

Hangzhou Steam Turbine Co., Ltd. Performance Prospect for the First Quarter of 2020

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.

I. Forecast of business performance of the current term

1. Period of the prospect: January 1, 2020 to March 31, 2020

2. Performance predicted: Losses

Items	For this report period	Same period of the previous year
Net profit attributable to the shareholders of the listed company	Losses: 13.97 million yuan–17.07 million yuan	Earnings: 77.88 million yuan
	Decreased over the same period of last year: 117.94% - 121.92%	
Basic earnings per share	Losses: About 0.02 yuan	Earnings: 0.10 yuan

II. Pre-audit of estimated earnings

The estimated earnings have not been pre-audited by certified public accountants.

III. Causation of change in business performance

Statement of the Board about significant change in business performances: The net profit attributable to the shareholders of the listed company decreased year-on-year, This is mainly due to the fact that the operating income and repayments in the first quarter of 2020 were greatly affected by the epidemic, in which the operating income decreased by RMB 283.5 million year-on-year, and the provision for impairment increased by RMB 77.29 million.

IV. Related remark

The prospect above is a primary estimation. Actual results of the 1st quarter of 2020 will be released by the Company's 1st Quarterly Report 2020. Shanghai Securities Daily, Securities Times, Hong Kong Commercial Daily and www.cninfo.com.cn are the official presses of the Company

for information disclosure.

This announcement is hereby made.

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

April 15,2020