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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)

**COMPLETION OF REPURCHASE AND CANCELLATION OF
CERTAIN RESTRICTED SHARES**

Reference is made to (i) the announcement dated 30 March 2020 of Shandong Chenming Paper Holdings Limited (the “**Company**”); the circular dated 29 April 2020; the poll results announcement of the general meeting dated 15 May 2020; the overseas regulatory announcement dated 29 May 2020 in relation to, among other things, the adoption of the 2020 Restricted A Share Incentive Scheme (the “**Incentive Scheme**”) of the Company and the grant of Restricted Shares under the Incentive Scheme; (ii) the announcement dated 18 July 2022 in relation to, among other things, fulfilment of the unlocking conditions for the first unlocking period under the Incentive Scheme, and adjustment to the repurchase price of the Incentive Scheme and the repurchase and cancellation of certain Restricted Shares; and (iii) the announcement dated 17 July 2023 in relation to, among other things, failing to fulfil the unlocking conditions for the second unlocking period under the Incentive Scheme and repurchase and cancellation of certain Restricted Shares. Unless otherwise defined in this announcement, capitalized terms used in this announcement shall have the same meanings as those defined in the aforesaid announcements and circular.

1. CAPITAL VERIFICATION AND COMPLETION OF THE REPURCHASE AND CANCELLATION

On 10 November 2023, Grant Thornton (Special General Partnership) issued a Capital Verification Report (Zhi Tong Yan Zi (2023) No. 371C000518), in which they verified the change in the registered capital and paid-in capital (share capital) of the Company as of 18 October 2023. Verification result: As of 18 October 2023, the registered capital and paid-in capital (share capital) of the Company upon the change amounted to RMB2,956,813,200.00 and RMB2,956,813,200.00, respectively.

As of the date of this announcement, as reviewed and confirmed by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the Company has completed the aforesaid repurchase and cancellation of Restricted Shares. The repurchase and cancellation by the Company is in compliance with the relevant provisions of laws, administrative regulations, departmental rules, regulatory documents, the Articles of Association and the Incentive Scheme.

2. CHANGE IN THE SHARE CAPITAL STRUCTURE OF THE COMPANY UPON THE REPURCHASE AND CANCELLATION

Upon completion of the repurchase and cancellation, the total number of shares of the Company has been changed from 2,979,742,200 shares to 2,956,813,200 shares, details of which were as follows:

Nature of shares	Before change		Change	After change	
	Number (share)	Percentage	Number (share)	Number (share)	Percentage
I. Restricted shares	59,507,587	2.00%	-22,929,000	36,578,587	1.24%
1. Locked shares held by the senior management	14,321,587	0.48%	0	14,321,587	0.48%
2. Restricted shares under the share incentive scheme	45,186,000	1.52%	-22,929,000	22,257,000	0.76%
II. Unrestricted shares	2,920,234,613	98.00%	0	2,920,234,613	98.76%
III. Total number of shares	2,979,742,200	100.00%	-22,929,000	2,956,813,200	100.00%

3. IMPACT ON THE COMPANY

The repurchase and cancellation of certain Restricted Shares by the Company will not affect the further implementation of the Incentive Scheme, will not adversely affect the financial position and operating results of the Company, and will not lead to any change in the controlling shareholder and the de facto controller of the Company. The shareholding distribution of the Company is still eligible for listing. The management team of the Company will continue to work diligently and responsibly, and strive to create value for shareholders.

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

Shandong, the PRC
22 November 2023

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