

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, 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 notice.*



**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)*

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Extraordinary General Meeting (the “EGM”) of Harbin Electric Company Limited (the “Company”) will be held at Conference Room of the Company located at 1399 Chuangxinyi Road, Songbei District, Harbin, Heilongjiang Province, the PRC on Wednesday, 12 April 2023 at 9:00 a.m. to consider and, if thought fit, pass the following resolutions. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the circular dated 20 March 2023 issued by the Company (the “Circular”).

### **SPECIAL RESOLUTIONS**

#### **1. THAT:**

the grant of a specific mandate for a validity period of 12 months from the date of approval at the EGM be and is hereby approved and the Company be and is hereby approved to conditionally issue new Domestic Shares to the Subscriber under the specific mandate granted as aforesaid pursuant to the terms and conditions set out in the Domestic Share Subscription Agreement entered into between the Company and the Subscriber. The terms and conditions of the Domestic Share Subscription Agreement and the transactions contemplated thereunder are as follows:

#### **(1) Type of new Domestic Shares to be issued**

The shares to be issued are unlisted domestic ordinary shares, denominated in RMB, the nominal value of which is RMB1.00.

#### **(2) Price of new Domestic Shares to be issued**

(i) The Initial Subscription Price is denominated in Hong Kong dollars, being HK\$3.43 per new Domestic Share.

(ii) The Final Subscription Price is to be determined with reference to the Initial Subscription Price subject to the following adjustment:

- (a) in the event that the Closing Price is higher than the Initial Subscription Price, the Company is entitled to adjust the Final Subscription Price to the value of the Closing Price, subject to a maximum price of HK\$3.60 per new Domestic Share (being the Initial Subscription Price plus a premium of 5%, rounded off to the nearest two decimal places); and
- (b) in the event that the Closing Price is equal to or lower than the Initial Subscription Price, the Final Subscription Price shall be the same as the Initial Subscription Price.

**(3) Number of new Domestic Shares to be issued and total amount to be raised from the Domestic Share Subscription**

The Company has conditionally agreed to issue, and the Subscriber has conditionally agreed to subscribe for, new Domestic Shares in cash at a total subscription price of approximately RMB1.70 billion (equivalent to approximately HK\$1.91 billion). The number of new Domestic Shares to be subscribed for is to be calculated by dividing the amount of the total subscription price in Hong Kong dollars equivalent to approximately RMB1.70 billion (equivalent to approximately HK\$1.91 billion based on the agreed exchange rate) by the Final Subscription Price and rounded down to the nearest thousand. The exact total subscription price is to be calculated by multiplying the number of new Domestic Shares to be subscribed for under the Domestic Shares Subscription Agreement by the Final Subscription Price.

For the purpose of calculating the number of new Domestic Shares to be subscribed for and the total subscription price, exchange of Renminbi into Hong Kong dollars is to be calculated on the basis of the middle exchange rate between Renminbi and Hong Kong dollars published by the People's Bank of China on 27 December 2022, being HK\$1 to RMB0.8914.

## 2. THAT:

the proposed amendments to the Articles set out below be and are hereby confirmed and approved, including:

### **Registered capital and shareholding structure**

The Board has agreed that Articles 16 and 17 shall be revised in accordance with the actual circumstances of the Domestic Share Subscription.

The amendments set out below are based on the assumption that the Final Subscription Price is the same as the Initial Subscription Price and 556,009,000 new Domestic Shares are issued in 2023. In the event that the Final Subscription Price is higher than the Initial Subscription Price, the number of Shares and the amount of the registered capital stated in the relevant articles set out below will be adjusted accordingly to reflect the number of new Domestic Shares that have actually been issued and the amount of the registered capital that has actually been increased.

### **Before amendment:**

**Article 16** Upon the approval of the companies supervisory department authorized by the State Council, the total number of ordinary shares which has been issued by the Company is 1,706,523,000 shares, the nominal value of each share being Rmb 1, of which:

- (i) When the company was founded, 720,000,000 domestic shares were issued to the initiators; in the share-increasing process in Dec 2005, after the issuer reduced the holding of 8,530,000 domestic shares, the quantity held by it was left with 711,470,000 domestic shares, accounting for 55.83% of the total quantity of shares of the company; in the issue-increasing process in Mar 2007, after the issuer reduced the holding of 10,235,000 domestic shares, the quantity held by it was left with 701,235,000 domestic shares, accounting for 50.93% of the total quantity of shares of the company; in the share-increasing process in 2017, after the promoter increased the holding of 329,717,000 domestic shares, the quantity held by it was increased to 1,030,952,000 domestic shares, accounting for 60.41% of the total quantity of shares of the company.

- (ii) After the company was founded, it issued 469,151,000 overseas listed foreign shares. In Dec 2005, it increased 93,830,000 overseas listed foreign shares, the total quantity of foreign shares reached 562,981,000 shares, accounting for 44.17% of the company's total shares; on Mar 2007, the company increased 102,355,000 overseas listed foreign shares, the total quantity of 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.

The structure of the share capital of the Company is 1,706,523,000 ordinary shares of which the promoter holds 1,030,952,000 domestic shares and overseas listed foreign shareholders hold 675,571,000 overseas listed foreign shares.

**Article 17** The registered capital of the Company is Rmb 1,706,523,000. The Company may, based on its business development requirement, increase its capital in accordance with the relevant provisions of these Articles. The following methods may be adopted for an increase in capital:

- (1) by offering new shares to unspecified investors;
- (2) by placing new shares to existing shareholders;
- (3) by bonus issue of shares to existing shareholders;
- (4) by any other method permitted by PRC laws and administrative regulations.

**After amendment:**

**Article 16** Upon the approval of the companies supervisory department authorized by the State Council, the total number of ordinary shares which has been issued by the Company is **2,262,532,000** shares, the nominal value of each share being **RMB1.00**, of which:

- (i) when the Company was founded, 720,000,000 domestic shares were issued to the promoter; in the share-increasing process in December 2005, after the promoter reduced the holding of 8,530,000 domestic shares, the quantity held by it was left with 711,470,000 domestic shares, accounting for 55.83% of the total quantity of shares of the Company; in the share-increasing process in March 2007, after the promoter reduced the holding of 10,235,000 domestic shares, the quantity held by it was left with 701,235,000 domestic shares, accounting for 50.93% of the total quantity of shares of the Company; in the share-increasing process in 2017, after the promoter increased the holding of 329,717,000 domestic shares, the quantity held by it was increased to 1,030,952,000 domestic shares, accounting for 60.41% of the total quantity of shares of the Company; in the share-increasing process in 2023, after the promoter increased the holding of 556,009,000 domestic shares, the quantity held by it was increased to 1,586,961,000 domestic shares, accounting for 70.14% of the total quantity of shares of the Company;
- (ii) after the Company was founded, it issued 469,151,000 overseas listed foreign shares. In December 2005, it increased 93,830,000 overseas listed foreign shares, the total quantity of overseas listed foreign shares reached 562,981,000 shares, accounting for 44.17% of the total quantity of shares of the Company; in March 2007, the Company increased 102,355,000 overseas listed foreign shares, 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; after the issue of domestic shares in 2023, the total quantity of overseas listed foreign shares reached 675,571,000 shares, accounting for 29.86% of the total quantity of shares of the Company.

The structure of the share capital of the Company is 2,262,532,000 ordinary shares of which the promoter holds 1,586,961,000 domestic shares and overseas listed foreign shareholders hold 675,571,000 overseas listed foreign shares.

**Article 17** The registered capital of the Company is **RMB2,262,532,000**. The Company may, based on its business development requirement, increase its capital in accordance with the relevant provisions of these Articles. The following methods may be adopted for an increase in capital:

- (1) by offering new shares to unspecified investors;
- (2) by placing new shares to existing shareholders;
- (3) by bonus issue of shares to existing shareholders;
- (4) by any other method permitted by PRC laws and administrative regulations.

**3. THAT:**

in order to complete the issue of new Domestic Shares under the Domestic Share Subscription and the proposed amendments to the Articles efficiently and orderly, in accordance with the requirements of the relevant laws and the Articles, the Board be and is hereby confirmed, approved and authorised to, and/or unless otherwise decided by the Board, any two of the Directors be and are hereby confirmed, approved and authorised to, handle all matters in relation to the issue of new Domestic Shares under the Domestic Share Subscription and the proposed amendments to the Articles, including but not limited to:

- (i) formulate and implement a specific proposal on the issue of new Domestic Shares under the Domestic Share Subscription in accordance with the specific circumstances, including but not limited to the timing of issuance and issuance period;
- (ii) conduct all work in relation to the issue of new Domestic Shares under the Domestic Share Subscription and the proposed amendments to the Articles on behalf of the Company and to make, prepare, amend, sign, deliver and perform all agreements, announcements, circulars and other documents in relation to the issue of new Domestic Shares under the Domestic Share Subscription and make disclosures as appropriate;
- (iii) select and appoint qualified professional institutions, including but not limited to financial advisers, legal advisers and any institutions involved in the issue of new Domestic Shares under the Domestic Share Subscription and the proposed amendments to the Articles;

- (iv) handle the proposed amendments to the Articles, capital verification formalities and change of business registration in respect of the changes in the shareholding structure and registered capital of the Company in accordance with the actual situation after completion of the issue of new Domestic Shares under the Domestic Share Subscription (including but not limited to adjusting and completing relevant articles of the Articles with the exact figures in relation to the shareholding structure and registered capital of the Company);
- (v) handle the relevant share registration after completion of the issue of new Domestic Shares under the Domestic Share Subscription; and
- (vi) take all necessary actions as permitted under relevant laws to determine and handle all other specific matters in relation to the issue of new Domestic Shares under the Domestic Share Subscription and the proposed amendments to the Articles.

By Order of the Board  
**Harbin Electric Company Limited**  
**Ai Li-song**  
*Company Secretary*

Harbin, the PRC,  
20 March 2023



*Notes:*

**(1) VOTING ARRANGEMENTS**

The Subscriber and its associates will and will be required to abstain from voting on the resolution(s) to be proposed for approving the Domestic Share Subscription and the Specific Mandate at the EGM.

**(2) REGISTRATION PROCEDURES FOR THE EGM**

Shareholders shall note that pursuant to Article 45 of the Articles, the register of shareholders of the Company will be closed during the period from Tuesday, 4 April 2023 to Wednesday, 12 April 2023, both days inclusive, during which no transfer of Shares will be registered. In order to qualify to attend and vote at the EGM, all transfer documents, together with the relevant share certificates, should be lodged to the Company's share registrar in Hong Kong, Hong Kong Registrars Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for H Shareholders), or to the Company's principal place of business in the PRC at 1399 Chuangxinyi Road, Songbei District, Harbin, Heilongjiang Province, the PRC (for Domestic Shareholders), no later than 4:30 p.m. on Monday, 3 April 2023. Shareholders whose names appear on the register of shareholders of the Company on Tuesday, 4 April 2023 shall be entitled to attend the EGM to vote thereat.

**(3) PROXY**

- i. Any Shareholder entitled to attend and to vote at the EGM shall be entitled to appoint a proxy who need not be a Shareholder, to attend and to vote on his or her behalf. A member who is the holder of two or more Shares may appoint more than one proxy.
- ii. To be valid, the proxy form and, if such proxy form is signed by a person on behalf of the appointer pursuant to a power of attorney or other authority, a notarised copy of that power of attorney or other authority must be delivered to the Company not less than 24 hours before the time scheduled for holding the EGM or any adjournment thereof.
- iii. Domestic Shareholders shall deliver the proxy form and, if such proxy form is signed by a person on behalf of his or her appointer pursuant to a power of attorney or other authority, a notarially certified copy of the power of attorney or other authority, to the Company's principal place of business in the PRC at 1399 Chuangxinyi Road, Songbei District, Harbin, Heilongjiang Province, the PRC.
- iv. H Shareholders shall deliver the proxy form and, if such proxy form is signed by a person on behalf of his or her appointer pursuant to a power of attorney or other authority, a notarially certified copy of the power of attorney or other authority, to the Company's share registrar in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- v. Completion and return of the proxy form will not affect the right of the Shareholders to attend and to vote at the EGM in person. In such event, the proxy form will be deemed to have been revoked.
- vi. Shareholders or their proxies shall produce their identification documents (and proxy form in case of proxies) when attending the EGM.



**(4) MISCELLANEOUS**

The EGM is expected to last for 20 minutes. Shareholders or their proxies attending the EGM shall be responsible for the transportation and accommodation expenses on their own.

*As at the date of this notice, the executive Directors of the Company are Mr. Cao Zhi-an, Mr. Wu Wei-zhang and Mr. Zhang Ying-jian; and the independent non-executive Directors of the Company are Mr. He Yu, Mr. Hu Jian-min, Mr. Chen Guo-qing and Mr. Tang Zhi-hong.*