

Hangzhou Steam Turbine Co., Ltd.
Announcement on voluntary information disclosure on the relocation and
relocation of the land in Hangzhou Steam Turbine Plant

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.

Hangzhou Steam Turbine Co., Ltd. has recently received the minutes of the meeting of the Hangzhou Municipal People's Government on the relocation of the Hangzhou Steam Turbine Bridge Road (hereinafter referred to as the minutes of the meeting). The Hangzhou Municipal People's Government will include the Hangzhou Steam Turbine Stone Bridge Road Scope, the company's residence is located in the land, the relevant circumstances are as follows:

I. Overview

1.The Hangzhou Municipal Government will Hangzhou Steam Turbine Stone Road Factory and the surrounding area included in the city of Hangzhou under the lighthouse unit urban transformation contiguous development range, the Company will be based on the relevant requirements to start the construction of stone bridge factory site.

2.According to the minutes of the meeting, the Hangzhou Steam Turbine Stone Road factory relocation compensation matters, by the city of Hangzhou City, the main government to do with the Hangzhou Steam Turbine Power Group Co., Ltd. (hereinafter referred to as: Hangzhou Steam Turbine Group) signed the compensation Agreement, by the city of Hangzhou City, the city is responsible for the payment of compensation to the Hangzhou Steam Turbine Group compensation as the Hangzhou Steam Turbine Bridge Road, the overall relocation of compensation, according to the Hangzhou Steam Turbine Industrial Park project progress schedule payment; by Hangzhou Steam Turbine Group Responsible for, in accordance with the provisions of the demolition compensation under the provisions of the compensation; by the letter from the letter of the letter of Hangzhou, to strengthen the payment of compensation funds and the use of supervision and guidance.

II.The impact of the relocation of the company

At present, the company is planning to promote the planned relocation and steam turbine construction in an orderly manner, and it is not possible to predict the results of the relocation assessment and the relocation process. There are significant uncertainties in the relocation of the company. As of the date of this announcement, the company production and operation of normal. The Company will carry out the review procedures of the Board of Directors and the Shareholders' General Meeting in accordance with the relevant laws, regulations, normative documents and the

Articles of Association of the Company and timely fulfill the obligation of continuous disclosure of information on the significant progress of the relocation.

The Board of Directors of Hangzhou Steam Turbine Co., Ltd.

April 21, 2017