

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



哈尔滨电气股份有限公司

HARBIN ELECTRIC COMPANY LIMITED

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1133)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In light of the current situation of the Company and the relevant regulatory requirements, the Board proposed to make the following Proposed Amendments, in order to, among other things, reflect (i) the change of the legal address of the Company; (ii) the change of name of the promoter of the Company; (iii) certain amendments made to the Company Law of the PRC; (iv) the change in the percentage of overseas listed foreign shares to the total issued share capital due to the issue of Domestic Shares in 2017; (v) the change of the notification period of the shareholders general meetings and class meetings; (vi) the addition of means for corporate communication for overseas listed foreign shareholders; and (vii) the change of the dividends payment period.

EGM AND THE CLASS MEETINGS

The EGM will be convened to consider and, if thought fit, to approve the Proposed Amendments. In addition, the H Shares Class Meeting and the Domestic Shares Class Meeting will be convened to consider and, if thought fit, to approve the proposed amendments to paragraphs (1) and (2) of Article 80 as set out in this announcement respectively.

The proposed amendments to paragraphs 1 and 2 of Article 80 as set out in this announcement shall take effect upon the approval from the EGM, the Domestic Shares Class Meeting and the H Shares Class Meeting by way of special resolution, respectively. The remaining Proposed Amendments shall take effect upon approval from the EGM by way of special resolution.

DESPATCH OF CIRCULAR

A circular containing, among others, details of the Proposed Amendments together with the notices of EGM and the Class Meetings will be despatched to the Shareholders in due course.

In light of the current situation of the Company and the relevant regulatory requirements, the Board proposed to make the following Proposed Amendments, in order to, among other things, reflect (i) the change of the legal address of the Company; (ii) the change of name of the promoter of the Company; (iii) certain amendments made to the Company Law of the PRC; (iv) the change in the percentage of overseas listed foreign shares to the total issued share capital due to the issue of Domestic Shares in 2017; (v) the change of the notification period of the shareholders general meetings and class meetings; (vi) the addition of means for corporate communication for overseas listed foreign shareholders; and (vii) the change of the dividends payment period.

Details of the Proposed Amendments are as follow:

PROPOSED AMENDMENTS

(1) Change of the legal address of the Company

Before amendment:

Paragraph 4 of Article 2 The legal address of the Company:

**Block 3, Nangang High Technology Production
Harbin, Heilongjiang, the People's Republic of
China**

**(Postal code: 150036, Telephone No:
(0451)82135727)**

After amendment:

Paragraph 4 of Article 2 The legal address of the Company:

**1399 Chuangxinyi Road, Songbei District,
Harbin, Heilongjiang Province, the People's
Republic of China**

**(Postal code: 150028, Telephone No:
(0451)82135727)**

(2) Change of name of the promoter of the Company

Before amendment:

Paragraph 2 of Article 3 The promoter of the Company is:

Harbin Electric Corporation

After amendment:

Paragraph 2 of Article 3 The promoter of the Company is:

Harbin Electric Corporation Co., Ltd.

(3) Certain amendments made to the Company Law of the PRC

1. Removal of investment limits and relevant approval requirements

Before amendment:

Article 8

The Company may invest in other limited liability companies and joint stock limited companies, and shall be liable to the investee companies to the extent of its investment in those companies. The Company shall not become a shareholder with unlimited liability of any other economic organizations. **The Company having obtained approval from the companies supervisory department authorized by the State Council, may make aggregate investments of more than 50% of its net assets in other limited liability companies and joint stock limited companies.**

After amendment:

Article 8

The Company may invest in other limited liability companies and joint stock limited companies, and shall be liable to the investee companies to the extent of its investment in those companies. The Company shall not become a shareholder with unlimited liability of any other economic organizations.

2. ***Amendments of procedural provisions in relation to the reduction of capital, merger, demerger and liquidation***

(i) *Amendment of procedural provisions in relation to the reduction of capital*

Before amendment:

**Paragraph 2 of
Article 19**

The Company shall notify its creditors within 10 days from the date of the resolution to reduce its registered capital, and shall **make a public announcement** in newspapers **at least 3 times** within 30 days thereof. The creditors shall have the right, within 30 days of receipt of the notice or **within 90 days of the date of the first public announcement** if the notice has not been received, to require the Company to pay up its debts or provide corresponding security for the payment of the debt.

After amendment:

**Paragraph 2 of
Article 19**

The Company shall notify its creditors within 10 days from the date of the resolution to reduce its registered capital, and shall **make a public announcement** in newspapers within 30 days thereof. The creditors shall have the right, within 30 days of receipt of the notice or **within 45 days of the date of the public announcement** if the notice has not been received, to require the Company to pay up its debts or provide corresponding security for the payment of the debt.

(ii) Amendment of procedural provisions in relation to merger

Before amendment:

**Paragraph 2 of
Article 184**

When the Company merges, all parties to the merger shall sign a merger agreement, and a balance sheet and list of property shall be prepared. The Company shall notify its creditors within 10 days and shall **make a public announcement at least 3 times** in newspapers within 30 days after the date of the resolution to merge.

After amendment:

**Paragraph 2 of
Article 184**

When the Company merges, all parties to the merger shall sign a merger agreement, and a balance sheet and list of property shall be prepared. The Company shall notify its creditors within 10 days and shall **make a public announcement** in newspapers within 30 days after the date of the resolution to merge.

(iii) Amendment of procedural provisions in relation to demerger

Before amendment:

**Paragraph 2 of
Article 185**

When the Company demerges, all parties to the demerger shall sign a demerger agreement, and a balance sheet and list of property shall be prepared. The Company shall notify its creditors within 10 days and **make a public announcement at least 3 times** in newspapers within 30 days of the date of the resolution to demerge.

After amendment:

**Paragraph 2 of
Article 185**

When the Company demerges, all parties to the demerger shall sign a demerger agreement, and a balance sheet and list of property shall be prepared. The Company shall notify its creditors within 10 days and **make a public announcement** in newspapers within 30 days of the date of the resolution to demerge.

(iv) Amendment of procedural provisions in relation to liquidation

Before amendment:

Article 191

The liquidation committee of the Company shall notify all creditors **within the day of its establishment** and within 60 days thereof publish **at least 3 public announcements** in newspapers. The liquidation committee shall be responsible for the registration of the creditor rights.

After amendment:

Article 191

The liquidation committee of the Company shall notify all creditors **within 10 days following its establishment** and within 60 days thereof publish **a public announcement** in newspapers. The liquidation committee shall be responsible for the registration of creditor rights.

3. *Amendment of the shareholding of the shareholders bearing proposal rights*

(i) Amendment of the scope of duties of shareholders general meetings

Before amendment:

Paragraph (13) of Article 49

to consider any resolution proposed by shareholders representing **5% or more** of the shares bearing voting rights of the Company;

After amendment:

Paragraph (13) of Article 49

to consider any resolution proposed by shareholders representing **3% or more** of the shares bearing voting rights of the Company;

- (ii) *Amendment of the shareholding of the shareholders bearing proposal rights*

Before amendment:

Article 69

When the Company convenes **an annual general meeting**, shareholders holding **5% or more** of the total shares carrying the right to vote of the Company are **entitled to propose to the Company in writing** new matters to be considered. **The Company shall include in the agenda of that meeting those matters contained in the proposal which are within the scope of the duties of the shareholders general meeting.**

Any matter not set out in the notice convening an extraordinary general meeting shall not be decided at that meeting.

After amendment:

Article 69

When the Company convenes **a shareholders general meeting**, shareholders holding **3% or more** of the total shares carrying the right to vote of the Company are **entitled to propose to the convener of the shareholders general meeting in writing** new matters to be considered **10 days prior to the convening of the shareholders general meeting.** **Those matters contained in the proposal which are within the scope of the duties of the shareholders general meeting must be included in the agenda of that meeting.** **The convener of the shareholders general meeting shall, within two days upon receipt of such proposals, issue a supplemental notice for the shareholders general meeting.** **The content of such proposals shall fall within the scope of the duties of the shareholders general meeting, and has a clear topic for discussion and specific issues for resolution.**

(4) Change in the percentage of overseas listed foreign shares to total issued share capital due to the issue of Domestic Shares in 2017

Before amendment:

**Paragraph 1 of
Article 16 (ii)**

After the Company was founded, it initially issued 469,151,000 overseas listed foreign shares. In Dec 2005, it further issued 93,830,000 overseas listed foreign shares, and the total quantity of overseas listed foreign shares reached 562,981,000 shares, accounting for 44.17% of the Company's total shares; in Mar 2007, the Company further issued 102,355,000 overseas listed foreign shares, and the total quantity of overseas listed foreign shares reached 675,571,000 shares, accounting for 49.07% of the total quantity of shares of the Company.

After amendment:

**Paragraph 1 of
Article 16 (ii)**

After the Company was founded, it initially issued 469,151,000 overseas listed foreign shares. In Dec 2005, it further issued 93,830,000 overseas listed foreign shares, and the total quantity of overseas listed foreign shares reached 562,981,000 shares, accounting for 44.17% of the Company's total shares; in Mar 2007, the Company further issued 102,355,000 overseas listed foreign shares, and the total quantity of overseas listed foreign shares reached 675,571,000 shares, accounting for 49.07% of the total quantity of shares of the Company; **after the issue of domestic shares in 2017, the total quantity of overseas listed foreign shares reached 675,571,000 shares, accounting for 39.59% of the total quantity of shares of the Company.**

(5) Change of the notification period of the shareholders general meetings and class meetings

1. *Amendment of the record date prior to the holding of shareholders general meetings*

Before amendment:

Paragraph (1) of
Article 45

No change of registration shall be made on the register of shareholders by reason of a transfer of shares within the 30 days prior to the holding of a shareholders general meeting or 5 days prior to the record date for the determination of dividend distribution by the Company.

After amendment:

Paragraph (1) of
Article 45

Where PRC laws and regulations, the Rules Governing the Listing of Securities on the Exchange, the relevant provisions of the securities regulatory authorities of the place where the shares of the Company are listed stipulate the period of closure of the register of shareholders prior to the holding of a shareholders general meeting or the record date for the determination of dividend distribution by the Company, such provisions shall prevail.

2. *Amendment of the notification period of shareholders general meetings*

Before amendment:

Article 52

When the Company convenes a shareholders meetings, it shall give written notice **45 days** prior to the date of the meeting (**but not more than 60 days**) and shall inform all the registered shareholders of the matters proposed to be considered at the meeting and the date and venue of the meeting. A shareholder proposing to attend the shareholders meeting shall deposit at the Company a written reply confirming his attendance 20 days prior to the holding of the meeting.

The Company shall, according to the written replies received 20 days prior to the holding of a shareholders general meeting, calculate the number of shares carrying the right to vote represented by the shareholders proposing to attend the meeting. If the number of shares carrying the right to vote represented by the shareholders proposing to attend the meeting reaches half of the total number of shares of the Company carrying the right to vote, then the Company may hold the shareholders general meeting; if that number is not reached, the Company shall within 5 days notify the shareholders again of the matters proposed to be considered at the meeting, the date and place of the meeting by way of public announcement, and after such public announcement, the Company may hold the shareholders general meeting.

After amendment:

Article 52

When the Company convenes **an annual** general meeting, it shall give written notice **at least 20 clear business days** prior to the date of the meeting; **when the Company convenes an extraordinary general meeting, it shall give written notice at least 10 clear business days or 15 days (whichever is the longer period) prior to the date of the meeting,** and shall inform all the registered shareholders of the matters proposed to be considered at the meeting and the date and venue of the meeting.

“Business day” means any day on which the Hong Kong Stock Exchange is open for the business of dealing in securities.

3. *Amendment of the notification period for holders of Domestic Shares*

Before amendment:

Paragraph (2) of Article 54

In respect of holders of domestic shares, notices of shareholders general meetings may be given in accordance with the foregoing provision or by way of public announcement. If the public announcement method is used, it shall be published **on any one day within the period of 45 to 50 days prior to the convening of the meeting** in one or more publications specified by the PRC State Council securities regulatory authority. Once the notice is published, all holders of domestic shares shall be deemed to have received notice of the relevant shareholders general meeting.

After amendment:

Paragraph (2) of Article 54

In respect of holders of domestic shares, notices of shareholders general meetings may be given in accordance with the foregoing provision or by way of public announcement. If the public announcement method is used, it shall be published **in accordance with the notification period requirements with respect to the holding of shareholders general meetings as stipulated in Article 52 of these Articles** in one or more publications specified by the PRC State Council securities regulatory authority. Once the notice is published, all holders of domestic shares shall be deemed to have received notice of the relevant shareholders general meeting.

4. *Amendment of the notification period of the class meetings*

Before amendment:

Paragraphs (1), (2) of Article 80

When the Company convenes a class meeting, it shall give written notice **45 days prior to the date of the meeting** and shall inform all the registered class shareholders of the matters proposed to be considered at the meeting and the date and place of the meeting. **Shareholders proposing to attend the class meeting shall deposit at the Company a written reply confirming his attendance 20 days prior to the meeting.**

If the number of shares carrying the right to vote represented by the shareholders proposing to attend that meeting reaches half of the total number of shares of the Company carrying the right to vote, then the Company may hold the class meeting; if the number is not reached, the Company shall within 5 days notify the shareholders again of the matters proposed to be considered at the meeting, the date and place of the meeting by way of public announcement, and after such public announcement, the Company may hold the class meeting.

After amendment:

Paragraphs (1), (2) of Article 80

When the Company convenes a class meeting, it shall give written notice **in accordance with the notification period requirements with respect to the holding of extraordinary general meetings as stipulated in Article 52 of these Articles** and shall inform all the registered class shareholders of the matters proposed to be considered at the meeting and the date and place of the meeting.

(6) Addition of means for corporate communication for overseas listed foreign shareholders

Before amendment:

Article 202

Save as otherwise provided for in these Articles, notices, information or written statements to be given by the Company to holders of overseas listed foreign shares listed in Hong Kong shall be served to the registered address of each holder of overseas listed foreign shares by personal delivery, or by post to each holder of overseas listed foreign shares. Notices given to holders of overseas listed foreign shares listed in Hong Kong shall so far as possible be posted in Hong Kong.

Notices to be given by the Company to holders of domestic shares shall be published in one or more publications specified by the PRC securities regulatory authority. Once published, all holders of domestic shares shall be deemed to have received such notice.

After amendment:

Article 202

Save as otherwise provided for in these Articles, notices, information or written statements to be given by the Company to holders of overseas listed foreign shares listed in Hong Kong shall be served to the registered address of each holder of overseas listed foreign shares by personal delivery, or by post to each holder of overseas listed foreign shares. Notices given to holders of overseas listed foreign shares listed in Hong Kong shall so far as possible be posted in Hong Kong.

Notwithstanding the requirements under paragraph 1 of this Article and Articles 54, 161 and 183 of these Articles or any other provisions (if related) with respect to the form of issuance or notification of any documents, notices or other communications, subject to compliance with all applicable laws and regulations, relevant provisions of the securities regulatory authority of the place where the shares of the Company are listed and these Articles, the Company may elect to issue corporate communications in the form of notification by posting on the website of the Company and the websites designated by the securities regulatory authority of the place where the shares of the Company are listed, as a substitute for the delivery of a written document by hand or by prepaid mail to each holder of overseas listed foreign shares.

“Corporate communications” means any documents issued or to be issued by the Company for the information or action of the shareholders, including but not limited to annual reports (including annual financial reports), interim reports (including interim financial reports), directors’ reports (together with balance sheets and profit and loss statements or income statements), notices of meetings, listing documents, circulars, proxy forms and other communication documents.

Notices to be given by the Company to holders of domestic shares shall be published in one or more publications specified by the PRC securities regulatory authority. Once published, all holders of domestic shares shall be deemed to have received such notice. The Company may also serve such notices to such holders of domestic shares by post or by personal delivery.

(7) Change of dividends payment period

Before amendment:

Article 151

Subject to the restrictions imposed by Articles 143, 144 and 146, dividends shall be paid proportionately to the shareholding of each shareholder, **within 6 months after the end of each financial year.**

After amendment:

Article 151

Subject to the restrictions imposed by Articles 143, 144 and 146, dividends shall be **paid proportionately** to the shareholding of each shareholder.

Save and except for the Proposed Amendments, the content of other chapters and provisions of the Articles shall remain unchanged. The English version of the Proposed Amendments is an unofficial translation of its Chinese version for reference purpose only. In case of discrepancies, the Chinese version shall prevail.

EGM AND THE CLASS MEETINGS

The EGM will be convened to consider and, if thought fit, to approve the Proposed Amendments. In addition, the H Shares Class Meeting and the Domestic Shares Class Meeting will be convened to consider and, if thought fit, to approve the proposed amendments to paragraphs (1) and (2) of Article 80 as set out in this announcement respectively.

The proposed amendments to paragraphs 1 and 2 of Article 80 as set out in this announcement shall take effect upon the approval from the EGM, the Domestic Shares Class Meeting and the H Shares Class Meeting by way of special resolution, respectively. The remaining Proposed Amendments shall take effect upon approval from the EGM by way of special resolution.

DESPATCH OF CIRCULAR

A circular containing, among others, details of the Proposed Amendments together with the notices of EGM and the Class Meetings will be despatched to the Shareholders in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Article(s)”	the article(s) of association of the Company as revised from time to time;
“Board”	the board of Directors;
“Class Meetings”	the Domestic Shares Class Meeting and the H Shares Class Meeting;
“Company”	哈爾濱電氣股份有限公司(Harbin Electric Company Limited*), a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Domestic Shares”	the ordinary unlisted domestic share(s) with a nominal value of RMB1.00 each in the issued share capital of the Company;
“Domestic Shares Class Meeting”	the class meeting of the holders of the Domestic Shares to be held to consider and, if thought fit, to approve, among other things, the paragraphs 1 and 2 of Article 80 as set out in this announcement;
“EGM”	the extraordinary general meeting of the Company to be held to consider and, if thought fit, to approve, among other things, the Proposed Amendments;
“Independent Non-executive Director(s)”	the independent non-executive director(s) of the Company;
“H Share(s)”	the ordinary share(s) with a nominal value of RMB1.00 each in the issued share capital of the Company which are listed on the Main Board of the Stock Exchange;
“H Shares Class Meeting”	the class meeting of the holders of the H Shares to be held to consider and, if thought fit, to approve, among other things, the proposed amendments to paragraphs 1 and 2 of Article 80 as out in this announcement;

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended and modified from time to time;
“PRC”	the People’s Republic of China but excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“Proposed Amendments”	the proposed amendments to the Articles as set out in this announcement;
“Share(s)”	the Domestic Share(s) and the H Share(s);
“Shareholder(s)”	the holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

* *For identification purposes only*

By Order of the Board
Harbin Electric Company Limited
Si Ze-fu
Chairman

Harbin, the PRC
14 February 2020

As at the date of this announcement, the executive Directors of the Company are Mr. Si Ze-fu, Mr. Wu Wei-zhang and Mr. Zhang Ying-jian; and the Independent Non-executive Directors of the Company are Mr. Zhu Hong-jie, Mr. Yu Wen-xing, Mr. Hu Jian-min and Mr. Tian Min.