

Stock code: 000488 200488

Stock abbreviation: Chenming Paper Chenming B

Announcement No.: 2022-072

2022 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.

Notice of 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 晨鸣 B	Stock code	000488 200488
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		
Stock abbreviation before any changes (if any)	None		
Contact persons and contact methods	Secretary to the Board	Hong Kong Company Secretary	
Name	Yuan Xikun	Chu Hon Leung	
Correspondence Address	No. 2199 Nongsheng East Road, Shouguang City, Shandong Province	22nd Floor, World Wide House, Central, Hong Kong	
Telephone	0536-2158008	00852-21629600	
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)	16,676,428,365.83	17,172,816,354.53	-2.89%
Net profit attributable to shareholders of the Company (RMB)	230,141,463.76	2,021,095,417.54	-88.61%

Net profit after extraordinary gains or losses attributable to shareholders of the Company (RMB)	173,407,927.13	1,964,718,180.70	-91.17%
Net cash flows from operating activities (RMB)	998,264,209.45	4,747,185,521.94	-78.97%
Basic earnings per share (RMB per share)	0.064	0.604	-89.40%
Diluted earnings per share (RMB per share)	0.064	0.604	-89.40%
Rate of return on weighted average net assets	1.02%	8.94%	Decrease by 7.92 percentage points
	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)	85,186,581,045.24	82,841,454,602.24	2.83%
Net assets attributable to shareholders of the Company (RMB)	19,220,377,294.74	19,089,778,227.64	0.68%

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 during the reporting period. When calculating earnings per share and the rate of return on weighted average net assets, the interest on perpetual bonds from 1 January 2022 to 30 June 2022 of RMB44,481,369.86 is deducted.

3. Total number of shareholders and shareholdings

Unit: share

Total number of ordinary shareholders as at the end of the reporting period	170,976, of which 148,205 were holders of A shares, 22,437 were holders of B shares and 334 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			
Shareholdings of top 10 shareholders						
Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of shares held	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	274,220,000
HKSCC NOMINEES LIMITED	Overseas legal person	12.51%	373,381,375	0		
CHENMING HOLDINGS (HONG KONG) LIMITED	Overseas legal person	12.20%	364,131,563	0		
NINGBO ASIA PAPER TUBE & CARTON CO., LTD.	Domestic non-state-owned legal person	1.08%	32,120,000	0		
Chen Hongguo	Domestic natural person	1.04%	31,080,044	23,310,033		
SHANDONG SUN HOLDINGS GROUP CO., LTD.	Domestic non-state-owned legal person	0.82%	24,507,117	0		
HONG KONG SECURITIES CLEARING COMPANY LIMITED	Overseas legal person	0.54%	16,218,780	0		
VANGUARD EMERGING MARKETS STOCK INDEX FUND	Overseas legal person	0.50%	14,819,546	0		
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Overseas legal person	0.50%	14,771,945	0		
GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED	Overseas legal person	0.40%	11,857,746	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, Shouguang Chenming Holdings Company Limited, which is a state-owned legal person. 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 mentioned above are persons acting in concert. It is also not aware that any other shareholders mentioned above 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 352,322,919 shares were held through ordinary account and 105,000,000 shares were held through credit guarantee security account. Ningbo Asia Paper Tube & Carton Co., Ltd. held 32,120,000 RMB ordinary shares, of which no share was held through ordinary account and 32,120,000 shares were held through credit guarantee security account. Shandong Sun Holdings Group Co., Ltd. held 24,507,117 RMB ordinary shares, of which no share was held through ordinary account and 24,507,117 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

There was no shareholding by holders of preference shares of the Company during the reporting period.

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 2018 (phase I)	18 Chenming Bond 01	112641	29 March 2018	2 April 2023	35,000	6.50%

(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	72.89%	72.78%
Current ratio	65.50%	65.05%
Quick ratio	58.10%	54.59%
Item	The reporting period	The corresponding period of the prior year
EBITDA interest coverage ratio	2.72	4.00
Net profit after extraordinary gains or losses	17,340.79	196,471.82
Proportion of EBITDA to total debts	4.25%	8.97%
Interest coverage ratio	1.33	2.99
Cash interest coverage ratio	2.11	4.70
Loans payment ratio	100%	100%
Interest payment ratio	100%	100%

III. Matters of significance**1. Recognition of the Company and its subsidiaries as high and new technology enterprises**

The Company and its subsidiaries Shouguang Meilun and Zhanjiang Chenming have been recognised again as high and new technology enterprises upon expiry of their original high and new technology enterprise certificates. The certificate numbers are GR202137005666, GR202137005468 and GR202144001212, respectively, each with a valid term of three years. According to the Law of the People's Republic of China on Enterprise Income Tax and the relevant tax policies of the PRC for high and new technology enterprises, the Company, Shouguang Meilun and Zhanjiang Chenming are subject to an enterprise income tax rate of

15% under the preferential income tax policy for high and new technology enterprises for three years (i.e. 2021 to 2023) from the year in which they are recognised as high and new technology enterprises.

For details, please refer to the relevant announcement (announcement no.: 2022-002) of the Company published on CNINFO on 11 February 2022.

2. Election of new session of the Board and the Supervisory Committee

At the 2022 first extraordinary general meeting of the Company held on 15 June 2022, the Resolution in Relation to the Election of Candidates for Non-independent Directors of the Tenth Session of the Board, the Resolution in Relation to the Election of Candidates for Independent Non-executive Directors of the Tenth session of the Board and the Resolution in Relation to the Election of Candidates for Shareholder Representative Supervisors of the Tenth Session of the Supervisory Committee were considered and approved. Mr. Chen Hongguo, Mr. Hu Changqing, Mr. Li Xingchun, Mr. Li Feng and Mr. Li Weixian were elected as the executive Directors of the tenth session of the Board of the Company; Mr. Han Tingde and Mr. Li Chuanxuan were elected as the non-executive Directors of the tenth session of the Board of the Company; Mr. Li Zhihui, Mr. Sun Jianfei, Mr. Yang Biao and Ms. Yin Meiqun were elected as the independent non-executive Directors of the tenth session of the Board of the Company; and Ms. Li Kang, Ms. Pan Ailing and Ms. Zhang Hong were elected as the shareholder representative Supervisors of the tenth session of the Supervisory Committee of the Company. On the same date, the Company held the fourth meeting of the tenth session of the staff representative meeting, at which Ms. Qiu Lanju and Ms. Sang Ailing were elected as the staff representative Supervisors of the tenth session of the Supervisory Committee of the Company; the Company held the first meeting of the tenth session of the Board and the first meeting of the tenth session of the Supervisory Committee, at which Mr. Chen Hongguo was elected as chairman of the Board, Mr. Hu Changqing and Mr. Li Xingchun were elected as vice chairmen of the Board, and Ms. Li Kang was elected as chairman of the Supervisory Committee. The election of the new session of the Board and the Supervisory Committee of the Company was completed.

For details, please refer to the relevant announcements (announcement no.: 2022-049, 2022-050, 2022-051 and 2022-052) of the Company published on CNINFO on 16 June 2022.

3. Disclosure index for 2022 interim report

Announcement No.	Subject matter	Date of publication	Publication website and index
2022-001	Announcement on the Continued Pledge of Shares held by Shareholders	15 January 2022	http://www.cninfo.com.cn
2022-002	Announcement on the Recognition of the Company and its Subsidiaries as High and New Technology Enterprises	11 February 2022	http://www.cninfo.com.cn
2022-003	Announcement on the Development of Equipment Financing Business by a Subsidiary	24 February 2022	http://www.cninfo.com.cn
2022-004	The First Indicative Announcement on Adjustment of Coupon Rate of “18 Chenming Bond 01” and Implementation Measures for Resale by Investors	25 February 2022	http://www.cninfo.com.cn
2022-005	The Second Indicative Announcement on Adjustment of Coupon Rate of “18 Chenming Bond 01” and Implementation Measures for Resale by Investors	1 March 2022	http://www.cninfo.com.cn
2022-006	The Third Indicative Announcement on Adjustment of Coupon Rate of “18 Chenming Bond 01” and Implementation Measures for Resale by Investors	3 March 2022	http://www.cninfo.com.cn
2022-007	Announcement on Pledge of Shares and Partial Release of Pledge of Shares by Shareholders	12 March 2022	http://www.cninfo.com.cn
2022-008	Announcement on the Development of Equipment Financing Business by a Subsidiary	14 March 2022	http://www.cninfo.com.cn
2022-009	Announcement on the 2021 Annual Online Performance Briefing	28 March 2022	http://www.cninfo.com.cn
2022-010	Announcement on the Development of Equipment Financing Business by a Subsidiary	29 March 2022	http://www.cninfo.com.cn
2022-011	Announcement on Resolutions of the Twelfth Meeting of the Ninth Session of the Board of Directors	31 March 2022	http://www.cninfo.com.cn
2022-012	Announcement on Resolutions of the Twelfth Meeting of the Ninth Session of the Supervisory Committee	31 March 2022	http://www.cninfo.com.cn
2022-013	Notice of 2021 Annual General Meeting	31 March 2022	http://www.cninfo.com.cn
2022-014	2021 Annual Report Summary	31 March 2022	http://www.cninfo.com.cn
2022-015	Special Statement on Securities Investment in 2021	31 March 2022	http://www.cninfo.com.cn
2022-016	Announcement on Appointment of Auditor for 2022	31 March 2022	http://www.cninfo.com.cn
2022-017	Announcement on the Expected Continuing Related Party Transaction in 2022	31 March 2022	http://www.cninfo.com.cn
2022-018	Announcement on the Development of Equipment Financing Business	31 March 2022	http://www.cninfo.com.cn
2022-019	Announcement on Carrying out Factoring Business of Accounts Receivable	31 March 2022	http://www.cninfo.com.cn
2022-020	Announcement on Expected Provision of Guarantees to Subsidiaries for 2022	31 March 2022	http://www.cninfo.com.cn
2022-021	Special Statement on the Proposed Non-Distribution of Profit for 2021	31 March 2022	http://www.cninfo.com.cn
2022-022	Announcement on the Amendments to the Company’s Relevant	31 March 2022	http://www.cninfo.com.cn

	Systems		
2022-023	Announcement on the Provision of External Guarantees	31 March 2022	http://www.cninfo.com.cn
2022-024	Announcement on Loan Transfer and Related Party Transaction	31 March 2022	http://www.cninfo.com.cn
2022-025	Announcement on Results of Resale by Bondholders of “18 Chenming Bond 01”	31 March 2022	http://www.cninfo.com.cn
2022-026	Shandong Chenming Paper Holdings Limited Announcement on Payment of 2022 Interest with Respect to the First Tranche of Corporate Bonds Publicly Issued to Qualified Investors in 2018	31 March 2022	http://www.cninfo.com.cn
2022-027	Announcement on Receipt of Government Subsidies by Subsidiaries	1 April 2022	http://www.cninfo.com.cn
2022-028	Announcement on the Proposed Resale of “18 Chenming Bond 01” Sale-back Bonds	7 April 2022	http://www.cninfo.com.cn
2022-029	Announcement on Pledge of Shares and Partial Release of Pledge of Shares by Shareholders	21 April 2022	http://www.cninfo.com.cn
2022-030	2022 First Quarterly Report	30 April 2022	http://www.cninfo.com.cn
2022-031	Announcement on the Results of Resale of “18 Chenming Bond 01” Bonds	10 May 2022	http://www.cninfo.com.cn
2022-032	Announcement on Resolutions of 2021 Annual General Meeting	12 May 2022	http://www.cninfo.com.cn
2022-033	Announcement on Resolutions of the Twenty-fourth Extraordinary Meeting of the Ninth Session of the Board of Directors	24 May 2022	http://www.cninfo.com.cn
2022-034	Announcement on Resolutions of the Seventh Extraordinary Meeting of the Ninth Session of the Supervisory Committee	24 May 2022	http://www.cninfo.com.cn
2022-035	Declaration by Nominator of Independent Director (Li Zhihui)	24 May 2022	http://www.cninfo.com.cn
2022-036	Declaration by Nominator of Independent Director (Sun Jianfei)	24 May 2022	http://www.cninfo.com.cn
2022-037	Declaration by Nominator of Independent Director (Yang Biao)	24 May 2022	http://www.cninfo.com.cn
2022-038	Declaration by Nominator of Independent Director (Yin Meiqun)	24 May 2022	http://www.cninfo.com.cn
2022-039	Declaration by Candidate for Independent Director (Li Zhihui)	24 May 2022	http://www.cninfo.com.cn
2022-040	Declaration by Candidate for Independent Director (Sun Jianfei)	24 May 2022	http://www.cninfo.com.cn
2022-041	Declaration by Candidate for Independent Director (Yang Biao)	24 May 2022	http://www.cninfo.com.cn
2022-042	Declaration by Candidate for Independent Director (Yin Meiqun)	24 May 2022	http://www.cninfo.com.cn
2022-043	Announcement on the Purchase of Liability Insurance for Directors, Supervisors and Senior Management	24 May 2022	http://www.cninfo.com.cn
2022-044	Notice of the First Extraordinary General Meeting of 2022	24 May 2022	http://www.cninfo.com.cn
2022-045	Announcement on Credit Rating Adjustment	30 May 2022	http://www.cninfo.com.cn
2022-046	Announcement on Resolutions of the Twenty-fifth Extraordinary Meeting of the Ninth Session of the Board of Directors	31 May 2022	http://www.cninfo.com.cn
2022-047	Notice on Cancellation of Certain Resolutions of 2022 First Extraordinary General Meeting and Supplementary Notice of the General Meeting	31 May 2022	http://www.cninfo.com.cn
2022-048	Announcement on Receipt of Government Subsidies by Subsidiaries	1 June 2022	http://www.cninfo.com.cn
2022-049	Announcement on Resolutions of the First Extraordinary General Meeting of 2022	16 June 2022	http://www.cninfo.com.cn
2022-050	Announcement on the Election of Employee Representative Supervisors	16 June 2022	http://www.cninfo.com.cn
2022-051	Announcement on Resolutions of the First Meeting of the Tenth Session of the Board of Directors	16 June 2022	http://www.cninfo.com.cn
2022-052	Announcement on Resolutions of the First Meeting of the Tenth Session of the Supervisory Committee	16 June 2022	http://www.cninfo.com.cn
2022-053	Announcement on the Progress of Litigation	21 June 2022	http://www.cninfo.com.cn
2022-054	Announcement on the Continued Pledge of Shares held by Shareholders	28 June 2022	http://www.cninfo.com.cn
2022-055	Announcement on Resolutions of the First Extraordinary Meeting of the Tenth Session of the Board	28 June 2022	http://www.cninfo.com.cn
2022-056	Announcement on Capital Increase and Introduction of Strategic Investors of a Majority-owned Subsidiary	28 June 2022	http://www.cninfo.com.cn

4. Introduction of strategic investors by Zhanjiang Chenming

On 27 June 2022, the first extraordinary meeting of the tenth 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. Given the recognition of Zhanjiang Chenming for its bright development prospect, Xiamen International Trade Industry Development Equity Investment Fund Partnership (Limited Partnership) made capital contribution to Zhanjiang Chenming in the amount of RMB400

million, of which RMB266,351,374 was included in the registered capital and the remaining RMB133,648,626 was included in the capital reserve.

For details, please refer to the relevant announcements (announcement no.: 2022-055 and 2022-056) of the Company published on CNINFO on 28 June 2022.

The Board of Shandong Chenming Paper Holdings Limited
30 August 2022