

## **Hangzhou Steam Turbine Co., Ltd.**

### **Resolutions of the 1st Session of the 7th Term of Board**

*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 1st Session of the 7th Term of Board of Hangzhou Steam Turbine Co., Ltd. was served on May 13, 2016, and the meeting was held in the morning of May 18, 2016 in the meeting room No.2 in the reception center of the Company. The meeting was held by way of onsite meeting and telecommunication voting as well. All of the 11 directors voted at the meeting. (Director Nie Zhonghai voted by telecommunication. ) Directors examined and voted on the proposals on the meeting. The supervisors and senior executives of the Company observed the meeting. The meeting procedures are legal and complying with the Company Law and Articles of Association.

The meeting was hosted by Chairman Zheng Bin.

The following proposals were examined at the meeting and passed by open ballot :

1. The proposal to elect Mr. Zheng Bin the Chairman of the 7th Term of Board;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
2. The proposal to elect Mr. Yan Jianhua the Vice Chairman of the 7th Term of Board;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
3. The proposal to elect Mr. Yang Yongming the Vice Chairman of the 7th Term of Board;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
4. The proposal of list of members of the 7th Strategy Committee;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
5. The proposal of list of members of the 7th Nomination Committee;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
6. The proposal of list of members of the 7th Auditing Committee;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.

7. The proposal of list of members of the 7th Remuneration & Assessment Committee;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
  8. The proposal to engage Mr. Ye Zhong the General Manager;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
  9. The proposal to engage Mr. Yu Changquan the Secretary of the Board;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed
  10. The proposal to engage Mr. Wang Caihua the Securities Affair Representative;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
  11. The proposal to engage Mr. Kong Jianqiang the Vice General Manager and Chief Engineer;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
  12. The proposal to engage Mr. Yu Changquan the Vice General Manager;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
  13. The proposal to engage Mr. Li Jiansheng the Vice General Manager;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
  14. The proposal to engage Mr. Zhang Shutan the Vice General Manager;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
  15. The proposal to engage Mr. Pu Yangshuo the Vice General Manager and Chief Accountant ;  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
- Profiles of the above candidates are provided with Attachment 1. Members of the Strategy Committee, the Nomination Committee, the Auditing Committee, and the Remuneration & Assessment Committee are available with Attachment 2.
16. The proposal of the company subsidiary Hangzhou Steam Turbine Co., Ltd. Heavy mortgage assets to the State Development Bank to apply for a special fund.  
11 votes in favor, 0 objection, 0 waive, the proposal was passed.
- The Board of Directors agreed to a wholly owned subsidiary of Hangzhou Steam Turbine Heavy Industries Co., Ltd. "annual output of 450 units (sets) of industrial gas turbines, compressors and high-tech engineering supporting base construction projects," the National Development Bank to apply for special funds.

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

May 18, 2016

Attachement 1. Profiles of the Chairman, Vice Chairmen, executives and the Securities Affair Representative.

Mr. Zheng Bin, born in November 1964, CCP member, university graduate, senior economics professional certification. He served as vice chairman and Vice General Manager of Hangzhou Steam Turbine Power Group Co., Ltd. He used to be chairman and General Manager of Hangzhou Dongfeng Shipyard Co., Ltd. He was engaged the vice Chairman at the 4<sup>th</sup> term of Board on March 2009 ,Vice Chairman at the 5<sup>th</sup> term of Board on June 2010, He was engaged the Director and General Manager of the Company on June 2013, He was engaged the Chairman at the 6<sup>th</sup> term of Board on December 2014. He was elected as director of the 7th term of board of directors on May 18, 2016.

Mr. Zheng is not holding the Company's shares; never under any punishment of any authorities including CSSRC. He is qualified for the job according to the Company Law and all related laws and regulations.

Mr. Yan Jianhua: born in September 1958, CCP member; college degree; Professorial Senior Engineer. He took the position of vice Chairman and General Manager of Hangzhou Steam Turbine Power Group Co., Ltd. When the Board of Directors changed on June 2001, Mr. Yan was elected as the Director of the 2nd term of Board and General Manager of the Company. Since then he has been the director of the 3rd, 4th, and 5th terms of the Board. Currently he's the Vice Chairman of the 6th term of Board of the Company. He was elected as director of the 7th term of board of directors on May 18, 2016.

Mr. Yan is not holding the Company's shares; never under any punishment of any authorities including CSSRC. He is qualified for the job according to the Company Law and all related laws and regulations.

Mr. Yang Yongming, born in November 1964, CCP member, university graduate, certified senior economist. Currently he's the vice general manager of Hangzhou Steam Turbine Power Group Co., Ltd. He used to be the vice director and director of Sales Administration Departments of the Company; Since 2013, he served as vice general manager, general manager, and vice chairman of Hangzhou Dongfeng Shipyard Ltd. Currently he's the vice general manager of Hangzhou Steam Turbine Power Group Co., Ltd . and the Vice Chairman of the 6th term of Board of the Company. He was elected as director of the 7th term of board of directors on May 18, 2016.

Mr. Yang is not holding the Company's shares; never under any punishment of any authorities including CSSRC. He is qualified for the job according to the Company Law and all related laws and regulations.

Mr. Ye Zhong: born in April 1968, CCP member; bachelor degree; professor and senior engineer. Started working in July 1990. he was the director of the 2nd term of Board, Chief Engineer; director of the 3rd term of Board, Vice General Manager; Director of the 4th and 5th terms of Board, Vice General Manager, and Chief Engineer. He's the Standing Vice General Manager, director and Chief Engineer of the 6th term of Board of the Company, and General Manager of the

Company since December 2014. He was elected as director of the 7th term of board of directors on May 18, 2016.

Mr. Ye is not holding the Company's shares; never under any punishment of any authorities including CSSRC. He is qualified for the job according to the Company Law and all related laws and regulations.

Mr. Yu Changquan, born in July 1957, CCP member, Bachelor's Degree, senior economics profession. Secretary of the Board. He was engaged the Deputy General Manager of the Company since January 2000, He was engaged the Secretary of the Board on June 2005. On February 2009 Mr. Yu was engaged the vice general manager and secretary of the Board, and was extended to the 6th term of Board on June 2013.

There is no related association between him and the company's controlling shareholder or the actual controller; He is not holding the Company's shares; has never been under any punishment of any authorities including CSSRC. He is qualified for the job according to the Company Law and all related laws and regulations.

Mr. Zhang Shutan, born in March 1959, CCP member, bachelor's degree, certified senior engineer. Once he was the teacher of HSTG Education Center, salesman of export division, vice director of export division, director of export division and assistant to general manager. He was engaged the vice general manager on February 2009.

There is no related association between him and the company's controlling shareholder or the actual controller; He is not holding the Company's shares; has never been under any punishment of any authorities including CSSRC. He is qualified for the job according to the Company Law and all related laws and regulations.

Ms. Pu Yangshuo, born in November 1975, master's degree, certified accountant, certified senior accountant. She once the auditor and senior project manager of Zhejiang Provincial Auditing Firm (Zhejiang Wanbang CPA); director and CFO of Astronautic Telecommunication Group Co., Ltd.; Traveling CFO sent by Hangzhou State-owned Asset Administration. At present she's the vice general accountant of HSTG. She was elected the supervisor of the 4th and 5th term Supervisory Committee of the Company at the shareholders' meeting held on May 2009. She was engaged the Vice General Manager and Chief Accountant of the Company on June 2013.

There is no related association between him and the company's controlling shareholder or the actual controller; She is not holding the Company's shares; has never been under any punishment of any authorities including CSSRC. She is qualified for the job according to the Company Law and all related laws and regulations.

Mr. Kong Jianqiang, born in May 1970, CCP member, Master of Engineering, certified senior

engineer. he was the director and Chief engineer of the 6th term of Board, Started working in July 1992. He used to be technician, head of workshop, vice director, and director of Steam Turbine Institute of the company. He's the director of the 6th term of Board since June 2013, and Engineer General of the Company since December 2014. He was elected as director of the 7th term of board of directors on May 18, 2016.

There is no related association between him and the company's controlling shareholder or the actual controller; He is not holding the Company's shares; has never been under any punishment of any authorities including CSSRC. He is qualified for the job according to the Company Law and all related laws and regulations.

Mr. Li Jiansheng, born January 1963, CCP member, master of engineering, certified senior engineer of professor level. Mr. Li started working for the Company in February 1982. He has been in the positions of chief of No.4 section, vice head of the Institution, and vice head of the Industrial Turbine Institute. He has been the assistant of vice general manager and head of production unit of Hangzhou Steam Turbine Co., Ltd. Mr. Li was engaged the vice general manager of the Company since December 5, 2014.

There is no related association between him and the company's controlling shareholder or the actual controller; He is not holding the Company's shares; has never been under any punishment of any authorities including CSSRC. He is qualified for the job according to the Company Law and all related laws and regulations.

Mr. Wang Caihua , born in January, 1982, graduated from Zhongnan University of Economics and Law in 2005, Bachelor of economics and Bachelor of law degree; obtained the title of economist and the qualification for Corporate Legal Adviser. Since May 2007, he has been working in the securities laws department of Hangzhou Steam Turbine Co.,Ltd, mainly engaging in securities affairs and legal affairs. There is no related association between him and the company's controlling shareholder or the actual controller; He is not holding the Company's shares; has never been under any punishment of any authorities including CSSRC. He is qualified for the job according to the Company Law and all related laws and regulations. He was appointed as Securities affairs representative of the Company on April 1, 2016.

There is no related association between him and the company's controlling shareholder or the actual controller; He is not holding the Company's shares; has never been under any punishment of any authorities including CSSRC. He is qualified for the job according to the Company Law and all related laws and regulations.

Attachement 2: Members of the professional committees of the 7th term of Board

## **I. Members of the Strategy Committee**

Chief commissioner: Zheng Bin

Commissioners: Zheng Bin, Gu Xinjian, Ma Lihong, Zhang Xiaoyan, Yan Jianhua.

Strategy workgroup:

Group leader: Ye Zhong

Group members: Nie Zhonghai, Yu Changquan, Zhang Shutan, Pu Yangshuo, Kong Jianqiang, Li Jiansheng, Wang Gang, Wang Gangjun.

## **II. Members of the Nomination Committee**

Chief commissioner: Zhang Xiaoyan

Commissioners: Zhang Xiaoyan, Gu Xinjian, Chen Danhong, Zheng Bin, Nie Zhonghai.

Nomination workgroup:

Leader: Zheng Bin

Group members: Yan Jianhua, Li Shijie, Ye Zhong, Liu Guoqiang, Yu Changquan, Zhang Yougen.

## **III. Members of the Auditing Committee**

Chief commissioner: Chen Danhong

Commissioners: Chen Danhong, Ma Lihong, Zhang Xiaoyan, Yang Yongming, Liu Guoqiang.

Auditing workgroup:

Leader: Ye Zhong

Group members: Li Shijie, Liu Guoqiang, Yu Changquan, Pu Yangshuo, Wang Xiaohui, Zhang Yougen, Zhao Jiamao, Jin Can

## **IV. Members of the Remuneration & Assessment Committee**

Chief Commissioner: Ma Lihong

Commissioners: Ma Lihong, Gu Xinjian, Chen Danhong, Zheng Bin, Yan Jianhua.

Assessment workgroup:

Leader: Yan Jianhua

Group members: Nie Zhonghai, Yang Yongming, Zhen Bin, Ye Zhong, Yu Changquan, Pu Yangshuo.