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Harbin Electric Corporation Co., Ltd.

(哈爾濱電氣集團有限公司)

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



哈尔滨电气股份有限公司

HARBIN ELECTRIC COMPANY LIMITED

Harbin Electric Company Limited

(哈爾濱電氣股份有限公司)

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

**VOLUNTARY ANNOUNCEMENT
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

If your H Share(s) is/are registered under your name:

**The latest time and date for acceptance of the H Share Offer will be
4:00 p.m. on Monday, 20 May 2019**

**If your H Share(s) have been lodged with your licensed securities dealer (or
other registered dealer in securities or custodian bank) through CCASS:
Please check with your licensed securities dealer (or other registered dealer in
securities or custodian bank) for the timing on the processing of your
instructions**

Reference is made to the composite document jointly issued by Harbin Electric Company Limited (“HEC”) and Harbin Electric Corporation Co., Ltd. (“HEG”) dated 20 March 2019 (the “Composite Document”) 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**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

OUTSTANDING CONDITIONS OF THE H SHARE OFFER AND THE CLOSING DATE

The Extraordinary General Meeting and the H Share Class Meeting were held on 7 May 2019. (1) The Merger was approved by the HEC Shareholders at the Extraordinary General Meeting; and (2) subject to minimum valid acceptances of the H Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as HEG may, subject to the Takeovers Code, decide) amounting to at least 90% of the H Shares in issue, (i) the Delisting; and (ii) the Merger, were approved by the Independent Shareholders at the H Share Class Meeting. As at the date of this joint announcement, Conditions (a), (c) and (g) of the H Share Offer have been fulfilled. **Condition (b) (being the minimum valid acceptances of the H Share Offer being received amounting to at least 90% of the H Shares in issue), together with Conditions (d) to (f) remain outstanding. As at the date of this joint announcement, HEG is not aware of any events that would lead to Conditions (d) to (f) not being fulfilled.**

Independent Shareholders are reminded that if the Conditions 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 unless extended with the consent of the Executive), the H Share Offer will lapse.

HELPLINE

If you have any questions concerning administrative matters, including 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 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 any acceptance of the H Share Offer.

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, 14 May 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.