjust and optimise internal management, divide asset disposal management areas by region, and assign responsibilities to individuals to improve the efficiency of asset disposal. The Company will also step up efforts to recover outstanding debts, and pursue debtors with realisable assets through negotiation or legal means. For accounts receivable that are difficult to recover, the Company will resort to judicial channels to resolve the issues, and striving to improve its liquidity.

Fourthly, the Company will make every effort to introduce strategic investors. A task force for the introduction of strategic investors will be set up. Dedicated personnel will be responsible for engaging and negotiating with interested strategic investors to effectively integrate resources and enhance decision-making efficiency. At the same time, the Company will insist on the approach of combining “going out” and “bringing in”, take the initiative to cooperate with competent enterprises, and acquire the necessary working capital for the resumption of production through a variety of channels, so as to support the Company in achieving normal production and operation as soon as possible.

CONTACT INFORMATION OF THE COMPANY FOR RECEIVING ENQUIRIES FROM INVESTORS DURING THE PERIOD OF IMPOSITION OF OTHER RISK WARNINGS

During the period of imposition of other risk warnings in respect of A shares and B shares of the Company, the Company will accept enquiries from investors through telephone, mails, irm.cninfo of Shenzhen Stock Exchange and other means. The Company will timely response to enquiries from investors, provided that it is in compliance of relevant rules in relation to insider information. Contact methods of the Company are as follows:

Telephone: 0536-2158008

Fax: 0536-2158977

Email: chenmmingpaper@163.com

Correspondence address: No. 2199 Nongsheng Road East, Shouguang City, Weifang City, Shandong Province

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

By order of the Board
Shandong Chenming Paper Holdings Limited
Hu Changqing
Chairman

Shandong, the PRC
19 February 2025

As at the date of this announcement, the executive Directors are Mr. Hu Changqing, Mr. Li Xingchun, Mr. Li Feng and Mr. Li Weixian; 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, Mr. Yang Biao and Mr. Li Zhihui.

* *For identification purposes only*