

Stock Code: 200771 Stock ID: Hangqilun B Announcement No. 2016-54

Hangzhou Steam Turbine Co., Ltd.

Resolutions of Shareholders' General Meeting 2015

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.

Special remarks:

1. Notice and reminder of the shareholders' meeting were released on March 19 and May 12, 2016 respectively with Securities Times, Shanghai Commercial Daily, Hong Kong Commercial Daily, and <http://www.cninfo.com.cn>, titled Announcement 2016-27 and 2016-53.
2. No proposal was rejected at the meeting.
3. No resolution of previous shareholders' meeting was changed by this meeting.

I. Holding of the meeting

1. Time and date of the meeting:
 - (1) Time/date of the onsite meeting: May 18, 2016(Wednesday), 13: 00;
 - (2) Time/date of online voting: Online voting through the trading system of SSE was 9:30—11:30, 13:00—15:00 May 18, 2016. Votes can be made anytime between 15:00 May 17, 2016 and 15:00 May 18, 2016 through the online voting system provided by SSE.
2. Venue: Hangzhou Steam Turbine Co., Ltd. (357 Shiqiao Road, Hangzhou)
Meeting Room No. 2, the Conference Center
3. Way of meeting: This shareholders' meeting was held both onsite and online.
4. Convener: the Board of Directors of the Company
5. Host of the meeting: Chairman of the Company, Mr. Zheng Bin
6. The calling and holding procedures were complying with the Company Law, Rules of Listing of SSE, and the Articles of Association.

II. Delegates at the meeting

1. Presenting of the meeting by shareholders

(1) Totally 109 shareholders and attorneys presented the meeting, representing 498,123,004 shares, accounted of 66.06% of the total voting shares. Including: Among them there was 1 state-owned share holder holding 479,824,800 shares, accounted of 63.64% of the total voting shares;

108 B-stock holders, representing 182,982,04 shares, accounted of 2.43 % of total voting shares.

(2) Totally 21 shareholders and attorneys presented at the onsite meeting, representing 494,532,134 shares, accounted of 65.59% of total voting shares.

(3) 54 shareholders presented the meeting by online voting system, representing 359,087,0 shares accounted of 0.4762 % of total voting share.

2. Presenting of other delegates

The directors, supervisors and executives of the Company, as well as the law consultant – Zhejiang Tiance Law Firm and Reporter of Shanghai Securities News presented the meeting.

III. Proposals and voting results

The following proposals were voted and adopted at the meeting by means of online and onsite voting.

1. Report of the Board of Directors 2015

	In favor		Objection		Waive	
	Number of shares	Proportion	Number of shares	Proportion	Number of shares	Proportion
Domestic holder	479824800	100.00%	0	0.00%	0	0.00%
B-share holder	14259434	77.93%	3622470	19.80%	416300	2.28%
Total	494084234	99.19%	3622470	0.73%	416300	0.08%
Including: votes by mid-small shareholders: (shareholders with 5% or lower of the capital shares)						
Mid-small	14259434	77.93%	3622470	19.80%	416300	2.28%

shareholders						
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2. Report of the Supervisory Committee 2015

	In favor		Objection		Waive	
	Number of shares	Proportion	Number of shares	Proportion	Number of shares	Proportion
Domestic holder	479824800	100.00%	0	0.00%	0	0.00%
B-share holder	14259434	77.93%	3622470	19.80%	416300	2.28%
Total	494084234	99.19%	3622470	0.73%	416300	0.08%
Including: votes by mid-small shareholders:						
Mid-small shareholders	14259434	77.93%	3622470	19.80%	416300	2.28%

3. Annual Report 2015 and Summary

	In favor		Objection		Waive	
	Number of shares	Proportion	Number of shares	Proportion	Number of shares	Proportion
Domestic holder	479824800	100.00%	0	0.00%	0	0.00%
B-share holder	14259434	77.93%	3622470	19.80%	416300	2.28%
Total	494084234	99.19%	3622470	0.73%	416300	0.08%
Including: votes by mid-small shareholders:						
Mid-small shareholders	14259434	77.93%	3622470	19.80%	416300	2.28%

4. Financial Report 2015

	In favor		Objection		Waive	
	Number of shares	Proportion	Number of shares	Proportion	Number of shares	Proportion
Domestic holder	479824800	100.00%	0	0.00%	0	0.00%
B-share holder	14212534	77.67%	3622470	19.80%	463200	2.53%
Total	494037334	99.18%	3622470	0.73%	463200	0.09%
Including: votes by mid-small shareholders:						

Mid-small shareholders	14212534	77.67%	3622470	19.80%	463200	2.53%
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5. Dividend Plan 2015

	In favor		Objection		Waive	
	Number of shares	Proportion	Number of shares	Proportion	Number of shares	Proportion
Domestic holder	479824800	100.00%	0	0.00%	0	0.00%
B-share holder	14259434	77.93%	3622470	19.80%	416300	2.28%
Total	494084234	99.19%	3622470	0.73%	416300	0.08%
Including: votes by mid-small shareholders:						
Mid-small shareholders	14259434	77.93%	3622470	19.80%	416300	2.28%

6. Related transaction of 2015 and projected for 2016

	In favor		Objection		Waive	
	Number of shares	Proportion	Number of shares	Proportion	Number of shares	Proportion
Domestic holder	/	/	/	/	/	/
B-share holder	14259434	77.93%	3622470	19.80%	416300	2.28%
Total	14259434	77.93%	3622470	19.80%	416300	2.28%
Including: votes by mid-small shareholders:						
Mid-small shareholders	14259434	77.93%	3622470	19.80%	416300	2.28%

7. The Proposal of About Extending Engaging of routine related transaction contract

	In favor		Objection		Waive	
	Number of shares	Proportion	Number of shares	Proportion	Number of shares	Proportion
Domestic holder	/	/	/	/	/	/
B-share holder	14259434	77.93%	3622470	19.80%	416300	2.28%
Total	14259434	77.93%	3622470	19.80%	416300	2.28%
Including: votes by mid-small shareholders:						

Mid-small shareholders	14259434	77.93%	3622470	19.80%	416300	2.28%
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8.The proposal to extend the service of Pan-China CPA as auditor of the Company for year 2016

	In favor		Objection		Waive	
	Number of shares	Proportion	Number of shares	Proportion	Number of shares	Proportion
Domestic holder	479824800	100.00%	0	0.00%	0	0.00%
B-share holder	14259434	77.93%	3622470	19.80%	416300	2.28%
Total	494084234	99.19%	3622470	0.73%	416300	0.08%
Including: votes by mid-small shareholders:						
Mid-small shareholders	14259434	77.93%	3622470	19.80%	416300	2.28%

9.The Proposal on the Company's election non-Independent Director of the 7th Board of director
Including:

9.1 Nie Zhonghai was elected the 7th board of directors of non-independent Director;

	In favor Number of shares
Domestic holder	479824800
B-share holder	15081150
Total	494905950
Including: votes by mid-small shareholders:	
Mid-small shareholders	15081150

9.2 Yan Jianhua was elected the 7th board of directors of non-independent Director;

	In favor Number of shares
Domestic holder	479824800
B-share holder	13698650
Total	493523450
Including: votes by mid-small shareholders:	
Mid-small shareholders	13698650

9.3 Yang Yongming was elected the 7th board of directors of non-independent Director;

	In favor Number of shares
Domestic holder	479824800
B-share holder	13475484
Total	493300284
Including: votes by mid-small shareholders:	
Mid-small shareholders	13475484

9.4 Zheng Bin was elected the 7th board of directors of non-independent Director;

	In favor Number of shares
Domestic holder	479824800
B-share holder	13992030
Total	493816830
Including: votes by mid-small shareholders:	
Mid-small	13992030

shareholders	
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9.5 Ye Zhong was elected the 7th board of directors of non-independent Director;

	In favor Number of shares
Domestic holder	479824800
B-share holder	13992031
Total	493816831
Including: votes by mid-small shareholders:	
Mid-small shareholders	13992031

9.6 Liu Guoqiang was elected the 7th board of directors of non-independent Director;

	In favor Number of shares
Domestic holder	479824800
B-share holder	13475484
Total	493300284
Including: votes by mid-small shareholders:	
Mid-small shareholders	13475484

9.7 Kong Jianqiang was elected the 7th board of directors of non-independent Director,

	In favor Number of shares
Domestic holder	479824800
B-share holder	15946429
Total	495771229
Including: votes by mid-small shareholders:	

Mid-small shareholders	15946429
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10. The Proposal on the Company's election Independent Director of the 7th Board of director

Including:

10.1 Zhang Xiaoyan was elected the 7th board of directors of independent Director;

	In favor Number of shares
Domestic holder	479824800
B-share holder	14599228
Total	494424028
Including: votes by mid-small shareholders:	
Mid-small shareholders	14599228

10.2 Ma Lihong was elected the 7th board of directors of independent Director;

	In favor Number of shares
Domestic holder	479824800
B-share holder	13988428
Total	493813228
Including: votes by mid-small shareholders:	
Mid-small shareholders	13988428

10.3 Chen Danhong elected the 7th board of directors of independent Director;

	In favor Number of shares
Domestic holder	479824800
B-share holder	13988428
Total	493813228

Including: votes by mid-small shareholders:	
Mid-small shareholders	13988428

10.4 Gu Xinjian was elected the 7th board of directors of independent Director.

	In favor Number of shares
Domestic holder	479824800
B-share holder	15105228
Total	494930028
Including: votes by mid-small shareholders:	
Mid-small shareholders	15105228

11.The Proposal on the Company's election Supervisor of the 7th supervisory committee

Including:

11.1 Li Shijie was elected the 7th supervisor committee of Supervisor;

	In favor Number of shares
Domestic holder	479824800
B-share holder	13992028
Total	493816828
Including: votes by mid-small shareholders:	
Mid-small shareholders	13992028

11.2 Zhang Yougen was elected the 7th supervisor committee of Supervisor;

	In favor Number of shares
Domestic holder	479824800
B-share holder	13848861

Total	493673661
Including: votes by mid-small shareholders:	
Mid-small shareholders	13848861

11.3 Wang Xiaohui was elected the 7th supervisor committee of Supervisor.

	In favor Number of shares
Domestic holder	479824800
B-share holder	15131861
Total	494956661
Including: votes by mid-small shareholders:	
Mid-small shareholders	15131861

12.The Proposal of the provision for impairment of assets for year 2015

	In favor		Objection		Waive	
	Number of shares	Proportion	Number of shares	Proportion	Number of shares	Proportion
Domestic holder	479824800	100.00%	0	0.00%	0	0.00%
B-share holder	14060734	76.84%	3774270	20.63%	463200	2.53%
Total	493885534	99.15%	3774270	0.76%	463200	0.09%
Including: votes by mid-small shareholders:						
Mid-small shareholders	14060734	76.84%	3774270	20.63%	463200	2.53%

IV. Legal Opinions from the Solicitors

1. Name of the law firm: Zhengjiang Tiance Law Firm
2. Names of the lawyers: Liu Bin, Yang Lei
3. Conclusive opinion:

In the lawyers' opinion, the convening and holding procedures, the qualification

of attendees, and voting procedures of the Shareholders' Annual Meeting 2015 was complying with the laws, regulations and the Articles of Association of the Company. Therefore the resolutions are legal and valid.

V. Documents for Reference

1. Resolutions of the Shareholders' Meeting 2015 carrying the signatures of the directors and secretary of Board;
2. Legal opinion issued by Zhejiang Tiance Law Firm on the shareholders' meeting 2015.

The above is for the attention of the shareholders.

**The Board of Directors of
Hangzhou Steam Turbine Co., Ltd.
May 18, 2016**