Stock Code: 000553(200553) Stock Abbreviation: Sanonda A(B)

Announcement No. 2017-79

Hubei Sanonda Co., Ltd.

The Announcement of Resolutions of the 5th Interim Shareholders' Meeting of 2017

The Company and all members of its board of directors hereby guarantee that the contents of information disclosure are true, accurate, complete and without any false record, misleading statements or major omissions.

I. Important Notice

No proposal was added, vetoed or changed at the meeting.

II. Holding of the Meeting

1. Time of the On-site Meeting: 14:00 on December 25th (Monday), 2017

2. Venue: Meeting Room No.7, 3rd Floor, Block D1, Liangmaqiao Diplomatic Office Building, No. 19 Dongfang East Road, Chaoyang District, Beijing

3. Meeting Manner: The combined method of on-site voting and online voting

4. Convener: The Board of Directors of the Company

5. Host: Director An Liru

6. Time/Date of Online Voting:

The online voting via trading system of Shenzhen Stock Exchange was from 9:30 a.m. to 11:30 a.m. and from 1:00 p.m. to 3:00 p.m. on December 25th, 2017; the online voting via online voting system of Shenzhen Stock Exchange was any time from 15:00 on December 24th, 2017 to 15:00 on December 25th, 2017.

7. The convening and holding procedures comply with the Company Law, Rules of Listing of Shenzhen Stock Exchange and other laws, regulations, and the Articles of Association.

III. Attendance of the Meeting

1. Attendance of Shareholders

33 shareholders presented at the on-site meeting or via online voting system, representing 1,819,063,499 shares and accounting for 77.6762% of the Company's total shares. Among them, 20 shareholders presented at the on-site meeting, representing 7,814,060 shares and accounting for 0.3337% of the Company's total shares. 13 shareholders presented via online voting system, representing 1,811,249,439 shares and accounting for 77.3425% of the Company's total shares.

2. Attendance of B-share Shareholders

18 B-share shareholders presented at the on-site meeting or via online voting system, representing 1,325,531 shares and accounting for 0.7935% of the Company's total B shares. Among them, 18 shareholders presented at the on-site meeting, representing 1,325,531 shares and accounting for 0.7935% of the Company's total B shares. 0 shareholders presented via online voting system, representing 0 shares and accounting for 0% of the Company's total B shares.

3. Attendance of Mid-small Shareholders

32 Mid-small shareholders presented at the on-site meeting or via online voting system, representing 8,180,460 shares and accounting for 0.3493% of the Company's total shares. Among them, 20 shareholders presented at the on-site meeting, representing 7,814,060 shares and accounting for 0.3337% of the Company's total shares. 12 shareholders presented via online voting system, representing 366,400 shares and accounting for 0.0156% of the Company's total shares.

Part of the directors, supervisors, senior executives of the Company, as well as the lawyers engaged by the Company for witnessing attended the meeting.

IV. Deliberation and Voting on the Proposals

The following proposals were voted at the meeting by means of online and on-site voting:

1. **The Proposal on Amending the Articles of Association**

Voting Situation:

1,818,964,699 shares for it, accounting for 99.9946% of all the shares held by shareholders present; 98,800 shares against it, accounting for 0.0054% of all the shares held by shareholders present; 0 shares waived (among them, 0 shares are considered as waived due to non-voting), accounting for 0% of all the shares held by shareholders present. Among them:

(1) Voting Situation of B-share Shareholders:

1,325,531 shares for it, accounting for 100% of all the shares held by B-share shareholders present; 0 shares against it, accounting for 0% of all the shares held by B-share shareholders present; 0 shares waived (among them, 0 shares are considered as waived due to non-voting), accounting for 0% of all the shares held by B-share shareholders present.

(2) Voting Situation of Mid-small Shareholders:

8,081,660 shares for it, accounting for 98.7922% of all the shares held by Mid-small shareholders present; 98,800 shares against it, accounting for 1.2078% of all the shares held by Mid-small shareholders present; 0 shares waived (among them, 0 shares considered as waived due to non-voting), accounting for 0% of all the shares held by Mid-small shareholders present.

Voting Result:

As a special resolution, this proposal has been approved with more than 2/3 of the total number of shares held by shareholders present.

2. The Proposal on Changing the Registered Capital of the Company

Voting Situation:

1,818,964,699 shares for it, accounting for 99.9946% of all the shares held by shareholders present; 98,800 shares against it, accounting for 0.0054% of all the shares held by shareholders present; 0 shares waived (among them, 0 shares are considered as waived due to non-voting), accounting for 0% of all the shares held by shareholders present. Among them:

(1) Voting Situation of B-share Shareholders:

1,325,531 shares for it, accounting for 100% of all the shares held by B-share shareholders present; 0 shares against it, accounting for 0% of all the shares held by B-share shareholders present; 0 shares waived (among them, 0 shares are considered as waived due to non-voting), accounting for 0% of all the shares held by B-share shareholders present.

(2) Voting Situation of Mid-small Shareholders:

8,081,660 shares for it, accounting for 98.7922% of all the shares held by Mid-small shareholders present; 98,800 shares against it, accounting for 1.2078% of all the shares held by Mid-small shareholders present; 0 shares waived (among them, 0 shares considered as waived due to non-voting), accounting for 0% of all the shares held by Mid-small shareholders present.

Voting Result:

As a special resolution, this proposal has been approved with more than 2/3 of the total number of shares held by shareholders present.

3. The Proposal on Replacing Independent Directors of the 7th Board of Directors

The proposal is voted by cumulative voting, in which each independent director is voted separately. The qualifications and independency of the independent directors have been filed with and examined by the SZSE. The SZSE does not raise objection on this issue.

3.01 Electing Mr. Tang Yunwei as an Independent Director of the 7th Board of Directors

Voting Situation:

1,818,905,603 shares for it, accounting for 99.9913% of all the shares held by shareholders present. Among them:

(1) Voting Situation of B-share Shareholders:

1,325,531 shares for it, accounting for 100% of all the shares held by B-share shareholders present.

(2) Voting Situation of Mid-small Shareholders:

8,022,564 shares for it, accounting for 98.0689% of all the shares held by Mid-small shareholders present.

Voting Result:

Mr. Tang Yunwei is elected as an independent director of the 7th Board of Directors.

3.02 Electing Mr. Xi Zhen as an Independent Director of the 7th Board of Directors

Voting Situation:

1,818,827,483 shares for it, accounting for 99.9870% of all the shares held by shareholders present. Among them:

(1) Voting Situation of B-share Shareholders:

1,325,531 shares for it, accounting for 100% of all the shares held by B-share shareholders present.

(2) Voting Situation of Mid-small Shareholders:

7,944,444 shares for it, accounting for 97.1149% of all the shares held by Mid-small shareholders present.

Voting Result:

Mr. Xi Zhen is elected as an independent director of the 7th Board of Directors.

The specific contents of the proposals were disclosed on the website of Juchao Information (http://www.cninfo.com.cn) on December 8th, 2017.

V. Legal Opinion

1. Name of the law firm: King & Wood Mallesons

2. Names of the lawyers: Kang Yachen, Liu Ruiyuan

3. Conclusive opinion:

In the lawyers' opinion, the convening and holding procedures comply with the laws, administrative regulations and the Articles of Association of the Company; the qualification of the convener and attendees are legitimate and valid; the voting procedures and voting results of the meeting are in accordance with applicable laws, regulations, relevant requirements of the CSRC and SZSE and the Articles of Association of the Company, and the resolutions adopted are legitimate and valid.

VI. Documents for Reference

1. Resolutions of the 5th Interim Shareholders' Meeting of 2017;

2. Legal Opinion on the Witnessing of the Shareholders' Meeting.

This announcement is hereby made.

The Board of Directors of Hubei Sanonda Co., Ltd.

December 25th, 2017