Stock Code: 200771 Stock ID: Hangqilun B Announcement No. 2016-12

Resolutions of the 26th Meeting of the Sixth Board of Directors of Hangzhou Steam Turbine Co., Ltd.

The members of the Board and the Company acknowledge being responsible for the truthfulness, accuracy, and completeness of the announcement. Not any false record, misleading statement or significant omission carried in this announcement.

The notice for calling of the 26th meeting of the Sixth Board of Director of Hangzhou Steam Turbine Co., Ltd. was served on March 3, 2016, And voted by means of telecommunication on March 8, 2016.

There are totally 11 members of the Board, Nie Zhonghai, Yan Jianhua, Yang Yongming, Zheng Bin and Ye Zhong – the related directors, waived from voting of this proposal. and 6 effective votes were received as of March 8, 2016. This was complying with the provisions of the Company Law, Articles of Association, and Share Listing Rules of Shenzhen Stock Exchange, thus the meeting was legal and valid.

1. The meeting examined the Proposal of the Company Foreign Investment and Related Transactions.

The Company plans to use its own capital of RMB 50 million to participate in investing Hangzhou Jushi Investment Partnership (Limited partnership). The investment constitutes a connected transaction.

The proposal was voted upon by non-related directors with the results of 6 votes in favor, 0waive, and 0 objection. this resolution is not subject to the approval of she shareholders' meeting.

The details of related transactions refer to "Company Foreign Investment and Related Transactions Announcement" (Announcement No. 2016-13)

The Board of Directors of Hangzhou Steam Turbine Co., Ltd.
March 8, 2016