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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)

**Announcement on Resolutions Passed
at the 6th Meeting of the 9th Board of Supervisors**

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

IMPORTANT INFORMATION:

- Supervisors Ms. Su Jiao and Mr. Cai Zhemin could not attend the Meeting due to official duties.
- All resolutions have been passed at the Meeting.

I. CONVENING OF THE MEETING

1. The 6th meeting of the 9th board of supervisors of the Company (the “Meeting”) complied with the relevant laws, administrative regulations, departmental regulations, regulatory documents and the Articles of Association of the Company.
2. The information of the Meeting was sent to supervisors on 19 March 2019..
3. The Meeting was held on 29 March 2019 at Kunming City and adopted on-site voting.
4. Three of five eligible supervisors attended the Meeting. Supervisors Ms. Su Jiao and Mr. Cai Zhemin could not attend the Meeting due to official duties and they appointed supervisor Mr. Zhou Guoxing to vote on their behalf at the Meeting.
5. The Meeting was presided at the chairman of the board of supervisors of the Company.

II. CONSIDERATION AND VOTING RESULTS OF THE MEETING

1. The work report of the board of supervisors of the Company for the year 2018;
There are 5 affirmative votes, 0 dissenting vote and 0 abstaining vote on this resolution and the resolution was passed at the Meeting
2. The annual report and the summary of the annual report of the Company for the year 2018;
There are 5 affirmative votes, 0 dissenting vote and 2 abstaining votes on this resolution and the resolution was passed at the Meeting.
3. The profit distribution of the Company for the year ended 31 December 2018;
For the year ended 31 December 2018, the Company will not distribute cash dividend or bonus share, or conduct conversion of capital reserves into share capital.

There are 5 affirmative votes, 0 dissenting vote and 2 abstaining votes on this resolution and the resolution was passed at the Meeting.

Board of Supervisors
Shenji Group Kunming Machine Tool Company Limited

Kunming, the PRC, 29 March 2019

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.