

Stock Code: 000553 (200553)

Stock abbreviation: Sanonda A (B)

Announcement No.: 2018-19

Hubei Sanonda Co. Ltd
Q1 2018 Performance Estimation

The Company and all the directors confirm that the information disclosed is true, accurate, complete and with no false recording, misleading statement or material omission.
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I. Performance Estimation

1. Estimation period: January 1, 2018 – March 31, 2018
2. Estimated performance: Significant increase in profits

Item	Current reporting period Jan to March 2018	Same period last year Jan to March 2017 as previously reported
Net profit attributable to the shareholders of the listed company (RMB in millions)	Profit: 1,875.1 – 2,074.5	Profit: 58.7
Basic earnings per share (RMB)	Profit: 0.7664 – 0.8479	Profit: 0.0989

II. Pre-audit of the estimated performance

The estimated results of this period are the preliminary estimation of the Company and have not been audited nor reviewed by certified accountants.

III. Explanations for Performance Variation

The significant increase in estimated profits in the consolidated preliminary report in the first quarter of 2018 compared to the same quarter in 2017 is due to the following reasons:

1. The effect of the inclusion of the preliminary results of Solutions into the consolidated preliminary report of the Company due to the fact that the entire share capital (100% of the shares) of Solutions, which was purchased by the Company through the issuance of new shares, were transferred to the Company on 4 July 2017. In accordance with relevant regulations, the Company now consolidates the financial statements of Solutions in its Q1 2018 financial report.
2. The recognition of the one-time profit made by Solutions on the divestiture of certain crop protection products in Europe in connection with the approval by the EU Commission of the acquisition of Syngenta by ChemChina. The proceeds of this divestiture, net of taxes and transaction expenses, have been paid to Syngenta in return for the transfer of a portfolio of products in Europe of similar nature and

economic value. This one-time gain was somewhat offset by the slow start to the agricultural season in Europe in the first quarter due to the extended winter, as well as the timing of the closing of the product divestment and transfer transactions during the quarter.

IV. Other Remarks

1. Due to the reasons mentioned above, excluding the impact of the one-time divestiture profit, the net income of the Combined Company in Q1 2018 is expected to be somewhat lower than the pro-forma combined net income of Q1 2017.
2. The estimated results above are only preliminary calculations performed by the finance team of the Company based on preliminary financial data available to the Company and have not been audited or reviewed by the Company's independent auditors. This estimate may change, inter alia, as a result of the processing and analysis of the financial data that the Company will perform for the preparation of its Q1 2018 financial statements. Please refer to the Q1 2018 Report to be duly disclosed by the Company for specific and accurate financial information.
3. Media for Information Disclosure of the Company: China Securities Journal, Securities Times, Ta Kung Pao, and Cninfo (www.cninfo.com.cn). Investors are reminded to exercise caution when making investment decisions.

By order of the Board
Hubei Sanonda Co. Ltd.
April 13th, 2018