

Announcement on the Resolution of the 16th Meeting of the 7th Board of Directors

The board of directors and all directors of the company guarantee that there are no false records, misleading statements or major omissions in the contents of this announcement, and bear individual and joint obligation for the authenticity, accuracy and integrity of the contents.

The notice of the 16th meeting of the 7th Board of Directors of KraussMaffei Company Ltd. ("the Company") and relevant proposals were sent out by email on 19th March 2021, and the meeting was held by written signature on 31st March 2021. There are 9 directors who should attend the meeting and 9 directors who actually attend the meeting. The convening procedure and deliberation items of the meeting meet the requirements of the *Company Laws* and other laws and regulations as well as the *Articles of Association*. The meeting is legal and effective. At the same time, the meeting heard *the Work Report of the General Manager in 2020, the Work Report of the Independent Directors in 2020 and the Performance Report of the Audit Committee of the Board of Directors in 2020*. After careful deliberation, the directors attending the meeting voted and passed the following proposals, forming the following resolutions:

1、deliberated and passed the *Proposal on Work Report of the Board of Directors for the Year of 2020*.

This proposal still needs to be submitted to the Company's 2020 Annual General Meeting for deliberation.

Voting results: 9 in favor, 0 against and 0 abstention.

2、deliberated and passed the *Proposal on Financial Report on Final Accounting for the Year of 2020*.

This proposal still needs to be submitted to the Company's 2020 Annual General Meeting for deliberation.

Voting results: 9 in favor, 0 against and 0 abstention.

3、deliberated and passed the *Proposal on Annual Report of KraussMaffei Company Limited for the Year of 2020* and its *Abstract*.

See the website of Shanghai Stock Exchange (www.sse.com.cn) disclosed on the same day for details for *Annual Report of KraussMaffei Company Limited for the Year of 2020* and its *Abstract* (the *Abstract* is also published in *China Securities Journal* and *Shanghai Securities Journal*)

This proposal still needs to be submitted to the Company's 2020 Annual General Meeting for deliberation.

Voting results: 9 in favor, 0 against and 0 abstention.

4、deliberated and passed the *Proposal on Profit Distribution and the Conversion of Capital Reserve into Registered Capital for the Year of 2020*.

According to the audit of PricewaterhouseCoopers Zhongtian accounting firm (special general partnership), the net profit of the Company in 2020 is RMB -229,989,894.66, the profit available for distribution of the parent company at the beginning of the period is RMB -1,188,285,862.21, and the profit available for distribution of the parent company at the end of the period is RMB -1,216,792,759.92.

In view of the fact that the accumulated undistributed profit of the parent company is negative by the end of 2020, according to the relevant provisions of the *Articles of Association*, the Board of Directors plans not to withdraw the surplus reserve, not to distribute profits to shareholders, and not to convert capital reserve into registered capital in 2020.

The independent directors of the Company expressed their consent independent opinions on the proposal.

This proposal still needs to be submitted to the Company's 2020 Annual General Meeting for deliberation.

Voting results: 9 in favor, 0 against and 0 abstention.

5、 deliberated and passed the *Proposal on Evaluation Report on the Internal Control for the Year of 2020*.

See the website of Shanghai Stock Exchange (www.sse.com.cn) disclosed on the same day for details for *Internal Control Evaluation Report of KraussMaffei Company Limited for the Year of 2020*.

Voting results: 9 in favor, 0 against and 0 abstention.

6、 deliberated and passed the *Proposal on Changing Performance Commitment Period of CNCE Global*.

See the website of Shanghai Stock Exchange (www.sse.com.cn) disclosed on the same day for details for *Announcement of KraussMaffei Company Limited on Changing Performance Commitment Period*. (Announcement No. 2021-006)

Affiliated directors, Mr. Liu Tao, Mr. Bai Xinping, Mr. Kang Jianzhong and Mr. Zhao Jifeng, avoided voting on the proposal, and the actual voting directors were five.

This proposal has been approved and expressed consent independent opinions by the independent directors in advance.

This proposal still needs to be submitted to the Company's 2020 Annual General Meeting for deliberation.

Voting results: 5 in favor, 0 against and 0 abstention.

7、 deliberated and passed the *Proposal on the Intended Implementation of the Commitment on Share Repurchase Instead of Dividends*.

See the website of Shanghai Stock Exchange (www.sse.com.cn) disclosed on the same day for details for *Announcement and Repurchase Plan on the Implementation of Share Repurchase Instead of Dividend Commitment*. (Announcement No. 2021-007)

The independent directors of the Company expressed their consent independent opinions on the proposal.

This proposal still needs to be submitted to the Company's 2020 Annual General Meeting for deliberation.

Voting results: 9 in favor, 0 against and 0 abstention.

8、deliberated and passed the *Special Report on the Deposit and Use of the Raised Funds of KraussMaffei Company Limited*.

See the website of Shanghai Stock Exchange (www.sse.com.cn) disclosed on the same day for details for *Special Report on the Deposit and Use of the Company's Raised Funds in 2020*.

Voting results: 9 in favor, 0 against and 0 abstention.

9、deliberated and passed the *Proposal on Remuneration of the Senior Executives of the Company in 2021*.

In order to clarify and standardize the remuneration of senior executives in 2021, according to the opinions of the Remuneration and Assessment Committee of the Board of Directors, the Company intends to clarify the following matters:

The cash remuneration of the Company's senior executives consists of basic salary, annual individual performance assessment salary, annual profit completion reward salary and other subsidies.

The basic salary of the senior executives of the Company during the 2021 annual assessment period shall be cashed monthly; the annual individual performance assessment salary shall be cashed according to the individual annual assessment results; the annual profit completion reward salary shall be calculated the total reward according to the actual completion of the profit and cashed annually according to the individual position and assessment results; and the relevant subsidies shall be paid monthly according to the employment situation and corresponding standards .

According to the actual performance of the Company's senior executives, the Compensation and Evaluation Committee of the Company's Board of Directors confirms the setting of personal performance amount, the setting of performance realization goal, the realization of achievement goal and the corresponding amount.

The independent directors of the Company expressed their consent independent opinions on the proposal.

Voting results: 9 in favor, 0 against and 0 abstention.

10、deliberated and passed the *Proposal on Remuneration of the Directors of the Company in 2021*.

According to the *Articles of Association*, the *Rules of Procedure of the Remuneration and Assessment Committee* and other relevant systems of the Company, combined with the actual situation of the Company's business scale and referring to the industry's remuneration level, the Remuneration and Assessment Committee of the Board of Directors proposed that, the remuneration of the Company's directors who serve as senior executives in the Company is determined according to the remuneration plan of the Company's senior executives, and the non-independent directors those who do not serve as senior managers in the Company are not paid in the Company.

The annual remuneration of independent directors of the Company is RMB 50,000 per person after tax.

The independent directors of the Company expressed their consent independent opinions on the proposal.

This proposal still needs to be submitted to the Company's 2020 Annual General Meeting for deliberation.

Voting results: 9 in favor, 0 against and 0 abstention.

11、deliberated and passed the *Proposal on the Estimation of Daily Related Party Transaction of the Company in 2021*.

See the website of Shanghai Stock Exchange (www.sse.com.cn) disclosed on the same day for details for *Announcement of KraussMaffei Company Limited on the Estimation of Daily Related Party Transaction of the Company in 2021*. (Announcement No. 2021-008)

Affiliated directors, Mr. Liu Tao, Mr. Bai Xinping, Mr. Kang Jianzhong and Mr. Zhao Jifeng, avoided voting on the proposal, and the actual voting directors were five.

This proposal has been approved and expressed consent independent opinions by the independent directors in advance.

This proposal still needs to be submitted to the Company's 2020 Annual General Meeting for deliberation.

Voting results: 5 in favor, 0 against and 0 abstention.

12、 deliberated and passed the *Proposal on External Guarantee Plan of the Company in 2021*.

See the website of Shanghai Stock Exchange (www.sse.com.cn) disclosed on the same day for details for *Announcement of KraussMaffei Company Limited on External Guarantee Plan of the Company in 2021*. (Announcement No. 2021-009)

The independent directors of the Company expressed their consent independent opinions on the proposal.

This proposal still needs to be submitted to the Company's 2020 Annual General Meeting for deliberation.

Voting results: 9 in favor, 0 against and 0 abstention.

13、 deliberated and passed the *Proposal on the Financing Plan of the Company in 2021*.

In order to better manage the capital operation of KraussMaffei Co., Ltd. and ensure the healthy and stable operation of the Company, it is estimated that in 2021, the Company and its subsidiaries will apply for a financing line of no more than RMB 5 billion (or equivalent foreign currency).

This proposal still needs to be submitted to the Company's 2020 Annual General Meeting for deliberation.

Voting results: 9 in favor, 0 against and 0 abstention.

14、 deliberated and passed the *Proposal on Capital Expenditure Plan of the Company in 2021*.

In 2021, the capital expenditure of the Company is planned to be RMB 570 million (or equivalent foreign currency). Among them: RMB 150 million for conventional equipment procurement, RMB 140 million for R & D expenditure, RMB 180 million for relocation of some plant sites, and RMB 100 million for capacity improvement.

This proposal still needs to be submitted to the Company's 2020 Annual General Meeting for deliberation.

Voting results: 9 in favor, 0 against and 0 abstention.

It is hereby announced.

Board of Directors of KraussMaffei Company Limited

1st April 2021