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**哈尔滨电气股份有限公司**

**HARBIN ELECTRIC COMPANY LIMITED**

**Harbin Electric Corporation Co., Ltd.**  
(哈爾濱電氣集團有限公司)

**Harbin Electric Company Limited**  
(哈爾濱電氣股份有限公司)

*(A wholly state-owned company incorporated in the People's Republic of China)*

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 1133)

**NOTICE OF THE EXTRAORDINARY GENERAL MEETING AND NOTICE OF THE H SHARE CLASS MEETING  
IN RELATION TO  
(1) VOLUNTARY CONDITIONAL OFFER BY CITIGROUP ON BEHALF OF HEG TO ACQUIRE ALL OF THE ISSUED H SHARES IN HEC  
(2) PROPOSED VOLUNTARY WITHDRAWAL OF LISTING OF THE H SHARES OF HEC  
AND  
(3) PROPOSED MERGER BY ABSORPTION OF HEC BY HEG**

**Date and time of the Extraordinary General Meeting: 9:30 a.m. on 7 May 2019**

**Date and time of the H Share Class Meeting: 10:00 a.m. on 7 May 2019**

**Venue: Conference room of HEC, 1399 Chuangxinyi Road, Songbei District, Harbin, Heilongjiang Province, the PRC**

**Latest time for acceptance of the H Share Offer on the Closing Date: 4:00 pm on 20 May 2019**

Dear Independent Shareholders,

Harbin Electric Company Limited (“**HEC**”) and Harbin Electric Corporation Co., Ltd. (“**HEG**”) jointly made an announcement dated 24 December 2018 in relation to the voluntary conditional offer by Citigroup Global Markets Asia Limited

(“**Citigroup**”) on behalf of HEG to acquire all of the issued H Shares in HEC (the “**H Share Offer**”); the proposed voluntary withdrawal of listing of the H Shares of HEC (the “**Delisting**”); and the proposed merger by absorption of HEC by HEG (the “**Merger**”).

The Composite Document together with the accompanying Form of Acceptance in respect of the H Share Offer, proxy forms and reply slips in respect of the Extraordinary General Meeting and the H Share Class Meeting has been despatched by HEG and HEC jointly to the HEC H Shareholders on 20 March 2019. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Composite Document dated 20 March 2019.

The Extraordinary General Meeting and the H Share Class Meeting will be held on 7 May 2019 to approve the related resolutions. **The HEC Board hereby urges all Independent Shareholders to attend and vote at the Extraordinary General Meeting and the H Share Class Meeting and/or to complete and return the proxy form. Independent Shareholders are reminded to pay attention to, and to consult (if necessary) a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser to confirm, among others, the deadline for attending and voting at the Extraordinary General Meeting and the H Share Class Meeting, as well as for accepting the H Share Offer.**

The Independent Board Committee has been formed for the purpose of making recommendations to the Independent Shareholders in respect of the H Share Offer, the Delisting, the Merger Agreement and the Merger contemplated thereunder. The Independent Board Committee has appointed Somerley Capital Limited as the Independent Financial Adviser to provide advice in respect of the H Share Offer and, in particular, as to whether the H Share Offer is fair and reasonable and as to its acceptance, and whether the Delisting and the Merger Agreement and the Merger contemplated thereunder are fair and reasonable and as to voting.

The opinion from the Independent Financial Adviser, together with the principal factors and reasons considered by the Independent Financial Adviser, was set out in the “Letter from the Independent Financial Adviser” contained in the Composite Document. The Independent Financial Adviser considers the terms of the H Share Offer, the Delisting and the Merger are fair and reasonable so far as the Independent Shareholders are concerned.

Having taken into account the terms of the H Share Offer, the Delisting, the Merger Agreement and the Merger contemplated thereunder, together with the advice and recommendations from the Independent Financial Adviser, the Independent Board Committee is of the opinion that the terms of the H Share Offer, the Delisting, the

Merger Agreement and the Merger contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned, and therefore recommend the Independent Shareholders to (i) accept the H Share Offer and (ii) vote in favour of the resolutions approving the Delisting (if applicable), the Merger Agreement and the Merger contemplated thereunder at the Extraordinary General Meeting and the H Share Class Meeting.

**If you have any questions concerning the administrative matters, including the procedure for voting at the Extraordinary General Meeting and the H Share Class Meeting and the acceptance of the H Share Offer, please call +852 2862 8647.**

This helpline is managed by an external service provider, Hong Kong Registrars Limited, engaged by HEG and will not provide any information more than what has been disclosed in the Composite Document. This helpline will only provide information on administrative matters (including the procedure for voting at the Extraordinary General Meeting and the H Share Class Meeting and the acceptance of the H Share Offer) and cannot and will not provide advice on the merits of the H Share Offer, the Delisting and/or the Merger or give any financial or legal advice, and will not solicit proxies or votes in respect of the resolutions to be voted on at the Extraordinary General Meeting and the H Share Class Meeting.

**We urge all Independent Shareholders to attend and vote at the Extraordinary General Meeting and the H Share Class Meeting on 7 May 2019 and/or to complete and return the proxy form.**

***Guidelines to attend and vote at the Extraordinary General Meeting and the H Share Class Meeting***

Independent Shareholders may vote in person or by proxy at the Extraordinary General Meeting and the H Share Class Meeting.

Whether or not you are able to attend the Extraordinary General Meeting and/or the H Share Class Meeting or any adjournment thereof in person, please complete and return the proxy forms in accordance with the instructions printed thereon to the office address of HEC at 1399 Chuangxinyi Road, Songbei District, Harbin, Heilongjiang Province, the PRC or the Registrar, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible **by no later than 9:30 am on 6 May 2019 (for the Extraordinary General Meeting) and by no later than 10:00 am on 6 May 2019 (for the H Share Class Meeting).**

Completion and return of the form of proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting and the H Share Class Meeting or any adjournment thereof, should you so wish. In the event that you attend and vote at any of the Extraordinary General Meeting and the H Share Class Meeting or any adjournment thereof after having deposited the relevant form of proxy, that form of proxy will be deemed to have been revoked.

***Guidelines to accept the H Share Offer***

- (a) To accept the H Share Offer, you should complete and sign the Form of Acceptance in accordance with the instructions printed thereon.
- (b) If your H Share(s) is/are registered under your name, please send the Form of Acceptance duly completed together with the relevant H Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, by post or by hand, marked "**HEC — H Share Offer**" on the envelope, as soon as possible and in any event reach the Registrar no later than **4:00 p.m. on Monday, 20 May 2019**.
- (c) If your H Share(s) is/are in the name of a nominee company or a name other than your own, please:
  - (i) give your instructions authorising it to accept the H Share Offer on your behalf and requesting it to deliver the Form of Acceptance duly completed together with relevant H Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of H Shares in respect of which you intend to accept the H Share Offer to the Registrar, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, by post or by hand, marked "**HEC — H Share Offer**" on the envelope, as soon as possible and in any event reach the Registrar no later than **4:00 p.m. on Monday, 20 May 2019**; or
  - (ii) arrange for the H Share(s) to be registered in your name through the Registrar and send the Form of Acceptance duly completed together with the relevant H Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar, Hong Kong Registrars Limited

at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, by post or by hand, marked "**HEC — H Share Offer**" on the envelope, as soon as possible and in any event reach the Registrar no later than **4:00 p.m. on Monday, 20 May 2019**.

- (d) If your H Share(s) has/have been lodged with your licensed securities dealer (or other registered dealer in securities or custodian bank) through CCASS, please instruct your licensed securities dealer (or other registered dealer in securities or custodian bank) to authorise HKSCC Nominees Limited to accept the H Share Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, please check with your licensed securities dealer (or other registered dealer in securities or custodian bank) for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer (or other registered dealer in securities or custodian bank) as required by them.
- (e) If your H Share(s) has/have been lodged with your investor participant's account maintained with CCASS, authorise your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.

**Independent Shareholders are reminded that if the Conditions (including but not limited to (i) the passing of resolutions approving the voluntary withdrawal of the listing of the H Shares on the Stock Exchange at the H Share Class Meeting; and (ii) minimum valid acceptances of the H Share Offer being received amounting to at least 90% of the H Shares in issue) are not satisfied on or before the Unconditional Date (that is, 20 May 2019 based on the expected timetable as set out in the Composite Document), the H Share Offer will lapse.**

The proxy forms and the Form of Acceptance, together with the fill-in instructions, have been mailed together with the Composite Document. They are also available for download via HEC's website (<http://www.hpec.com/>) or the Stock Exchange's website ([http://www3.hkexnews.hk/listedco/listconews/advancedsearch/search\\_active\\_main.aspx](http://www3.hkexnews.hk/listedco/listconews/advancedsearch/search_active_main.aspx)).

The download links in HEC's website are as follows:

- Proxy form for use at the Extraordinary General Meeting  
<http://www.hpec.com/admin/images/file/20190320081142.pdf>
- Proxy form for use at the H Share Class Meeting  
<http://www.hpec.com/admin/images/file/20190320081228.pdf>

- Form of Acceptance  
<http://www.hpec.com/admin/images/file/20190320080133.pdf>

The download links in the Stock Exchange's website are as follows:

- Proxy form for use at the Extraordinary General Meeting  
<http://www3.hkexnews.hk/listedco/listconews/SEHK/2019/0320/LTN20190320087.pdf>
- Proxy form for use at the H Share Class Meeting  
<http://www3.hkexnews.hk/listedco/listconews/SEHK/2019/0320/LTN20190320091.pdf>
- Form of Acceptance:  
<http://www3.hkexnews.hk/listedco/listconews/SEHK/2019/0320/LTN20190320073.pdf>

## WARNING

**The H Share Offer is conditional upon the satisfaction or (where applicable) waiver of the Conditions and the Merger is conditional upon the satisfaction or (where applicable) waiver of the Merger Conditions as described in the Composite Document in all aspects. Accordingly, the H Share Offer may or may not become unconditional and the issue of this joint announcement does not imply that the H Share Offer or the Delisting will be completed. As the Merger Conditions (in respect of the Merger) are different from the Conditions (in respect of the H Share Offer), shareholders and potential investors of HEC should be aware that even following the successful completion of the H Share Offer and the Delisting, there is no certainty that the Merger will proceed. Shareholders and/or potential investors of HEC should therefore exercise caution when dealing in the securities of HEC (including the H Shares and any options or rights in respect of them). Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.**

On behalf of the board of  
**Harbin Electric Corporation Co., Ltd.**  
(哈爾濱電氣集團有限公司)

**Si Ze-fu**  
*Chairman*

On behalf of the board of  
**Harbin Electric Company Limited**  
(哈爾濱電氣股份有限公司)

**Zhang Ying-jian**  
*Executive Director*

Harbin, the PRC, 26 April 2019

*As at the date of this joint announcement, the HEG Board comprises: Mr. Si Ze-fu, Mr. Wu Wei-zhang, Mr. Sun Zhiyong and Mr. Chi Ming.*

*The directors of HEG jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to HEC) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the HEC Board) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date hereof, the HEC Board comprises: Mr. Si Ze-fu, Mr. Wu Wei-zhang, Mr. Zhang Ying-jian and Mr. Song Shi-qi as the executive directors; and Mr. Zhu Hong-jie, Mr. Yu Wen-xing, Mr. Hu Jian-min and Mr. Tian Min as the independent non-executive directors.*

*The directors of HEC jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to HEG) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the HEG Board) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*