

香港聯合交易所有限公司

(香港交易及結算所有限公司全資附屬公司)

THE STOCK EXCHANGE OF HONG KONG LIMITED

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通告 CIRCULAR

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Subject : Display of Adjusted Previous Closing Price of Shandong Chenming Paper Holdings Limited (stock code 1812) on OTP-C for its final dividend of RMB6.00 per 10 H shares ("Final Dividend") and Capitalisation Issue of 5 new H shares for every 10 H shares ("Capitalisation Issue") on Ex-All Date, 15 June 2018

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Pursuant to the timetable issued by Shandong Chenming Paper Holdings Limited ("Chenming Paper") for the Final Dividend and Capitalisation Issue, Chenming Paper's H shares (stock code: 1812) will be marked "ex-all" on 15 June 2018, the Ex-All Date.

Amongst other terms and conditions, Chenming Paper's Final Dividend and Capitalisation Issue are subject to the passing of relevant resolution(s) to approve the Final Dividend and Capitalisation Issue (the "Resolution(s)") at its Annual General Meeting and the Class Meetings to be held on 13 June 2018 (the "AGM and Class Meetings"). Chenming Paper will make a further announcement containing the results of the Resolution(s) following the AGM and Class Meetings. Shareholders, investors and market participants should read the Chenming Paper's regulatory announcements and circulars in full including the terms and conditions of the Final Dividend and Capitalisation Issue in dealing with Chenming Paper's H shares. If they are in doubt, they should consult their professional adviser(s).

Further, as an OTP-C standard practice for ex-dividend and ex-bonus issue ("Ex-All") and for reference only, an Adjusted Previous Closing Price will be displayed in the "PRV CLOSE" field of Chenming Paper's OTP-C stock page on 15 June 2018, the Ex-All Date. The unadjusted previous closing price will instead be displayed in the free text field. Calculation of the Adjusted Previous Closing Price will be based on Chenming Paper's closing price on 14 June 2018 (i.e. last cum-all trading day) and by using the following standard adjustment formula for dividend and bonus issue generally.

Adjustment Formula:

Adjusted Previous Closing Price

= $[(\text{Closing Price on the last cum-all trading day} - D) \times Y] \div (X + Y)$

where:

D = Final dividend per H share, i.e. RMB0.60

X = Number of new H shares a shareholder is expected to receive when he/she holds Y existing H shares on the record date, i.e. 5 new H shares

Y = Number of existing H shares a shareholder has to hold on the record date for entitling him/herself to X new H shares, i.e. 10 H shares

For illustration purpose, depending on Chenming Paper's closing price on 14 June 2018, the Exchange shall base on the above standard formula for dividend and bonus issue generally to calculate and display the Adjusted Previous Closing Price on Chenming Paper's OTP-C stock page on 15 June 2018 as follows:-

<u>CUM-ALL</u>	<u>EX-ALL</u>
<u>Unadjusted Closing Price</u>	<u>Adjusted</u>
<u>on 14 June 2018</u>	<u>Previous Closing Price</u>
<u>(HK\$)</u>	<u>on 15 June 2018</u>
12.225373	7.660
12.240373	7.670
12.255373	7.680
12.270373	7.690
12.285373	7.700
12.300373	7.710
12.315373	7.720
12.330373	7.730
12.345373	7.740
12.360373	7.750
12.375373	7.760
12.390373	7.770
12.405373	7.780
12.420373	7.790
12.435373	7.800
12.450373	7.810
12.465373	7.820
12.480373	7.830
12.495373	7.840
12.510373	7.850
12.525373	7.860
12.540373	7.870
12.555373	7.880
12.570373	7.890
12.585373	7.900
12.600373	7.910
12.615373	7.920
12.630373	7.930
12.645373	7.940
12.660373	7.950

Note: The dividend amount in HKD is calculated by using the exchange rate of RMB 1 to HKD1.225622 on 13 June 2018 as reference

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