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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)

NEW CUMULATED LITIGATION

This announcement is made by Shandong Chenming Paper Holdings Limited* (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 23 January 2025, 28 February 2025, 11 April 2025 and 23 May 2025 (the “**Announcements**”) in relation to, among other things, the cumulated litigation and arbitration of the Company. Unless the context otherwise requires, terms used in this announcement shall have the same meanings as those defined in the Announcements.

New cumulated litigation and arbitration cases of the Group that have occurred in the 12 months ended 28 August 2025 are hereby announced as follows.

NEW CUMULATED LITIGATION

From 23 May 2025 to 28 August 2025, the Group has been involved in a total of 262 new cumulated litigation cases amounting to RMB2,064,401,900, representing 22.55% of the Company's latest audited net assets, due to, among others, debt overdue and contract performance disputes. The details of the new cumulated litigation cases are as follows:

Types	Causes of action	Number of cases	Amount involved (RMB'0,000)	Progress
The Company as plaintiff	Sales and purchase contract disputes	3	4,776.00	1 case is in the pre-litigation preservation stage; 1 case has been heard and are pending ruling; 1 case has been ruled and is pending execution.

Types	Causes of action	Number of cases	Amount involved <i>(RMB'0,000)</i>	Progress	
The Company as defendant	Financial institutions	Financing contract disputes	6	107,473.74	3 cases have been heard and are pending ruling; 3 cases have been accepted for litigation.
	Non-financial institutions	Financing contract disputes	8	37,508.70	4 cases have been accepted for litigation; 4 cases have been heard and are pending ruling.
	Non-financial institutions	Sales contract disputes Works contract disputes	245	56,681.75	97 cases have been accepted for litigation; 110 cases have been heard and are pending ruling; 38 cases have been ruled.
Total		<u>262</u>	<u>206,440.19</u>		

IMPACT ON THE COMPANY AND RISK WARNING

1. The Group is in the process of settling the litigation cases through means such as communication and negotiation, actively responding to the litigation, and reaching settlements with creditors. In view of the fact that the aforesaid cases have not yet been heard in court or been concluded, the Company will carry out the accounting treatment accordingly in accordance with the requirements of the relevant accounting standards and the actual progress of the cases. The specific accounting treatment will be subject to the audited financial report of the Company.
2. A provincial-level creditor committee has been established by financial institutions, who have agreed that they will maintain the stability of existing credit line, renew loans due as much as possible, and will neither demand repayment of related loans in advance nor impose restrictions thereon, as well as providing supports including maturity extension, interest rate reduction and extension of interest settlement period. As at the date of this announcement, the Company has reached agreements with the majority of financial institutions on extension, interest rate reduction or extension of interest settlement period and they have been implemented, which alleviated the pressure on loan repayment in the short term.

3. The syndicated loan of RMB2.31 billion specifically for the resumption of operation and production has been approved by all participating banks. It is going through procedures for drawdown. The Company is accelerating the disposal of non-core assets to optimise its asset structure and enhance disposal efficiency. It is stepping up efforts to recover external debts by assigning dedicated personnel to manage accounts receivable collection, and urging debtors to fulfil their obligations through negotiation, formal correspondence, litigation and other means, thus endeavouring to improve corporate liquidity.
4. The Company will closely monitor the progress of the above matters and will inform and update its shareholders and other investors of any material development in relation to the above by way of announcement as and when appropriate.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Shandong Chenming Paper Holdings Limited
Hu Changqing
Chairman

Shandong, the PRC
29 August 2025

As at the date of this announcement, the executive Directors are 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*