Stock Code: 000553(200553) Stock Abbreviation: Sanonda A(B)
Announcement No. 2018-44

Hubei Sanonda Co., Ltd.

Announcement of the Resolution of the 2nd Interim Shareholders Meeting of 2018

The Company and all members of its board of directors confirm that all the information disclosed herein is true, accurate and complete with no false or misleading statement or material omission.

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: 14:30 on September 12, 2018

2. Venue: 6F A7 Building, No.10, Chaoyang Park South Road, Chaoyang District, Beijing

3. Nature of Meeting: Combination 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:

Online voting: online voting via the trading system of the Shenzhen Stock Exchange will be from 9:30 a.m. to 11:30 a.m. and from 1:00 p.m. to 3:00 p.m. on September 12, 2018;

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online voting via the online voting system of the Shenzhen Stock Exchange will be any time from 3:00 p.m. on September 11, 2018 to 3:00 p.m. on September 12, 2018.

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 of the Company.

III. Attendance of the Meeting

1. Attendance of Shareholders

15 shareholders participated in the on-site meeting or via online voting system, representing 1,812,413,460 shares, accounting for 74.0803% of the Company's total shares. Among them, 8 shareholders participated in the on-site meeting, representing 1,395,521 shares, accounting for 0.0570% of the Company's total shares and 7 shareholders participated via online voting system, representing 1,811,017,939 shares, accounting for 74.0232% of the Company's total shares.

2. Attendance of B-share Shareholders

8 B-share shareholders participated in the on-site meeting or via online voting system, representing 1,395,521 shares, accounting for 0.8354% of the Company's total B shares. Among them, 8 shareholders participated in the on-site meeting, representing 1,395,521 shares, accounting for 0.8354% of the Company's total B shares and 0 shareholders participated via online voting system, representing 0 shares, accounting for 0% of the Company's total B shares.

3. Attendance of Mid-small Shareholders

14 Mid-small shareholders participated in the on-site meeting or via online voting system, representing 1,530,421 shares, accounting for 0.0626% of the Company's total shares. Among them, 8 shareholders participated in the on-site meeting, representing 1,395,521 shares, accounting for 0.0570% of the Company's total shares and 6 shareholders participated via online voting system, representing 134,900 shares, accounting for 0.0055% of the Company's total shares.

Directors, supervisors, and part of senior executives of the Company, as well as the lawyers engaged by the Company as witnesses attended the meeting.

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IV. Deliberation and Voting on the Proposals

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

Proposal on Replacing a Director of the 8th Session of the Board of Directors

1 Voting Summary:

1,812,309,660 shares for it, accounting for 99.9943% of all the shares held by the participating shareholders; 103,800 shares against it, accounting for 0.0057 % of all the shares held by the participating shareholders; 0 shares abstained (among them, 0 shares are considered as abstained due to non-voting), accounting for 0% of all the shares held by the participating shareholders. Among these:

(1) Voting Summary of B-share Shareholders:

1,395,521 shares for it, accounting for 100% of all the shares held by the participating B-share shareholders; 0 shares against it, accounting for 0% of all the shares held by the participating B-share shareholders; 0 shares abstained (among them, 0 shares are considered as abstained due to non-voting), accounting for0% of all the shares held by the participating B-share shareholders.

(2) Voting Summary of Mid-small Shareholders:

1,426,621 shares for it, accounting for 93.2176% of all the shares held by the participating Mid-small shareholders; 103,800 shares against it, accounting for 6.7824 % of all the shares held by the participating Mid-small shareholders; 0 shares abstained (among them,0 shares considered as abstained due to non-voting), accounting for 0% of all the shares held by the participating Mid-small shareholders.

2. Voting Result: As a general resolution, this proposal has been approved with more than 50% of the total number of shares held by the participating shareholders. Mr. Ning Gaoning was elected as a director of the 8th session of the Board of Directors of the Company.

The specific content of the proposal was disclosed on the website of Juchao Information (http://www.cninfo.com.cn) on July 27th, 2018.

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V. Legal Opinion

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

2. Names of the lawyers: Liu Ruiyuan, Fan Qihui

3. Conclusive opinion:

In the lawyers' opinion, the convening and holding procedures comply with the Company Law, Rules for the Shareholders' Meetings of Listed Companies, Notice of the Shenzhen Stock Exchange on Issuing the Detailed Implementing Rules of the Shenzhen Stock Exchange for Online Voting at Shareholders' Meetings of Listed Companies and other applicable laws and regulations, as well as 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 legitimate and valid.

VI. Documents for Reference

1. Resolution of the 2nd Interim Shareholders Meeting;

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

This announcement is hereby made.

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

September 12, 2018

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