

Handwritten musical notation consisting of three staves with notes and clefs.



哈尔滨电 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)

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## **HELPLINE**

If the Independent Shareholders 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.

## **INTRODUCTION**

Reference is made to (i) the composite document jointly issued by Harbin Electric Corporation Co., Ltd. (“**HEG**”) and Harbin Electric Company Limited (“**HEC**”) dated 20 March 2019 (the “**Composite Document**”); and (ii) the announcement jointly issued by HEG and HEC dated 7 May 2019 relating to the poll results of the Extraordinary General Meeting and the H Share Class Meeting in relation to the voluntary conditional offer by Citigroup Global Markets Asia Limited 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.

## **ACCEPTANCE LEVELS OF THE H SHARE OFFER ON THE CLOSING DATE**

As at 4:00 p.m. on Monday, 20 May 2019, HEG had received valid acceptances under the H Share Offer in respect of 579,906,818 H Shares, representing approximately 85.84% of the total issued H Shares as at the date of this joint announcement.

## **OUTSTANDING CONDITIONS OF THE H SHARE OFFER**

As set out in the Composite Document, the H Share Offer is conditional on, among other things, minimum valid acceptances of the H Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on Monday, 20 May 2019 (or such later time or date as HEG may, subject to the Takeovers Code, decide) amounting to at least 90% of the H Shares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 (the “**Acceptance Condition**”). As HEG has not received valid acceptances under the H Share Offer amounting to at least 90% of the H Shares in issue by 4:00 p.m. on Monday, 20 May 2019, the Acceptance Condition has not been satisfied.

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 Acceptance Condition), together with Conditions (d) to (f) of the H Share Offer remain outstanding. HEG is not aware of any events that would lead to Conditions (d) to (f) of the H Share Offer not being fulfilled. HEG also reserves the right to waive Conditions (e) and (f) of the H Share Offer.

### **INTERESTS OF HEG AND ITS CONCERT PARTIES IN HEC SHARES**

Immediately prior to the commencement of the Offer Period, HEG held 1,030,952,000 Domestic Shares (representing approximately 60.41% of the issued share capital of HEC).

Save for the above, none of HEG or any of its concert parties owned, controlled or directed any HEC Shares or any rights over HEC Shares during the Offer Period and up to the date of this joint announcement.

HEG and its concert parties have not acquired or agreed to acquire any HEC Shares or any rights over HEC Shares during the Offer Period.

None of HEG or any of its concert parties has borrowed or lent any relevant securities

## REVISED EXPECTED TIMETABLE

Set out below is the revised expected timetable for where (i) the H Share Offer becomes or is declared unconditional in all respects **before** Friday, 19 July 2019; and (ii) the H Share Offer becomes or is declared unconditional in all respects **on** Friday, 19 July 2019.

(i) *The H Share Offer becomes or is declared unconditional in all respects before Friday, 19 July 2019*

Assuming the H Share Offer becomes or is declared unconditional in all respects before Friday, 19 July 2019 when the Acceptance Condition is fulfilled, the revised expected timetable is set out below which is indicative only and may be subject to changes. Further joint announcement(s) (with the revised expected timetable) will be issued by HEC and HEG upon the fulfilment of the Acceptance Condition.

End of the period during which creditors may request HEC and HEG to pay off their respective indebtedness ( . . . . . 1) . . . . . Saturday, 6 July 2019

Latest time for acceptance of the H Share Offer on the Second Closing Date ( . . . . . 2) . . . . . 4:00 p.m. on the date when the Acceptance Condition is fulfilled

Second Closing Date . . . . . the date when the Acceptance Condition is fulfilled

Announcement of the results of the H Share Offer on the Second Closing Date ( . . . . . 3) . . . . . by 7:00 p.m. on the date when the Acceptance Condition is fulfilled

Last day of trading in the H Shares on the Stock Exchange, assuming the Delisting is approved ( . . . . . 4) . . . . . a date to be advised

Latest date for posting remittances for the amounts due under the H Share Offer in respect of valid acceptances received before Friday, 19 July 2019 ( . . . . . 5) . . . . . within seven Business Days from the date on which the Acceptance Condition is fulfilled

Latest time and date for the H Share Offer remaining open for acceptance and closing of the H Share Offer ( Clause 6) ..... 4:00 p.m. on the 28<sup>th</sup> day after the fulfilment of the Acceptance Condition (the **“Acceptance Condition Fulfilment Extended Closing Date”**)

Announcement of the results of the H Share Offer as at the final Closing Date ( Clause 3) ..... by 7:00 p.m. on the Acceptance Condition Fulfilment Extended Closing Date

Latest time for lodging transfers of the H Shares in order to qualify for the Merger Price ( Clause 7)..... 4:30 p.m. on the Business Day immediately prior to the date of the Delisting

Closure of Registers for the determination of entitlements of the HEC H Shareholders to receive the Merger Price ( Clause 7) ..... from the date of the Delisting onwards

Voluntary withdrawal of the listing of the H Shares from the Stock Exchange ( Clause 8)..... 9:00 a.m. on a date to be advised

Latest date for posting of remittances for the amounts due under the H Share Offer in respect of valid acceptances received at or before the latest time for acceptance of the H Share Offer on the Acceptance Condition Fulfilment Extended Closing Date (being the latest date which the H Share Offer remains open for acceptance) ( Clause 5) ..... within seven Business Days from the Acceptance Condition Fulfilment Extended Closing Date

Expected date for all Merger Conditions to be fulfilled (or waived, as applicable) and the Merger Effective Date ( , 7) ..... on or before Tuesday, 31 December 2019

Latest date for posting the remittances for the amounts due under the Merger Agreement to the existing HEC H Shareholders as at the Merger Effective Date.....

- 6 In compliance with the note to Rule 2.2 and Rule 15.3 of the Takeovers Code, where the H Share Offer becomes or is declared unconditional in all respects, it should remain open for acceptance for not less than 28 days thereafter. At least 14 days' notice in writing must be given before the H Share Offer is closed to the Independent Shareholders who have not accepted the H Share Offer if the announcement to extend the H Share Offer does not state the next closing date.
- 7 HEC H Shareholders whose names appear on the Registers on the Merger Effective Date shall be entitled to receive the Merger Price under the Merger Agreement. In order to be qualified for receiving the Merger Price under the Merger Agreement, all registration of transfer of HEC Shares shall be recorded on the Registers not later than 4:30 p.m. on the Business Day immediately prior to the date of the Delisting, assuming the H Share Offer becomes or is declared unconditional in all respects before Friday, 19 July 2019. HEC and HEG will make further announcement(s) to notify the HEC H Shareholders of the latest time for lodging transfers of the H Shares in order to qualify for the Merger Price and the closure of Registers for the determination of entitlements of the HEC H Shareholders to receive the Merger Price if the H Share Offer becomes or is declared unconditional in all respects before Friday, 19 July 2019.
- 8 HEC and HEG will make further announcement(s) to notify the HEC H Shareholders of the date of the Delisting, assuming the H Share Offer becomes or is declared unconditional in all respects before Friday, 19 July 2019.
- 9 Unless otherwise expressly stated, all references to dates and times contained in the revised expected timetable above in respect of the H Share Offer refer to Hong Kong dates and times.

(ii) ***The H Share Offer becomes or is declared unconditional in all respects on Friday, 19 July 2019***

Assuming the H Share Offer becomes or is declared unconditional in all respects on Friday, 19 July 2019, the revised expected timetable is set out below which is

Latest time for the H Share Offer to become or  
be declared unconditional as to acceptances ..... 7:00 p.m. on  
Friday, 19 July 2019

Last day of trading in the H Shares on the  
Stock Exchange, assuming the Delisting is  
approved ( . 4) ..... Friday, 26 July 2019

Latest date for posting of remittances for the  
amounts due under the H Share Offer in respect  
of valid acceptances received at or before the  
latest time for acceptance of the H Share Offer  
on Friday, 19 July 2019 ( . 5)..... Tuesday, 30 July 2019

Latest time and date for the H Share Offer  
remaining open for acceptance and closing of  
the H Share Offer ( . 6) ..... 4:00 p.m. on  
Friday, 16 August 2019

Announcement of the results of the H Share  
Offer as at the final Closing Date ( . 3) ..... by 7:00 p.m. on  
Friday, 16 August 2019

Latest time for lodging transfers of the H  
Shares in order to qualify for the Merger  
Price ( . 7)..... 4:30 p.m. on or before  
Monday, 19 August 2019

Closure of Registers for the determination of  
entitlements of the HEC H Shareholders to  
receive the Merger Price ..... from Tuesday,  
20 August 2019 onwards

Voluntary withdrawal of the listing of the H  
Shares from the Stock Exchange ( . 8)..... 9:00 a.m. on  
Tuesday, 20 August 2019

Latest date for posting of remittances for the amounts due under the H Share Offer in respect of valid acceptances received on or before the latest time for acceptance of the H Share Offer on Friday, 16 August 2019 (being the latest date which the H Share Offer remains open for acceptance) ( 5) ..... Tuesday, 27 August 2019

Expected date for all Merger Conditions to be fulfilled (or waived, as applicable) and the Merger Effective Date ( 7) ..... on or before Tuesday, 31 December 2019

Latest date for posting the remittances for the amounts due under the Merger Agreement to the existing HEC H Shareholders as at the Merger Effective Date ..... within seven Business Days of the Merger Effective Date

- 1 HEC intends to publish the notice to creditors pursuant to the PRC Company Law on 22 May 2019, 28 May 2019 (the date may be subject to change) and 4 June 2019 (the date may be subject to change), respectively. HEG intends to publish the notice to creditors pursuant to the PRC Company Law on 22 May 2019.
- 2 In order to accept the H Share Offer, the HEC H Shareholders are required to submit the duly completed Form of Acceptance to the Registrar on or before 4:00 p.m. on Friday, 19 July 2019. In compliance with the note to Rule 2.2 and Rule 15.3 of the Takeovers Code, where a conditional offer becomes or is declared unconditional in all respects, it should remain open for acceptance for not less than 28 days thereafter. Beneficial owners of H Shares who hold their H Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (set out in Appendix I to the Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures. Please refer to Appendix I to the Composite Document for additional information on how to accept the H Share Offer.
- 3 The announcement of the results of the H Share Offer will be jointly issued by HEG and HEC and posted on the Stock Exchange's website by 7:00 p.m. on Friday, 19 July 2019 and the final Closing Date. Such announcement will comply with the disclosure requirements under Rule 19.1 of the Takeovers Code and will include, among other things, the results of the H Share Offer.
- 4 It is expected that the last day of trading in the H Shares on the Stock Exchange, if the Delisting is approved, will be on Friday, 26 July 2019, assuming the H Share Offer becomes or is declared unconditional in all respects on Friday, 19 July 2019. If the last trading day of the H Shares on the Stock Exchange is revised, HEC and HEG will make further announcement(s) to that effect.

- 5 Remittances in respect of the H Shares tendered for acceptance and taken up by HEG under the H Share Offer (after, if applicable, deducting the seller's ad valorem stamp duty arising therefrom and, if applicable, the fees payable to the Registrar in respect of lost or unavailable H Share certificates) will be posted to the HEC H Shareholders by ordinary post at their own risk as soon as possible, but in any event within seven business days (as defined in the Takeovers Code) following the later of (i) the Second Closing Date and (ii) the date of receipt of a duly completed Form of Acceptance by the Registrar in respect of the H Share Offer.
- 6 In compliance with the note to Rule 2.2 and Rule 15.3 of the Takeovers Code, where the H Share Offer becomes or is declared unconditional in all respects, it should remain open for acceptance for not less than 28 days thereafter. At least 14 days' notice in writing must be given before the H Share Offer is closed to the Independent Shareholders who have not accepted the H Share Offer if the announcement to extend the H Share Offer does not state the next closing date.
- 7 HEC H Shareholders whose names appear on the Registers on the Merger Effective Date shall be entitled to receive the Merger Price under the Merger Agreement. In order to be qualified for receiving the Merger Price under the Merger Agreement, all registration of transfer of HEC Shares shall be recorded on the Registers not later than 4:30 p.m. on Monday, 19 August 2019, assuming the H Share Offer becomes or is declared unconditional in all respects on Friday, 19 July 2019. HEC and HEG will make further announcement(s) if the latest time for lodging transfers of the H Shares in order to qualify for the Merger Price has been changed.
- 8 It is expected that the voluntary withdrawal of listing of the H Shares from the Stock Exchange would happen at 9:00 a.m. on Tuesday, 20 August 2019, assuming the H Share Offer becomes or is declared unconditional in all respects on Friday, 19 July 2019. HEC and HEG will make further announcement(s) if the effective Delisting date has been changed.
- 9 Unless otherwise expressly stated, all references to dates and times contained in the revised expected timetable above in respect of the H Share Offer refer to Hong Kong dates and times.

**The Independent Shareholders are reminded that unless the H Share Offer becomes or is declared unconditional before Friday, 19 July 2019, or is revised, the latest time and date for acceptance of the H Share Offer will be 4:00 p.m. on Friday, 19 July 2019. The Independent Shareholders are further 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, the deadline for accepting the H Share Offer, which might be before 4:00 p.m. on Friday, 19 July 2019.**

HEG and HEC will issue an announcement, stating whether the H Share Offer has been extended, has expired or has become or been declared unconditional (as to acceptances) by 7:00 p.m. on Friday, 19 July 2019.

### **SUBSEQUENT OFFER PERIOD**

The Independent Shareholders should note that, if the H Share Offer becomes or is declared unconditional on (i) Friday, 19 July 2019 (whether as to acceptances or in all respects); or (ii) the date when the Acceptance Condition is fulfilled, whichever is earlier, it will remain open for acceptance for not less than 28 days thereafter in compliance with the note to Rule 2.2 and Rule 15.3 of the Takeovers Code. At least 14 days' notice in writing must be given before the H Share Offer is closed to the Independent Shareholders who have not accepted the H Share Offer if the announcement to extend the H Share Offer does not state the next closing date.

The Independent Shareholders are advised to refer to the Composite Document and the Form of Acceptance for details of the acceptance procedures if they wish to accept the H Share Offer.

### **HELPLINE**

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## **WITHDRAWAL OF LISTING AND LAST DAY OF TRADING**

HEC has applied to the Stock Exchange for a conditional withdrawal of the listing of the H Shares on the Stock Exchange in accordance with Rule 6.12 of the Listing Rules. Due to the change in the expected timetable as set out in the paragraph headed “Revised Expected Timetable” above, subject to the fulfilment of any condition(s) for the Delisting from the Stock Exchange and receipt of any regulatory approvals required for such Delisting, the proposed last day of trading and voluntary withdrawal of listing will be deferred. The HEC H Shareholders will be notified by way of an announcement of the dates of the last day for dealing in the H Shares and on which the voluntary withdrawal of the listing of the H Shares on the Stock Exchange will become effective.

## **EFFECTIVENESS OF THE MERGER AND OUTSTANDING MERGER CONDITIONS**

The Independent Shareholders are reminded that the effectiveness of the Merger is conditional upon the fulfilment (or waiver, as applicable) of the Merger Conditions, which include the completion of the H Share Offer and the Delisting.

As at the date of this joint announcement, Merger Conditions (a) to (c) have been fulfilled. Merger Conditions (d) to (e) remain outstanding. Merger Condition (f) (in relation to the completion of the Delisting) also remains outstanding. HEG reserves the right to waive Merger Condition (e). As at the date of this joint announcement, HEG is not aware of any events that would lead to Merger Conditions (d) to (e) not being fulfilled.

**Accordingly, the Independent Shareholders are reminded that if they do not accept the H Share Offer and the H Share Offer subsequently becomes unconditional in all respects and the H Shares are delisted from the Stock Exchange, and assuming the Merger does not proceed due to non-fulfilment of Merger Conditions (d) and/or (e), this will result in the Independent Shareholders holding securities that are not listed on the Stock Exchange. In addition, HEC may or may not continue to be subject to the Takeovers Code after the completion of the H Share Offer depending on whether HEC remains as a public company thereafter.**

## **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 maoy**