

Hangzhou Steam Turbine Co., Ltd.**Announcement of alteration of directors and appointment of directors and senior executives**

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. Board of Directors recently received the resignation report of Mr. Liu Guoqiang, the director of the Company, and Mr. Yu Changquan, Deputy General Manager and Secretary of the Board of Directors. Mr. Liu Guoqiang has applied for resignation from the directors of the Company and his members of the Audit Committee in the special committee of the Board of Directors. Mr. Yu Changquan has applied for resignation as the Deputy General Manager and Secretary of the Board of Directors due to the legal retirement age. In accordance with the provisions of the Company Law and the Articles of Association of the Company, Mr. Liu Guoqiang, the director of the Company, and Mr. Yu Changquan, Deputy General Manager and Secretary of the Board of Directors resigned as a result of their resignation report being served on the Board of Directors.

The Company and the Board of Directors expressed their sincere gratitude to Mr. Liu Guoqiang and Mr. Yu Changquan for their contribution to the development of the Company during their tenure.

According to the recommendation of Hangzhou Steam Turbine Power Group Co., Ltd., the controlling shareholder of the Company, Which was reviewed by the Nomination Committee of the Company's Board of Directors and considered by the 11th Meeting of 7th Board of Directors of the Company. The Board of Directors of the Company agreed to nominate Mr. Wang Gang as the candidate for the 7th Board of Directors of the Company and The proposal was submitted to the shareholders' meeting of 2016 for the consideration of the Company. He agreed to appoint Mr. Wang Gang as Secretary of the Board and agreed to appoint Mr. Wang Zhengrong as Deputy General Manager.

Director candidates and Secretary to the Board Mr. Wang Gang, and Mr. Wang Zhengrong,

deputy general manager of Resume in Attachment 1.

The contact details of Mr. Wang Gang, Secretary of the Board of Directors, are detailed in Attachment 2.

This announcement is hereby made.

The Board of Directors of Hangzhou Steam Turbine Co., Ltd.
June 10, 2017

Attachment 1, Director candidates and Secretary to the Board Mr. Wang Gang, and Mr. Wang Zhengrong, deputy general manager of Resume.

Mr. Wang Gang, born in February 1972, member of the Communist Party of China, postgraduate degree, Zhejiang University MBA, senior engineer. In 1993 the company entered the company, served as the company organization personnel, a steam shop, security, securities laws and regulations, operation and management department and other department heads. The current party secretary of the party committee, discipline appoint secretary, trade union chairman.

Mr. Wang Gang passed the qualification certificate of the board of directors of Shenzhen Stock Exchange in June 2009 and obtained the certificate of secretary of the board of directors. From July 2009 to April 2016, Mr. Wang Gang served as the representative of securities affairs of the Company.

Mr. Wang Gang is not holding the Company's shares; there is no relationship with the shareholders, the actual controller, other directors, supervisors and senior executives of the Company holding more than 5% of the shares, and has not been punished by the CSRC and other relevant departments And the stock exchange shall not be classified as a dishonest person; and shall meet the requirements of the relevant laws, administrative regulations, departmental rules, normative documents, the Rules for the Listing of Stocks and other relevant provisions of the Exchange.

Mr. Wang Zhengrong, born in October 1970, member of the Communist Party of China, university degree, Bachelor of Engineering, Zhejiang University, senior engineer. In 1992 to enter the company work, served as deputy director of the company sales, director, marketing party branch secretary. Since March 2010, he has been a member of the Party Committee of the Company. He has been Assistant General Manager of the Company and Director of Steam Turbine Marketing since June 2015.

Mr. Wang Zhengrong is not holding the Company's shares; there is no relationship with the shareholders, the actual controller, other directors, supervisors and senior executives of the Company holding more than 5% of the shares, and has not been punished by the CSRC and other relevant departments And the stock exchange shall not be classified as a dishonest person; and shall meet the requirements of the relevant laws, administrative regulations, departmental rules, normative documents, the Rules for the Listing of Stocks and other relevant provisions of the Exchange.

Attachment 2, the Secretary of the Board of Directors Mr. Wang Gang contact

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