

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 Resolution Passed
at the 23rd Meeting of the 9th Board of Directors**

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:

- All directors of the Company attended the Meeting
- The resolution has been passed at the Meeting

I. CONVENING OF THE MEETING

1. The 23rd meeting of the 9th board of directors 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 directors on 14 June 2019.
3. The Meeting was held on 20 June 2019 and the vote was by way of written.
4. All 12 eligible directors attended the Meeting.

II. CONSIDERATION AND VOTING RESULTS OF THE MEETING

1. Submitted to the resolution to shareholders’ meeting to approve the board of directors of the Company authorizing management team of the Company (list of the management team: Wang He, Zhang Xiaoyi, Peng Liangfeng, Xu Juan, Wang Lifang, Liu Chunshi, Zhu Xiang and He Xi) to handle the banking facilities not more than RMB500 million in the year 2019-2020 (RMB500 million is the single fiscal year cap)

10 affirmative votes, 2 dissenting vote and 0 abstaining vote. The resolution was passed at the Meeting.

Reasons for dissenting:

1. The board of directors should attach great importance to financing matters, perform their duties conscientiously and review each financing decision;
2. Directors of the Company will fully support the financing decisions that are beneficial to the Company's development without affecting its efficiency.

The above resolution will be submitted to the shareholders' meeting for consideration and approval. Details of the resolution will be published on the following websites: www.neeq.com.cn, www.hex.com.hk, and www.kmtcl.com.cn.

Board of Directors
Shenji Group Kunming Machine Tool Company Limited

Kunming, the PRC, 21 June 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.