

Stock code: 000488, 200488

Stock abbreviation: Chenming Paper Chenming B

Announcement No.: 2021-077

2021 Interim Report Summary of SHANDONG CHENMING PAPER HOLDINGS LIMITED

I. IMPORTANT NOTICE

This interim report summary is extracted from the text of the interim report. For the full understanding of the operating results, financial position and plan for future development of the Company, investors should carefully read the full version of the interim report published on the media designated by the CSRC.

All directors have attended the board meeting to review this report.

Non-standard auditor's opinion

Applicable Not applicable

A proposed profit distribution plan on ordinary shares or a proposed plan on conversion of capital reserves into share capital for the reporting period was considered and passed by the Board

Applicable Not applicable

The Company plans not to distribute cash dividends or bonus shares or convert capital reserve into share capital.

A proposed profit distribution plan on preference shares for the reporting period was considered and approved by the Board

Applicable Not applicable

II. BASIC INFORMATION ON THE COMPANY

1. Company profile

Stock abbreviation	晨鸣纸业	Stock code	000488
	晨鸣B		200488
	晨鸣优03		140005
Stock exchanges on which the shares are listed	Shenzhen Stock Exchange		
Stock abbreviation	Chenming Paper	Stock code	01812
Stock exchanges on which the shares are listed	The Stock Exchange of Hong Kong Limited		
Contact persons and contact methods	Secretary to the Board	Hong Kong Company Secretary	
Name	Yuan Xikun	Chu HonLeung	
Correspondence Address	No. 2199 East Nongsheng Road, Shouguang City, Shandong Province	22nd Floor, World Wide House	
Telephone	0536-2158008	+852-21629600	
Email address	chenmmingpaper@163.com	liamchu@li-partners.com	

2. Major accounting data and financial indicators

Retrospective adjustment to or restatement of the accounting data for prior years by the Company

Yes No

	The reporting period	The corresponding period of the prior year	Increase/decrease for the reporting period as compared to the corresponding period of the prior year
Revenue (RMB)	17,172,816,354.53	13,599,805,765.86	26.27%
Net profit attributable to shareholders of the Company (RMB)	2,021,095,417.54	516,326,703.48	291.44%
Net profit after extraordinary gains or losses attributable to shareholders of the Company (RMB)	1,964,718,180.70	67,882,116.23	2,794.31%

Net cash flows from operating activities (RMB)	4,747,185,521.94	2,327,033,784.68	104.00%
Basic earnings per share (RMB per share)	0.604	0.051	1,084.31%
Diluted earnings per share (RMB per share)	0.604	0.051	1,084.31%
Rate of return on weighted average net assets	8.94%	0.84%	8.10%
	As at the end of the reporting period	As at the end of the prior year	Increase/decrease as at the end of the reporting period as compared to the end of the prior year
Total assets (RMB)	90,601,029,144.35	91,575,457,828.62	-1.06%
Net assets attributable to shareholders of the Company (RMB)	23,295,559,729.26	24,276,968,789.00	-4.04%

Data description of basic earnings per share, diluted earnings per share, and rate of return on weighted average net assets:

Net profit attributable to shareholders of the Company does not exclude the effect on interest of perpetual bonds and the dividends on Preference Shares paid and declared to be paid. When calculating financial indicators such as earnings per share and the rate of return on weighted average net assets, the interest on perpetual bonds from 1 January 2021 to 30 June 2021 of RMB44,481,369.86 and the dividend on Preference Shares paid and declared to be paid in 2021 of RMB207,065,968.66 are deducted.

3. Total number of shareholders and shareholdings

Unit: share

Total number of ordinary shareholders as at the end of the reporting period	177,220, of which 156,912 were holders of A shares, 19,973 were holders of B shares and 335 were holders of H shares	Total number of holders of Preference Shares with restored voting right as at the end of the reporting period (if any)	0			
Top 10 shareholders						
Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of shares	Number of restricted shares held	Share pledged, marked or locked-up	
					Status of shares	Number
CHENMING HOLDINGS COMPANY LIMITED	State-owned legal person	15.32%	457,322,919	0	Pledged	256,530,000
HKSCC NOMINEES LIMITED	Overseas legal person	12.52%	373,523,125	0		
CHENMING HOLDINGS (HONG KONG) LIMITED	Overseas legal person	12.20%	364,131,563	0		
Chen Hongguo	Domestic natural person	1.04%	31,080,044	23,310,033		
HONG KONG SECURITIES CLEARING COMPANY LIMITED	Overseas legal person	0.94%	28,200,060	0		
GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED	Overseas legal person	0.63%	18,733,524	0		
SHANDONG SUN HOLDINGS GROUP CO., LTD.	Domestic non-state-owned legal person	0.61%	18,181,717	0		
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Overseas legal person	0.50%	14,771,945	0		
MORGAN STANLEY & CO. INTERNATIONAL PLC	Overseas legal person	0.47%	14,092,721	0		
VANGUARD EMERGING MARKETS STOCK INDEX FUND	Overseas legal person	0.46%	13,628,646	0		
Related party relationship or acting in concert among the above shareholders	A shareholder, Chenming Holdings (Hong Kong) Limited, which is an overseas legal person, is a wholly-owned subsidiary of a shareholder, Chenming Holdings Company Limited, which is a state-owned legal person. Hence, they are persons acting in concert under the Measures for the Administration of Disclosure of Shareholder Equity Changes of Listed Companies. A shareholder, Chen Hongguo, is the legal representative, chairman and general manager of Chenming Holdings Company Limited. Save for the above, it is not aware that any other shareholders of tradable shares are persons acting in concert. It is also not aware that any other shareholders of tradable shares are related to each other.					
Securities margin trading of shareholders, if any	Chenming Holdings Company Limited held 457,322,919 RMB ordinary shares, of which 379,522,919 shares were held through ordinary account and 77,800,000 shares were held through credit guarantee security account. Shandong Sun Holdings Group Co., Ltd. held 18,181,717 RMB ordinary shares, of which no share was held through ordinary account and 18,181,717 shares were held through credit guarantee security account.					

4. Change of controlling shareholders or beneficial controllers

Change of controlling shareholders during the reporting period

Applicable Not applicable

There was no change of controlling shareholders of the Company during the reporting period.

Change of beneficial controllers during the reporting period

Applicable Not applicable

There was no change of beneficial controllers of the Company during the reporting period.

5. Total number of holders of preference shares and the shareholdings of top ten holders of preference shares

Applicable Not applicable

Unit: share

Total number of holders of Preference Shares as at the end of the reporting period		6			
top ten holders of Preference Shares					
Name of shareholder	Nature of shareholder	Preference shareholding	Number of preference shares	Share pledged or locked-up	
				Status of shares	Number
BANK OF COMMUNICATIONS INTERNATIONAL TRUST CO., LTD. – HUILI NO.136 SINGLE CAPITAL TRUST	Others	28.44%	6,400,000		
BEIJING YIBEN ZHONGXING INVESTMENT MANAGEMENT CO., LTD.	Domestic non-state-owned legal person	27.11%	6,100,000	Pledged	6,100,000
SHANGHAI SHIJIE BUSINESS CONSULTING CO., LTD.	Domestic non-state-owned legal person	18.40%	4,140,100	Pledged	4,140,000
HENGFENG BANK CO., LTD.	Domestic non-state-owned legal person	13.33%	3,000,000		
LEAD CAPITAL MANAGEMENT CO., LTD. – LEAD CAPITAL – LI DE YING NO. 1 ASSET MANAGEMENT PLAN	Others	7.02%	1,580,000		
LEAD CAPITAL MANAGEMENT CO., LTD. – LEAD CAPITAL – LI DE YING NO. 2 ASSET MANAGEMENT PLAN	Others	5.69%	1,279,900		
Related party relationship or acting in concert among the above shareholders	The aforesaid holders of Preference Shares, “LEAD CAPITAL MANAGEMENT CO., LTD. – LEAD CAPITAL – LI DE YING NO.1 ASSET MANAGEMENT PLAN” and “LEAD CAPITAL MANAGEMENT CO., LTD. – LEAD CAPITAL – LI DE YING NO.2 ASSET MANAGEMENT PLAN”, are persons acting in concert. Save for the above, it is not aware that whether the remaining holders of Preference Shares are persons acting in concert. It is also not aware that the aforesaid holders of Preference Shares and the top ten ordinary shareholders are related to each other.				

6. Bonds subsisting as at the date of approval of the interim report

Applicable Not applicable

(1) Basic information on bonds

Name of bond	Bond abbreviation	Bond code	Issue date	Maturity date	Outstanding amount of the bonds (RMB'0,000)	Interest rate
The public issuance of the Corporate Bonds of Shandong Chenming Paper Holdings Limited to qualified investors in 2017 (phase I)	17 Chenming Bond 01	112570	17 August 2017	21 August 2022	9,000	7.28%
The public issuance of the Corporate Bonds of Shandong Chenming Paper Holdings Limited to qualified investors in 2018 (phase I)	18 Chenming Bond 01	112641	29 March 2018	2 April 2023	35,000	7.60%

(2) Financial indicators as at the end of the reporting period

Unit: RMB'0,000

Item	As at the end of the reporting period	As at the end of the prior year
Gearing ratio	69.94%	71.83%
Item	The reporting period	The corresponding period of the prior year
EBITDA interest coverage ratio	4.00	2.72

III. Matters of significance**1. Change of listing venue of the domestic listed foreign shares and their listing and trading on the Main Board of the Stock Exchange of Hong Kong Limited by conversion**

On 9 March 2021, the Company held the 2021 first extraordinary general meeting, the 2021 first class meeting for holders of domestic-listed shares, and the 2021 first class meeting for holders of overseas-listed shares. 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 and related matters were considered and approved. On 29 June 2021, the Company received the CSRC Acceptance Notice of the Application for Administrative Permission issued by the China Securities Regulatory Commission, stating that it has decided to accept the administrative license application.

For details, please refer to the relevant announcements (announcement no.: 2021-003, 2021-018 and 2021-053) of the Company published on CNINFO on 30 January, 10 March 2021 and 1 July 2021.

2. Full redemption of the first-tranche preference shares

On 18 February 2021, the Company held the eighteenth extraordinary meeting of the ninth session of the Board to consider and approve the Resolution on Redemption of the First-tranche Preferred Shares. On 17 March 2021, the Company paid a total of RMB2,348.1 million in redemption to shareholders of the first-tranche preference shares to fully redeem 22.5 million shares of the first-tranche preference shares of the Company. On 18 March 2021, the Company received the Redemption Results Statement from the Shenzhen Branch of China Securities Depository and Clearing Co., Ltd. The redemption and delisting of Chenming You 01 was completed.

For details, please refer to the relevant announcements (announcement no.: 2021-013, 2021-014, 2021-016, 2021-017, 2021-019, 2021-020, 2021-022, 2021-023) of the Company published on CNINFO on 19 February, 26 February, 5 March, 12 March, 16 March and 19 March 2021.

3. The 2020 profit distribution plan

On 18 June 2021, the Company convened the 2020 annual general meeting, at which the proposed 2020 profit distribution plan was considered and approved. Based on the total number of ordinary shares of the Company as at the end of 2020 of 2,984,208,200 shares and the 589,005,236 simulated ordinary shares converted from the second and third tranche preference shares using a conversion ratio of 1 share valued at RMB3.87 as at the end of 2019, a cash dividend of RMB 1.85 (tax inclusive) was to be distributed to ordinary shareholders for every 10 shares held; a cash dividend of RMB1.85 (tax inclusive) per 10 simulated ordinary shares converted from the second and third tranche preference shares was to be distributed to holders of preference shares. No bonus shares would be issued and there was no increase of share capital from reserves. The cash dividend distributed to ordinary shareholders amounted to RMB552,078,517.00 and a variable cash dividend distributed to holders of the second and third tranche preference shares amounted to RMB108,965,968.66. In the event of changes in the total share capital of the Company before the dividend distribution registration date, the total profits distribution shall remain unchanged while the percentage of allocation will be adjusted accordingly.

For details, please refer to the relevant announcement (announcement no.: 2021-044) of the Company published on CNINFO on 19 June 2021.

4. Information disclosure index for the second half of 2021

Announcement No.	Subject matter	Date of publication	Publication website and index
2021-001	Announcement on the Release of Pledge of Shares held by Shareholders	5 January 2021	http://www.cninfo.com.cn
2021-002	Announcement on the Release of Pledge and Continued Pledge of Shares held by Shareholders	19 January 2021	http://www.cninfo.com.cn
2021-003	Announcement on Resolutions of the Seventeenth Extraordinary Meeting of the Ninth Session of the Board	30 January 2021	http://www.cninfo.com.cn
2021-004	Notice of the 2021 First Extraordinary General Meeting, the 2021 First Class Meeting for Holders of Domestic-listed Shares and the 2021 First Class Meeting for Holders of Overseas-listed Shares	30 January 2021	http://www.cninfo.com.cn
2021-005	Announcement on the Solicitation of Voting Rights by the Independent Director	30 January 2021	http://www.cninfo.com.cn
2021-006	Announcement on Receipt of Government Subsidies by Wholly-owned Subsidiaries	30 January 2021	http://www.cninfo.com.cn
2021-007	Supplemental Notice on Convening the 2021 First Extraordinary General Meeting, the 2021 First Class Meeting for Holders of Domestic-listed Shares and the 2021 First Class Meeting for Holders of Overseas-listed Shares	3 February 2021	http://www.cninfo.com.cn
2021-008	Announcement on Unusual Movement in Share Trading	4 February 2021	http://www.cninfo.com.cn

2021-009	Announcement in respect of Provision of Guarantee in Favour of a Subsidiary for Financing	10 2021	February	http://www.cninfo.com.cn
2021-010	Announcement on Receipt of High and New Technology Enterprise Certificate by a Subsidiary	10 2021	February	http://www.cninfo.com.cn
2021-011	Amendment Announcement on 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	18 2021	February	http://www.cninfo.com.cn
2021-012	Announcement on Unusual Movement in Share Trading	18 2021	February	http://www.cninfo.com.cn
2021-013	Announcement in respect of Resolutions of the Eighteenth Extraordinary Meeting of the Ninth Session of the Board of Directors	19 2021	February	http://www.cninfo.com.cn
2021-014	The First Indicative Announcement on the Redemption of the First-tranche Preference Shares	19 2021	February	http://www.cninfo.com.cn
2021-015	Announcement on Unusual Movement in Share Trading	19 2021	February	http://www.cninfo.com.cn
2021-016	The Second Indicative Announcement on the Redemption of the First-tranche Preference Shares	26 2021	February	http://www.cninfo.com.cn
2021-017	The Third Indicative Announcement on the Redemption of the First-tranche Preference Shares	5 March 2021		http://www.cninfo.com.cn
2021-018	Announcement on Resolution of the 2021 First Extraordinary General Meeting, the 2021 First Class Meeting for Holders of Domestic-listed Shares, and the 2021 First Class Meeting for Holders of Overseas-listed Shares	10 March 2021		http://www.cninfo.com.cn
2021-019	Announcement on the Full Redemption and Delisting of the First-tranche Preference Shares	12 March 2021		http://www.cninfo.com.cn
2021-020	The First Indicative Announcement on the Delisting of the First-tranche Preference Shares	12 March 2021		http://www.cninfo.com.cn
2021-021	Supplemental Announcement on the Poll Results of 2021 First Class Meeting for Holders of Overseas-listed Shares	13 March 2021		http://www.cninfo.com.cn
2021-022	Announcement on the Delisting of the First-tranche Preference Shares	16 March 2021		http://www.cninfo.com.cn
2021-023	Announcement on the Redemption Result of the First-tranche Preference Shares	19 March 2021		http://www.cninfo.com.cn
2021-024	Announcement in respect of Resolutions of the Eighth Meeting of the Ninth Session of the Board of Directors	26 March 2021		http://www.cninfo.com.cn
2021-025	Announcement on Resolutions of the Eighth Extraordinary Meeting of the Ninth Session of the Supervisory Committee	26 March 2021		http://www.cninfo.com.cn
2021-026	Notice of 2020 Annual General Meeting	26 March 2021		http://www.cninfo.com.cn
2021-027	Announcement on Appointment of Auditor for 2021	26 March 2021		http://www.cninfo.com.cn
2021-028	Announcement on the Adjustment to the Guarantee Amount for Certain Subsidiaries	26 March 2021		http://www.cninfo.com.cn
2021-029	Announcement on Carrying out Factoring Business of Accounts Receivable	26 March 2021		http://www.cninfo.com.cn
2021-030	Announcement on the Receipt of Financial Assistance and Related Party Transaction	26 March 2021		http://www.cninfo.com.cn
2021-031	Announcement on the Resignation of Senior Management of the Company	26 March 2021		http://www.cninfo.com.cn
2021-032	2020 Annual Report Summary	26 March 2021		http://www.cninfo.com.cn
2021-033	Announcement on the 2020 Annual Online Performance Briefing	26 March 2021		http://www.cninfo.com.cn
2021-034	Announcement on the Signing of the Convertible Bond Strategic Cooperation Framework Agreement	26 March 2021		http://www.cninfo.com.cn
2021-035	Supplemental Announcement in respect of Resolutions of the Eighth Meeting of the Ninth Session of the Board of Directors	27 March 2021		http://www.cninfo.com.cn
2021-036	Shandong Chenming Paper Holdings Limited Announcement on Payment of 2021 Interest with Respect to the First Tranche of Corporate Bonds Publicly Issued to Qualified Investors in 2018	31 March 2021		http://www.cninfo.com.cn
2021-037	Announcement on the Release of Pledge of Shares held by Shareholders	2 April 2021		http://www.cninfo.com.cn
2021-038	2021 First Quarterly Results Forecast	7 April 2021		http://www.cninfo.com.cn
2021-039	2021 First Quarterly Report	20 April 2021		http://www.cninfo.com.cn
2021-040	Announcement on the Resignation of Employee Representative Supervisors and the By-election of Supervisors	20 April 2021		http://www.cninfo.com.cn
2021-041	Announcement on Pledge of Shareholders' Shares	22 April 2021		http://www.cninfo.com.cn

2021-042	Announcement on the Development of Financing Business and the Provision of Guarantees	30 April 2021	http://www.cninfo.com.cn
2021-043	Announcement on Receipt of Government Subsidies by Subsidiaries	15 June 2021	http://www.cninfo.com.cn
2021-044	Announcement on Resolutions of 2020 Annual General Meeting	19 June 2021	http://www.cninfo.com.cn
2021-045	Announcement in respect of Provision of Guarantee in Favour of a Subsidiary	23 June 2021	http://www.cninfo.com.cn
2021-046	Announcement on Resolutions of the Nineteenth Extraordinary Meeting of the Ninth Session of the Board of Directors	26 June 2021	http://www.cninfo.com.cn
2021-047	Announcement on Capital Increase and Introduction of Strategic Investors of a Majority-owned Subsidiary	26 June 2021	http://www.cninfo.com.cn
2021-048	Announcement on the Development of Equipment Financing Business	26 June 2021	http://www.cninfo.com.cn
2021-049	Announcement on External Investment	26 June 2021	http://www.cninfo.com.cn
2021-050	Announcement in respect of Provision of Guarantee in Favour of Subsidiaries by a Wholly-owned Subsidiary	26 June 2021	http://www.cninfo.com.cn
2021-051	Announcement on Receipt of Government Subsidies by the Subsidiary Zhanjiang Chenming	26 June 2021	http://www.cninfo.com.cn
2021-052	Announcement on Pledge of Shareholders' Shares	29 June 2021	http://www.cninfo.com.cn

5. Introduction of strategic investors by Shouguang Meilun

On 25 June 2021, the 19th extraordinary meeting of the ninth session of the Board of the Company considered and approved the Proposal on Capital Contribution and Introduction of Strategic Investors of a Majority-owned Subsidiary. The Company introduced CCB Financial Assets Investment Company Limited (on behalf of the CCB Investment-Shandong Development Debt-to-Equity Swap Investment Scheme) and SWSC Innovation Investment Co., Ltd. to contribute capital to Shouguang Meilun. CCB Financial Assets Investment Company Limited (on behalf of the CCB Investment-Shandong Development Debt-to-Equity Swap Investment Scheme) and SWSC Innovation made a capital contribution amount of RMB1.4 billion and RMB0.2 billion, respectively.

For details, please refer to the relevant announcement (announcement no.: 2021-047) of the Company published on CNINFO on 26 June 2021.

The Board of
Shandong Chenming Paper Holdings Limited
26 August 2021