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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.

The Company published the “Announcement on Estimated Interim Results for 2019” dated 3 July 2019 on the website of Shenzhen Stock Exchange. The following is a translation of the official announcement solely for the purpose of providing information.

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

Shandong, PRC
3 July 2019

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

** For identification purposes only*

Stock code:
000488 200488

Stock abbreviation:
Chenming Paper Chenming B

Announcement No.:
2019-062

Shandong Chenming Paper Holdings Limited Announcement on Estimated Interim Results for 2019

The Company and all members of the board of directors (the “Directors”) (the “Board”) hereby warrant the truthfulness, accuracy and completeness of the contents of information disclosure which do not contain any false information, misleading statements or material omissions.

I. Estimated results during the reporting period

1. Estimated results period: 1 January 2019 — 30 June 2019
2. Estimated Loss Turnaround Increase from Decrease from
operating the corresponding the corresponding
results: period of last year period of last year

3. Estimated results:

- (1) 1 January 2019 to 30 June 2019

Item	The reporting period (January - June 2019)	The corresponding period of last year (January - June 2018)
Net profit attributable to shareholders of the Company	Profit: RMB500 million- RMB550 million	Profit: RMB1,784.63 million
	Decrease from the corresponding period of last year: 72% - 69%	
Basic earnings per share	Profit: approximately RMB0.10 - RMB0.12	Profit: RMB0.36

(2) 1 April 2019 to 30 June 2019

Item	Second quarter of 2019 (April - June 2019)	First quarter of 2019 (January - March 2019)
Net profit attributable to shareholders of the Company	Profit: RMB460 million - RMB510 million	Profit: RMB38.22 million
	Quarter-on-quarter increase: 1,104% -1,234%	
Basic earnings per share	Profit: approximately RMB0.14 - RMB0.16	Profit: -RMB0.037

Note:

The interest accrued on the perpetual bonds during the reporting period and the dividend actually paid on the preference shares are deducted when calculating the earnings per share.

II. Preliminary audit of the estimated results

The estimated results have not been preliminarily audited by any certified public accountants.

III. Reasons for change in the results

1. The macroeconomic conditions were unfavourable to the paper making industry in general during the reporting period. Paper prices were significantly lower in the corresponding period of last year, in particular the first quarter. Therefore, the operating profit during the reporting period decreased year on year.
2. The market conditions significantly improved since the second quarter. The major paper types did see a price rise and it had obvious positive effects. The projects such as the Shouguang Meilun 510,000-tonne cultural paper project, the Shouguang Headquarters cultural paper transformation project, the Shouguang Meilun 1,000,000-tonne chemical pulp project and the Huanggang Chenming chemical pulp project, which were invested and constructed by the Company, gradually commenced operation. They operated smoothly and gradually realised economic benefits. The profitability of the Company significantly improved in the second quarter.
3. Four pulp and paper projects were completed and commenced operation. The Company operated without great project expenditure. The Financial Leasing Company continued to reduce its business scale to effectively control the finance expenses. In the second half of the year, the four pulp and paper projects will operate at full capacity and fully realise economic benefits. The Company will

achieve a balance between pulp production and paper production capacity. The advantages of the pulp and paper integration will become obvious with much improved gross profit margins, thus effectively enhancing the overall profitability and risk aversion ability of the Company.

IV. Other information

The above financial figures are estimated figures. For details of the financial figures, please refer to the detailed disclosure in the 2019 interim report of the Company. Investors should exercise caution about the risks relating to investment.

Notice is hereby given.

The Board of Shandong Chenming Paper Holdings Limited
3 July 2019