

Announcement on Resolutions of the 3rd Meeting of the 2nd Session of the Board of Supervisors

Wenzhou Hongfeng Electrical Alloy Co. Ltd (hereinafter, the Company) and its supervisors guarantee the information disclosed is true, accurate and complete and free from false representations, misleading statements and material omissions.

1. Statement on the Holding of the Meeting

The 3rd meeting of the 2nd session of the board of supervisors was held at the meeting room 3-1 on the third floor of Wenzhou Hongfeng Alloy Co., Ltd located on No.1633, Binhai 1st Blvd, economic and technological development zone, Wenzhou, Zhejiang, on 20 August 2013. The notice of the meeting was given to the supervisors by way of email on 9 August 2013. All of the three supervisors attended the meeting in person. Mr. Chen Lesheng, the Board secretary, and Mrs. Fan Gaihuan, the representative of securities affairs present at the meeting. Mr. Yu Jinjie, Chairman of the board of supervisors, presided over the meeting. The meeting was convened and held in compliance with the Company Law of the People's Republic of China and the Articles of Association of the Company.

2. Deliberation on the proposals

After the supervisors deliberated on the two proposals, the following resolutions were adopted at the meeting.

(1) Wenzhou Hongfeng Electrical Alloy Co., Ltd. 2013 Interim Report and the Abstract of 2013 Interim Report

Voting Result: Approval: 3; Objection: 0; Abstention: 0

The board of supervisors has deliberated on the 2013 Interim Report and the Abstract of 2013 Interim Report and we consider that the reports truthfully, accurately, and

completely reflect the Company's business performance and are free from false representations, misleading statements and material omissions.

For the complete version of the 2013 Interim Report and the Abstract of 2013 Interim Report, please refer to the reports disclosed on the same day of this announcement at <http://www.cninfo.com.cn/>.

(2) Proposal for Withdrawing Assets Depreciation Reserves during the First Half Year of 2013

Voting Result: Approval: 3; Objection: 0; Abstention: 0

As silver price plummeted during the second quarter of 2013, it is reasonable for the Company, based on the principle of prudence, to withdraw assets depreciation reserves according to the Accounting Standard for Business Enterprises. The board of supervisors agrees to withdraw a total amount of RMB 17,171,535.93 Yuan of assets depreciation reserves for the first half year of 2013. The withdrawal will reduce the net profit for the period from January to June 2013 by approximately RMB 11.4680 million. For the details of the proposal, please refer to the Announcement on Withdrawing Assets Depreciation Reserves disclosed on the same day at <http://www.cninfo.com.cn/>.

Board of Supervisors

Wenzhou Hongfeng Electrical Alloy Co. Ltd

20 August 2013