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山東晨鳴紙業集團股份有限公司  
**SHANDONG CHENMING PAPER HOLDINGS LIMITED\***

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1812)**

**OVERSEAS REGULATORY ANNOUNCEMENT**

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Shandong Chenming Paper Holdings Limited (the “**Company**”) published the “Announcement in respect of Provision of Guarantee in Favour of a Subsidiary of Shandong Chenming Paper Holdings Limited” dated 29 September 2024 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, the PRC  
29 September 2024

*As at the date of this announcement, the executive directors are Mr. Chen Hongguo, 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*

## **ANNOUNCEMENT IN RESPECT OF PROVISION OF GUARANTEE IN FAVOUR OF A SUBSIDIARY OF SHANDONG CHENMING PAPER HOLDINGS LIMITED**

The Company and all members of the Board of Directors warrant that the information disclosed is true, accurate and complete, and does not contain any false statements, misleading representations or material omissions.

### **I. Overview of the Transaction**

#### **1. Overview of the Guarantee**

Shanghai Chenming Pulp & Paper Sales Co., Ltd. (hereinafter referred to as “Shanghai Chenming Pulp & Paper”), a wholly-owned subsidiary of Shandong Chenming Paper Holdings Limited (the “Company”), proposed to apply for a credit line with a limit of RMB700 million (inclusive) from the bank for a term of five years in order to meet the needs of its business development. Jiangxi Chenming Paper Co., Ltd. (hereinafter referred to as “Jiangxi Chenming”), a wholly-owned subsidiary of the Company, would pledge its part of land and real estates as collateral to provide guarantee for the financing business of Shanghai Chenming Pulp & Paper, and the Company would provide a joint and several liability guarantee of up to RMB700 million (inclusive) for Shanghai Chenming Pulp & Paper for a guarantee period of 5 years.

#### **2. Status of consideration**

On 14 May 2024, the Company convened the 2023 annual general meeting, at which the Resolution on Expected Provision of Guarantee Amount for Subsidiaries for the year 2024 was considered and approved. The guarantee provided by the Company for Shanghai Chenming Pulp & Paper is within the scope of the above-mentioned authorised guarantee amount. On 29 September 2024, the Company convened the 18th extraordinary meeting of the 10th session of the Board, at which the Company considered and approved the Proposal Regarding the Provision of Guarantee by Jiangxi Chenming for Shanghai Chenming Pulp & Paper. According to the requirements of the Self-regulatory Guideline No. 1 for Companies Listed – the Standardized Operation of Companies Listed on the Main Board and the Articles of Association of the Company, the proposal needs to be submitted to the 2024 second extraordinary general

meeting for consideration.

The transaction does not constitute a connected transaction and does not fall within the scope of material asset restructuring as stipulated in the “Measures for the Administration of Material Asset Restructuring of Listed Companies” .

## **II. Basic Information of the guarantee**

Company name: Shanghai Chenming Pulp & Paper Sales Co., Ltd.

Registered address: 6th Floor, No. 9, Lane 360, Feihong Road, Hongkou District, Shanghai

Date of Establishment : 29 January 2019

Legal representative: Li Feng

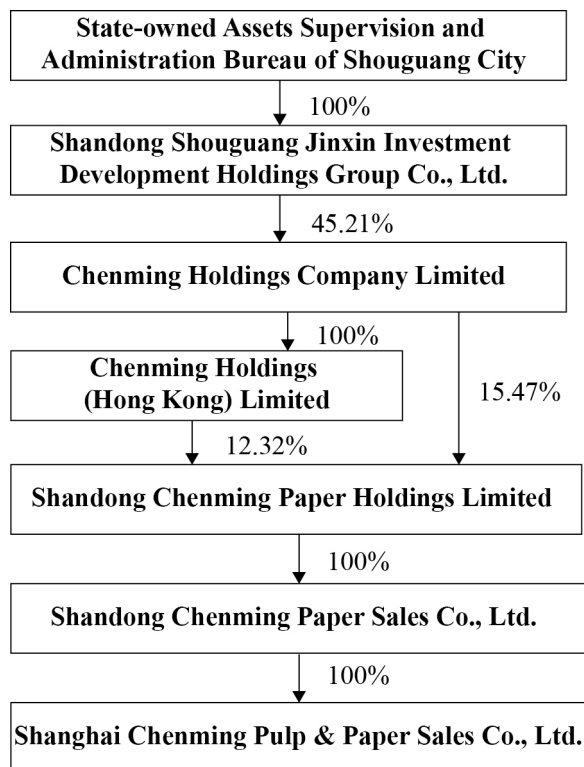
Company type: Limited liability company (sole proprietorship invested or controlled by a non-natural person)

Registered capital : RMB100,000,000

Business Scope: Sales of pulp, paper products, wood products, mineral products, construction materials, steel, machinery and equipment, electronic products, electrical equipment, hardware and electrical equipment, rubber products, plastic products, lamps, metal materials, coal trading, chemical products wholesale (excluding hazardous chemicals, controlled chemicals, fireworks and firecrackers, civil explosives and precursor chemicals); import and export of goods and technologies, supply chain management. [For items subject to approval in accordance with the laws, operating activities can only be conducted upon approval by the relevant authorities].

Shanghai Chenming Pulp & Paper is not a dishonest person subject to enforcement.

Shareholding structure:



Major financial data:

RMB 0'000

Item	30 June 2024	31 December 2023
Total assets	241,502.58	253,314.67
Total liabilities	219,165.78	230,495.86
Total owners' equity	22,336.80	22,818.81
Item	From January to June 2024	2023
Revenue	383,313.73	544,303.39
Operating profit	-122.69	800.65
Net profit	-482.01	2,414.92

Note: The financial data for 2023 has been audited and the financial data from January to June 2024 is unaudited.

### III. Main content of the guarantee contract

Shanghai Chenming Pulp & Paper proposed to apply for a credit line with a limit of RMB700 million (inclusive) from the bank for a term of five years. Jiangxi Chenming would pledge its land and real estate of No. 656, Gangkou Avenue, Baishuihu Industrial Park, Nanchang Economic and Technological Development Zone as collateral to provide guarantees for the financing business of Shanghai Chenming Pulp & Paper, and the Company would provide a joint and several liability guarantee of up to RMB700 million (inclusive) for Shanghai

Chenming Pulp & Paper for a guarantee period of 5 years. The ownership of the aforesaid collateral held by Jiangxi Chenming is clear, and there was no major dispute, seizure, freezing or other judicial measures involving relevant assets.

#### **IV. Opinions of the Board of Directors**

The Company and its wholly-owned subsidiary, Jiangxi Chenming, provided guarantees for the financing business of Shanghai Chenming Pulp & Paper, which was conducive to meeting the business development needs of the subsidiaries. Shanghai Chenming Pulp & Paper did not provide counter-guarantee. Taking into account that Shanghai Chenming Pulp & Paper, over which the Company has absolute control, has a good credit standing, the guarantee risk is under control. There is no situation that harms the interests of the Company and its shareholders, especially the interests of minority shareholders.

#### **V. Aggregate amount of external guarantees and amount of overdue guarantees**

As at the date of this announcement, the balance of external guarantee provided by the Company and its controlling subsidiaries was RMB12.23 billion, accounting for 73.27% of the latest audited net assets of the Company. Among which, the total balance of guarantees provided by the Company and its controlling subsidiaries to entities not in the consolidated financial statements was RMB0.831 billion, accounting for 4.98% of the latest audited net assets of the Company. There was no overdue external guarantee provided by the Company.

#### **VI. Documents available for inspection**

1. Resolutions passed at the 18<sup>th</sup> Extraordinary Meeting of the 10<sup>th</sup> Session of the Board of Directors of the Company.

Notice is hereby given.

The Board of Directors of  
Shandong Chenming Paper Holdings Limited  
29 September 2024