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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)

2022 First Quarterly Report

Shandong Chenming Paper Holdings Limited (the “Company”) is required to publish quarterly reports in accordance with the requirements of the China Securities Regulatory Commission.

The financial data contained in this quarterly report is unaudited and is prepared in accordance with the Accounting Standards for Business Enterprises. This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance. The same is also published on the website of Shenzhen Stock Exchange and in the newspapers in China.

I. IMPORTANT NOTICE

The board of directors (the “Board”), the supervisory committee (the “Supervisory Committee”), and the directors (the “Directors”), supervisors (the “Supervisors”) and senior management (the “Senior Management”) of the Company hereby warrant the truthfulness, accuracy and completeness of this quarterly report which does not contain false representations, misleading statements or material omissions, and are jointly and severally responsible for the liabilities of the Company.

All Directors were present at the Board meeting to consider and approve this quarterly report.

Chen Hongguo, the head of the Company, Dong Lianming, the head in charge of accounting, and Zhang Bo, the head of the accounting department (Accounting Officer), declare that they warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.

II. GENERAL INFORMATION OF THE COMPANY

1. KEY FINANCIAL DATA

(I) 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 compared to the corresponding period of the prior year
Revenue (RMB)	8,514,983,059.74	10,205,724,007.89	-16.57%
Net profit attributable to shareholders of the Company (RMB)	113,917,827.90	1,179,076,577.84	-90.34%
Net profit after extraordinary gains or losses attributable to shareholders of the Company (RMB)	99,637,959.12	1,165,076,739.34	-91.45%
Net cash flows from operating activities (RMB)	222,704,964.47	3,386,890,222.27	-93.42%
Basic earnings per share (RMB per share)	0.032	0.365	-91.23%
Diluted earnings per share (RMB per share)	0.032	0.365	-91.23%
Rate of return on weighted average net assets	0.51%	5.51%	Decrease by 5 percentage point
	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 compared to the end of the prior year
Total assets (RMB)	82,883,968,181.20	82,841,454,602.24	0.05%
Owners' equity attributable to shareholders of the Company (RMB)	19,255,829,369.86	19,089,778,227.64	0.87%

Explanation:

Net profit attributable to shareholders of the Company does not exclude the interest of perpetual bonds. When calculating basic earnings per share, diluted earnings per share and the rate of return on weighted average net assets, the interest for perpetual bonds from 1 January to 31 March 2022 of RMB22,117,808.22 are deducted.

(II) Items and amounts of extraordinary gains or losses

☒ Applicable ☐ Not applicable

Unit: RMB

Item	Amount for the reporting period	Explanation
Profit or loss from disposal of non-current assets (including write-off of asset impairment provision)	-2,701,662.65	
Government grants (except for the government grants closely related to the ordinary course of business of the Company, and granted constantly at a fixed amount or quantity in accordance with a certain standard in compliance with national policies and regulations) accounted for in profit or loss for the current period	92,491,113.20	
Except for effective hedging business conducted in the ordinary course of business of the Company, gain or loss arising from change in fair value of financial assets held for trading, and financial liabilities held for trading, as well as investment gains from disposal of financial assets held for trading, financial liabilities held for trading, and available for sale financial assets	-62,769,859.52	
Other non-operating income and expense other than the above items	1,559,601.99	
Less: Effect of income tax	13,510,608.49	
Effect of minority interests (after tax)	788,715.75	
Total	14,279,868.78	—

Details of other gain or loss items that fall within the definition of extraordinary gains or losses:

☐ Applicable ☒ Not applicable

The Company did not have details of other gain or loss items that fall within the definition of extraordinary gain or loss.

Notes on the extraordinary gain or loss items as illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 – Extraordinary Gains or Losses defined as recurring gain or loss items

☐ Applicable ☒ Not applicable

No extraordinary gain or loss items as illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 – Extraordinary Gains or Losses were defined by the Company as its recurring gain or loss items.

(III) Details and reasons for changes in major accounting figures and financial indicators

√ Applicable ☐ Not applicable

1. Analysis of assets and liabilities of the Company

Unit: RMB

Item	31 March 2022	31 December 2021	Change	Reason for change
Financial assets held for trading	47,663,373.11	110,886,182.88	-57.02%	(1)
Accounts receivable financing	1,175,688,679.93	435,459,341.76	169.99%	(2)
Construction in progress	336,846,329.16	197,749,526.05	70.34%	(3)
Taxes payable	191,398,829.98	321,495,480.67	-40.47%	(4)

Explanation of the reasons leading to the major changes:

- (1) Financial assets held for trading decreased by 57.02% as compared to the beginning of the year, mainly due to change in fair value of the shares of China Bohai Bank held by the Company during the reporting period.
- (2) Accounts receivable financing increased by 169.99% as compared to the beginning of the year, mainly due to the increase in bills held by the Company at the end of the reporting period from the beginning of the year.
- (3) Construction in progress increased by 70.34% as compared to the beginning of the year, mainly due to the increased investment in Meilun Paper's technological transformation and household paper relocation projects during the reporting period.
- (4) Taxes payable decreased by 40.47% as compared to the beginning of the year, mainly due to the decrease in taxes payable at the end of the reporting period as compared to the beginning of the year.

2. Reasons for significant year-on-year changes of income statement items during the reporting period

Unit: RMB

Item	January – March 2022	January – March 2021	Change	Reasons for change
Other income	92,491,113.20	58,431,534.65	58.29%	(1)
Investment income	-30,691,914.23	62,891,682.38	-148.80%	(2)
Credit impairment loss	25,687,670.42	-118,711,577.64	-121.64%	(3)
Income tax expenses	23,304,634.95	216,053,390.31	-89.21%	(4)
Net profit attributable to owners of the parent company	113,917,827.90	1,179,076,577.84	-90.34%	(5)
Profit or loss of minority interests	17,764,381.49	67,030,684.17	-73.50%	(6)

Explanation of the reasons leading to the major changes:

- (1) Other income increased by 58.29% as compared to the corresponding period of last year, mainly due to the year-on-year increase in government grants associated with day-to-day operation received by the Company during the reporting period.
- (2) Investment income decreased by 148.80% as compared to the corresponding period of last year, mainly due to the profit and loss from derecognition of bills affecting the decrease in investment income through investment income accounting during the reporting period.
- (3) The credit impairment loss decreased by 121.64% as compared to the corresponding period of last year, mainly due to the year-on-year decrease of bad debts accrued by the accounts receivable of the Company during the reporting period.
- (4) Income tax expenses decreased by 89.21% as compared to the corresponding period of last year, mainly due to the year-on-year decrease in the total profit incurred by the Company during the reporting period.
- (5) Net profit attributable to owners of the parent company decreased by 90.34% as compared to the corresponding period of last year, mainly due to the year-on-year decrease of the sales volume and selling price of the Company's machine-made paper and the year-on-year increase of prices of certain raw materials during the reporting period.
- (6) Profit or loss of minority interests decreased by 73.50% as compared to the corresponding period of last year, mainly due to the year-on-year decrease in operating profit of some non-wholly-owned subsidiaries during the reporting period.

3. Analysis of cash flows during the reporting period

Unit: RMB

Item	January – March 2022	January – March 2021	Change	Reasons for change
Net cash flows from operating activities	222,704,964.47	3,386,890,222.27	-93.42%	(1)
Net cash flows from investment activities	-25,778,740.38	-187,483,014.24	86.25%	(2)
Net cash flows from financing activities	-739,682,476.50	-3,285,797,443.75	77.49%	(3)

Explanation of the reasons leading to the major changes:

- (1) Cash flows from operating activities decreased by 93.42% as compared to the corresponding period of last year, mainly due to the decrease in operating cash received by the Company during the reporting period.
- (2) Cash flows from investment activities increased by 86.25% as compared to the corresponding period of last year, mainly due to the increase in investment expenditure as a result of the increase in investment of RMB400 million by Chenming GDR Fund, a subsidiary, to Chenchuang Fund in the corresponding period last year.
- (3) Cash flows from financing activities increased by 77.49% as compared to the corresponding period of last year, mainly due to the Company's repayment of RMB2.25 billion of preferred shares in the corresponding period last year.

II. INFORMATION ON SHAREHOLDERS

(I) Total number of shareholders of ordinary shares and shareholders of preference shares with restored voting rights and the shareholding of the top ten shareholders

Unit: share

Total number of shareholders of ordinary shares as at the end of the reporting period	169,369, of which 146,611 were holders of A shares, 22,424 were holders of B shares and 334 were holders of H shares	Total number of shareholders of preference shares with restored voting right as at the end of the reporting period	0			
Shareholding of the top ten shareholders						
Name of shareholders	Nature of shareholders	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%	373,385,375	0		
CHENMING HOLDINGS (HONG KONG) LIMITED	Overseas legal person	12.20%	364,131,563	0		
HONG KONG SECURITIES CLEARING COMPANY LIMITED	Overseas legal person	1.35%	40,337,954	0		
NINGBO ASIA PAPER TUBE CARTON CO., LTD. (寧波亞洲紙管紙箱有限公司)	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	0.76%	22,547,117	0		
GOLDMAN SACHS INTL	Overseas legal person	0.50%	14,784,619	0		
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Overseas legal person	0.50%	14,771,945	0		
VANGUARD EMERGING MARKETS STOCK INDEX FUND	Overseas legal person	0.49%	14,487,646	0		

Shareholding of the top ten shareholders of non-restricted shares			
Name of shareholders	Number of non-restricted shares held	Class of shares	
		Class of shares	Number
CHENMING HOLDINGS COMPANY LIMITED	457,322,919	RMB ordinary shares	457,322,919
HKSCC NOMINEES LIMITED	373,385,375	Overseas listed foreign shares	373,385,375
CHENMING HOLDINGS (HONG KONG) LIMITED	364,131,563	Domestic listed foreign shares	210,717,563
		Overseas listed foreign shares	153,414,000
HONG KONG SECURITIES CLEARING COMPANY LIMITED	40,337,954	RMB ordinary shares	40,337,954
NINGBO ASIA PAPER TUBE CARTON CO., LTD. (寧波亞洲紙管紙箱有限公司)	32,120,000	RMB ordinary shares	32,120,000
SHANDONG SUN HOLDINGS GROUP CO., LTD.	22,547,117	RMB ordinary shares	22,547,117
GOLDMAN SACHS INTL	14,784,619	Domestic listed foreign shares	14,784,619
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	14,771,945	Domestic listed foreign shares	14,771,945
VANGUARD EMERGING MARKETS STOCK INDEX FUND	14,487,646	Domestic listed foreign shares	14,487,646
GUOTAI JUNAN SECURITIES (HONGKONG) LIMITED	9,997,953	Domestic listed foreign shares	9,997,953
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. 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 above are persons acting in concert. It is also not aware that any other shareholders above are related to each other.		
Securities margin trading of top ten shareholders	<p>Chenming Holdings Company Limited held 457,322,919 RMB ordinary shares, of which 368,522,919 shares were held through ordinary account and 88,800,000 shares were held through credit guarantee security account;</p> <p>NINGBO ASIA PAPER TUBE CARTON CO., LTD. held 32,120,000 RMB ordinary shares, of which 0 share was held through ordinary account and 32,120,000 shares were held through credit guarantee security account;</p> <p>Shandong Sun Holdings Group Co., Ltd. held 22,547,117 RMB ordinary shares, of which 0 share was held through ordinary account and 22,547,117 shares were held through credit guarantee security account.</p>		

(II) Total number of shareholders of preference shares and shareholding of the top ten shareholders of preference shares

☐ Applicable ☒ Not applicable

III. OTHER MATERIAL MATTERS

☒ Applicable ☐ Not applicable

1. The Company and its subsidiary have been approved as high-tech enterprises

The Company and its subsidiaries, namely Shouguang Meilun Paper Co., Ltd. (hereinafter referred to as “Shouguang Meilun”), Zhanjiang Chenming Pulp & Paper Co., Ltd. (hereinafter referred to as “Zhanjiang Chenming”) have been re-approved as high-tech enterprises after the expiration of the high and new technology enterprise certificate, with a certification number of GR202137005666, GR202137005468 and GR202144001212 with valid period of 3 years, respectively. Under the Law of the People’s Republic of China on Enterprise Income Tax and relevant national tax policies for high-tech enterprises, the Company, Shouguang Meilun and Zhanjiang Chenming are entitled to the preferential income tax policy for national high-tech enterprises for three years from the year when they were recognized (i.e. from 2021 to 2023) as high-tech enterprise and are subject to an enterprise income tax rate of 15%.

For further details, please refer to the relevant announcement disclosed by the Company on www.cninfo.com.cn on 11 February 2022. The announcement number is 2022-002.

2. *The adjustment of the interest rate and resale for “18 Chenming Bond 01”*

According to the relevant provisions on the adjustment of principal interest rate by the issuer in the Prospectus of the Public Issuance of the Corporate Bonds of Shandong Chenming Paper Holdings Limited to Qualified Investors in 2018 (phase I) (hereinafter referred to as the “Prospectus”), at the end of the fourth year of the term of the current bonds, the Company determined to lower the principal interest rate of “18 Chenming Bond 01” to 6.50%.

According to the relevant provisions of the terms of the resale by investors under the Prospectus, the bondholders of the “18 Chenming Bond 01” could declare resale in whole or in part for the “18 Chenming Bond 01” bonds they held on 28 February, 1 March, 2 March, 3 March and 4 March in 2022, respectively at a resale price of RMB100 per bond (interests exclusive), and the release date of the resale funds is 6 April 2022. Investors are entitled to interest on part of the resale of bonds from 2 April 2021 to 1 April 2022. According to the data provided by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the amount of the “18 Chenming Bond 01” bond for this resale was 1,955,000.00, and the total amount of the resale was RMB195,500,000.00 (interests exclusive) with a remaining custodial amount of 1,545,000.00.

For further details, please refer to the relevant announcements disclosed by the Company on www.cninfo.com.cn on 25 February, 1 March, 3 March and 31 March in 2022. The announcement number are 2022-004, 2022-005, 2022-006, 2022-025.

3. *Receipt of government grants by Zhanjiang Chenming*

Zhanjiang Chenming, a subsidiary of the Company, has received RMB39,255,000 provided by the Finance Bureau of the Mazhang district, Zhanjiang, which was subsequently granted under industry and enterprise technical transformation special fund of Guangdong Province. The funds have been fully received. The government grants received by the Zhanjiang Chenming were classified as government grants related to revenue.

For further details, please refer to the relevant announcement disclosed by the Company on www.cninfo.com.cn on 1 April 2022. The announcement number is 2022-027.

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by: Shandong Chenming Paper Holdings Limited

31 March 2022

Unit: RMB

Item	31 March 2022	31 December 2021
CURRENT ASSETS:		
Monetary funds	13,549,481,148.99	14,119,782,939.66
Financial assets held for trading	47,663,373.11	110,886,182.88
Accounts receivable	2,826,882,123.74	2,656,517,150.46
Accounts receivable financing	1,175,688,679.93	435,459,341.76
Prepayments	984,566,389.11	891,485,078.46
Other receivables	2,173,744,597.44	2,252,864,083.00
Including: Interest receivable		
Dividend receivable		
Inventories	5,342,282,409.49	5,282,631,922.12
Non-current assets due within one year	5,264,431,477.17	5,216,934,172.61
Other current assets	1,956,304,309.23	1,903,929,492.85
Total current assets	33,321,044,508.21	32,870,490,363.80

Item	31 March 2022	31 December 2021
NON-CURRENT ASSETS:		
Long-term receivables	1,785,290,350.61	1,788,759,975.35
Long-term equity investments	1,910,391,423.94	1,866,587,685.35
Other non-current financial assets	519,927,003.25	519,927,003.25
Investment property	6,428,021,089.92	6,473,538,431.91
Fixed assets	35,072,757,141.20	35,653,492,676.15
Construction in progress	336,846,329.16	197,749,526.05
Right-of-use assets	194,854,864.44	197,429,176.44
Intangible assets	1,598,254,948.42	1,592,672,934.54
Development expenses	16,511,634.15	
Goodwill	26,946,905.38	26,946,905.38
Long-term prepaid expenses	48,294,114.52	49,141,773.14
Deferred income tax assets	1,126,444,673.20	1,114,781,456.78
Other non-current assets	498,383,194.80	489,936,694.10
Total non-current assets	49,562,923,672.99	49,970,964,238.44
Total assets	82,883,968,181.20	82,841,454,602.24

Item	31 March 2022	31 December 2021
CURRENT LIABILITIES:		
Short-term borrowings	33,461,196,475.12	33,523,025,186.22
Bills payable	3,618,800,563.77	3,089,512,327.40
Accounts payable	3,493,532,293.85	3,871,131,345.34
Receipts in advance	37,165,744.33	38,274,028.20
Contract liabilities	1,395,572,641.79	1,382,289,597.54
Staff remuneration payables	156,507,026.16	169,899,008.01
Taxes payable	191,398,829.98	321,495,480.67
Other payables	1,622,291,427.56	1,538,013,585.93
Including: Interest payable	53,805,555.57	55,437,777.80
Dividend payable		
Non-current liabilities due within one year	6,345,950,784.03	6,601,311,227.98
Other current liabilities		
Total current liabilities	50,322,415,786.59	50,534,951,787.29
NON-CURRENT LIABILITIES:		
Long-term borrowings	5,195,247,145.61	5,276,340,154.98
Bonds payable	154,500,000.00	155,000,000.00
Lease liabilities	57,281,205.81	57,281,205.81
Long-term payables	2,538,036,395.47	2,358,901,022.99
Provisions	325,259,082.28	325,259,082.28
Deferred income	1,547,373,377.09	1,573,681,684.25
Deferred income tax liabilities	13,210,529.74	13,210,529.74
Other non-current liabilities		
Total non-current liabilities	9,830,907,736.00	9,759,673,680.05
Total liabilities	60,153,323,522.59	60,294,625,467.34

Item	31 March 2022	31 December 2021
OWNERS' EQUITY:		
Share capital	2,984,208,200.00	2,984,208,200.00
Other equity instruments	996,000,000.00	996,000,000.00
Including: Preference Shares		
Perpetual Bonds	996,000,000.00	996,000,000.00
Capital reserves	5,241,568,149.60	5,282,805,114.62
Less: Treasury shares	226,860,000.00	226,860,000.00
Other comprehensive income	-435,966,543.08	-445,582,729.36
Surplus reserves	1,212,009,109.97	1,212,009,109.97
General risk provisions	76,825,918.60	76,825,918.60
Retained profit	9,408,044,534.77	9,210,372,613.81
Total equity attributable to owners of the parent company	19,255,829,369.86	19,089,778,227.64
Minority interests	3,474,815,288.75	3,457,050,907.26
Total owners' equity	22,730,644,658.61	22,546,829,134.90
Total liabilities and owners' equity	82,883,968,181.20	82,841,454,602.24

Legal Representative:
Chen Hongguo

Financial controller:
Dong Lianming

Head of the
financial department:
Zhang Bo

2. Consolidated statement of profit or loss

Unit: RMB

Item	Amounts for the period	Amounts for the prior period
I. Total revenue	8,514,983,059.74	10,205,724,007.89
Including: Revenue	8,514,983,059.74	10,205,724,007.89
II. Total operating costs	8,383,571,164.61	8,699,358,923.27
Including: Operating costs	7,136,735,308.13	7,237,915,113.40
Taxes and surcharges	66,399,819.17	78,065,205.81
Sales and distribution expenses	75,101,550.45	69,649,821.99
General and administrative expenses	209,602,733.04	249,151,918.06
Research and development expenses	344,169,278.72	365,485,850.44
Finance expenses	551,562,475.10	699,091,013.57
Including: Interest expenses	492,511,954.53	731,861,718.88
Interest income	51,374,636.22	75,556,660.16
Plus: Other income	92,491,113.20	58,431,534.65
Investment income (“-” denotes loss)	-30,691,914.23	62,891,682.38
Including: Investment income from associates and joint ventures	13,450,054.68	45,311,682.38
Gains on derecognition of financial assets measured at amortised cost	-44,141,968.91	
Gain from changes in fair value (“-” denotes loss)	-62,769,859.52	-59,993,447.44
Credit impairment loss (“-” denotes loss)	25,687,670.42	-118,711,577.64
Loss on impairment of assets (“-” denotes loss)		-56,357.78
Gain on disposal of assets (“-” denotes loss)	1,289,860.55	4,804,612.13
III. Operating profit (“-” denotes loss)	157,418,765.55	1,453,731,530.92
Plus: Non-operating income	869,909.67	9,178,708.39
Less: Non-operating expenses	3,301,830.88	749,586.99

Item	Amounts for the period	Amounts for the prior period
IV. Total profit (“-” denotes total loss)	154,986,844.34	1,462,160,652.32
Less: Income tax expenses	23,304,634.95	216,053,390.31
V. Net profit (“-” denotes net loss)	131,682,209.39	1,246,107,262.01
(I) Classification according to the continuity of operation		
Net profit from continuing operations (“-” denotes net loss)	131,682,209.39	1,246,107,262.01
(II) Classification according to ownership		
1. Net profit attributable to owners of the parent company	113,917,827.90	1,179,076,577.84
2. Profit or loss of minority interests	17,764,381.49	67,030,684.17
VI. Net other comprehensive income after tax	9,616,186.28	-35,099,012.51
Net other comprehensive income after tax attributable to owners of the parent company	9,616,186.28	-35,099,012.51
(I) Other comprehensive income that will be reclassified to profit and loss	9,616,186.28	-35,099,012.51
Exchange differences on translation	10,221,713.43	-35,099,012.51
Other comprehensive income that may be reclassified to profit and loss under the equity method	-605,527.15	
VII. Total comprehensive income	141,298,395.67	1,211,008,249.50
Total comprehensive income attributable to owners of the parent company	123,534,014.18	1,143,977,565.33
Total comprehensive income attributable to minority interests	17,764,381.49	67,030,684.17
VIII. Earnings per share:		
(I) Basic earnings per share	0.032	0.365
(II) Diluted earnings per share	0.032	0.365

Legal Representative:
Chen Hongguo

Financial controller:
Dong Lianming

Head of the
financial department:
Zhang Bo

3. Consolidated statement of cash flows

Unit: RMB

Item	Amounts for the period	Amounts for the prior period
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	8,461,827,893.22	10,744,320,121.77
Tax rebates received	1,441,748.21	597,608.00
Cash received relating to other operating activities	223,908,772.58	582,514,746.24
Subtotal of cash inflows from operating activities	8,687,178,414.01	11,327,432,476.01
Cash paid for goods and services	7,336,058,920.71	6,594,672,121.55
Cash paid to and for employees	346,265,770.98	284,568,485.66
Payments of taxes and surcharges	364,777,680.75	653,100,300.70
Cash paid relating to other operating activities	417,371,077.10	408,201,345.83
Subtotal of cash outflows from operating activities	8,464,473,449.54	7,940,542,253.74
Net cash flows from operating activities	222,704,964.47	3,386,890,222.27
II. Cash flows from investing activities:		
Cash received from investments		
Cash received from investments income	1,000,000.00	43,000,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,197,017.65	3,263,265.60
Net cash received from disposal of subsidiaries and other business units		10,000,000.00
Cash received relating to other investing activities		240,000,000.00
Subtotal of cash inflows from investing activities	4,197,017.65	296,263,265.60
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	29,975,758.03	83,746,279.84
Cash paid on investments		400,000,000.00
Cash paid relating to other investing activities		
Subtotal of cash outflows from investing activities	29,975,758.03	483,746,279.84
Net cash flows from investing activities	-25,778,740.38	-187,483,014.24

Item	Amounts for the period	Amounts for the prior period
III. Cash flows from financing activities:		
Cash receipts from capital contributions		900,000,000.00
Including: Cash received from subsidiaries from minority investment		900,000,000.00
Cash received from borrowings	8,510,530,584.30	10,320,674,739.57
Cash received relating to other financing activities	787,702,953.62	204,630,000.00
Subtotal of cash inflows from financing activities	9,298,233,537.92	11,425,304,739.57
Cash repayments of amounts borrowed	8,787,741,310.68	9,707,520,165.73
Cash paid for dividend and profit distribution or interest payment	532,176,673.82	702,671,547.99
Including: Dividend and profit paid by subsidiaries to minority shareholders		
Cash paid relating to other financing activities	717,998,029.92	4,300,910,469.60
Subtotal of cash outflows from financing activities	10,037,916,014.42	14,711,102,183.32
Net cash flows from financing activities	-739,682,476.50	-3,285,797,443.75
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-1,442,522.27	-6,328,260.97
V. Net increase in cash and cash equivalents	-544,198,774.68	-92,718,496.69
Plus: Balance of cash and cash equivalents as at the beginning of the period	3,168,915,847.02	4,389,169,963.79
VI. Balance of cash and cash equivalents as at the end of the period	2,624,717,072.34	4,296,451,467.10

(II) Auditors' Report

Has the first quarterly report already been audited yet ?

☐ Yes ☒ No

The first quarterly report of the Company is unaudited.

By order of the Board
Shandong Chenming Paper Holdings Limited
CHEN HONGGUO
Chairman

Shandong, the PRC
29 April 2022

As at the date of this announcement, the executive Directors are Mr. Chen Hongguo, Mr. Hu Changqing, Mr. Li Xingchun and Mr. Li Feng; 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 and Mr. Yang Biao.

* *For identification purposes only*