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沈機集團昆明機床股份有限公司
SHENJI GROUP KUNMING MACHINE TOOL COMPANY LIMITED
(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 0300)

Poll Results of the Second Extraordinary General Meeting of 2018

The board of directors (the “Board”) of Shenji Group Kunming Machine Tool Company Limited (the “Company”) and all members of the Board warrant that there are no false representations, misleading statements and material omissions in this announcement, and are severally and jointly responsible for the truthfulness, accuracy and completeness of the content herein.

IMPORTANT INFORMATION:

- Whether the second extraordinary general meeting of 2018 of the Company (the “EGM”) has vetoed resolution: No

I. CONVENING AND ATTENDANCE OF THE EGM

1. Date of the EGM: 28 December 2018
2. Venue of the EGM: the Conference Room, Office Building of the Company,
23 Ciba Road, Kunming City, Yunnan Province, the PRC.
3. Information of ordinary shareholders and preferred shareholders of recovery voting rights who attended the EGM and their shareholdings

1. Number of shareholders attended the EGM in person or authorized proxies	8
of which: Number of holders of domestic circulating shares	7
Number of holders of overseas listed shares (H Shares)	1
2. Shares with voting rights at the EGM held by Shareholders attended the EGM	170,410,118
of which: Number of shares held by holders of domestic circulating shares	170,264,118
Number of shares held by holders of overseas listed shares (H Shares)	146,000
3. The number of voting shares held by shareholders attended the	32.09

EGM representing the total voting shares of the Company (%)	
of which: Shares held by holders of domestic circulating shares representing the total issued shares of the Company (%)	32.06
Shares held by holders of overseas listed shares representing the total issued shares of the Company (%)	0.03

4. Whether the voting complied with the “Company Law of the People’s Republic of China” and the Articles of Association of the Company, information of presiding etc.

The convening of the EGM complied with the “Company Law of the People’s Republic of China”, “Listing Rules of Shanghai Stock Exchange”, “Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” and the Articles of Association of the Company. The convening of the EGM was legally valid.

The EGM was convened by the Board and chaired by the chairman of the Board of the Company. The shareholders, authorized proxies, some directors and supervisors, the secretary to the Board of the Company attended the EGM. The representative of Da Hua Certified Public Accountants (Special General Partnership) and the representative of Yun Zhi Nan Law Firm attended the site meeting, both Da Hua Certified Public Accountants (Special General Partnership) and Yun Zhi Nan Law Firm are the intermediaries of the Company relating to the considering resolutions at the EGM.

5. Attendance of directors, supervisors and the secretary to the Board at the EGM
- (1) Two of 11 eligible directors of the Company attended the EGM, other directors of the Company could not attend the EGM due to official duties.
 - (2) One of five eligible supervisors attended the EGM, other supervisors of the Company could not attend the EGM due to official duties.
 - (3) Secretary to the Board attended the EGM, other senior management officers of the Company could not attend the EGM due to official duties.

6. Information of counting and scrutinizing votes at site meeting

The representative of holders of domestic circulating shares of the Company and the representative of Yun Zhi Nan Law Firm were appointed as the persons to count the votes. The Company’s employee supervisor and the representative of Da Hua Certified Public Accountants (Special General Partnership) were appointed as the scrutineers for vote taking at the EGM.

II. CONSIDERATION AND VOTING RESULTS OF THE RESOLUTIONS

(I) Special resolution

1. Amendments to articles of association of the Company

The resolution was passed at the EGM.

Voting information:

Type of shareholders	Affirmative votes		Dissenting votes		Abstaining votes	
	Number of votes	Proportion (%)	Number of votes	Proportion (%)	Number of votes	Proportion (%)
 Holders of domestic circulating shares	170,264,118	100	0	0	0	0
 Holders of H Shares	146,000	100	0	0	0	0
 Total	170,410,118	100	0	0	0	0

(II) Ordinary resolutions

1. Amendments to Rules of Procedures for the Shareholders' General Meeting

The resolution was passed at the EGM.

Voting information:

Type of shareholders	Affirmative votes		Dissenting votes		Abstaining votes	
	Number of votes	Proportion (%)	Number of votes	Proportion (%)	Number of votes	Proportion (%)
 Holders of domestic circulating shares	170,264,118	100	0	0	0	0
 Holders of H Shares	146,000	100	0	0	0	0
 Total	170,410,118	100	0	0	0	0

2. To consider and approve Mr. Ding Side as a director of the 9th board of directors of the Company, his tenure of appointment of director is the same as the tenure of the 9th board of directors of the Company

The resolution was passed at the EGM.

Voting information:

Type of shareholders	Affirmative votes		Dissenting votes		Abstaining votes	
	Number of votes	Proportion (%)	Number of votes	Proportion (%)	Number of votes	Proportion (%)
 Holders of domestic circulating shares	170,264,118	100	0	0	0	0
 Holders of H Shares	146,000	100	0	0	0	0

Shares						
Total	170,410,118	100	0	0	0	0

As at the date of this announcement:

- (i) Other than intended as director of the Company, Mr. Ding Side does hold any other positions in the Company or any of its associated companies.
- (ii) Mr. Ding Side does not have any interest or short position in the shares of the Company or any of its associated companies within the meaning of Part XV of the Securities and Futures Ordinance of laws of Hong Kong.
- (iii) Mr. Ding did not hold any directorship positions in other public listed companies in the past three years; save as disclosed, as at the date of this announcement, there are no other matters related to Mr. Ding that need to be brought to the attention of the Shareholders, and disclosed pursuant to any of requirements under paragraphs 13.51(2)(h)-(v) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

III. PRESENCE OF THE LAWYER

1. The law firm which identified the EGM: Yun Zhi Nan Law Firm
2. Conclusive opinions provided by the lawyers:

The convening and process of the second extraordinary general meeting of 2018 of Shenji Group Kunming Machine Tool Company Limited (the “EGM”), the eligibility of persons attended the EGM, and voting procedures of the EGM complied with relevant laws and regulations of the PRC and the Articles of Association of the Company. The voting results and resolutions of the EGM were legally valid.

IV. DOCUMENTS AVAILABLE FOR INSPECTION

1. EGM results signed and confirmed by participating directors and recording person and stamped with the seal of the board of directors;
2. Legal opinions signed by the director of the law firm and stamped with official seal.

Board of Directors
Shenji Group Kunming Machine Tool Company Limited

Kunming, the PRC, 28 December 2018

As at the date of this announcement, the Company’s executive directors are Mr. Wang He, Mr. Zhang Xiaoyi, Mr. Peng Liangfeng and Ms. Xu Juan; non-executive directors are Mr. Liu Chunshi, Mr. Xia Changtao, Ms. Wu Yu and Mr. Ding Side; and the independent non-executive directors are Mr. Na Chaohong, Mr. Chi Yilin, Ms. Jin Mei and Ms. Tian Ruihua.