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# 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)

## DISCLOSEABLE TRANSACTION ENTERING INTO THE EQUITY COOPERATION AGREEMENT WITH TIANJIN LINGANG INVESTMENT HOLDING CO., LTD.

### ENTERING INTO THE EQUITY COOPERATION AGREEMENT WITH TIANJIN LINGANG

The Board of Directors of the Company has approved the Equity Cooperation Agreement with Tianjin Lingang Investment Holding Co., Ltd. on 23 December 2019, pursuant to which the Company and Tianjin Lingang Investment Holding Co., Ltd. have entered into an equity cooperation agreement with a total investment amount of RMB400,000,000 (equivalent to approximately HK\$444,869,542), of which the Company will hold 80% of the shares.

### IMPLICATIONS UNDER THE LISTING RULES

According to the applicable rules of the Listing Rules (as defined in the Listing Rules), the Equity Cooperation Agreement exceeds 5% of the Company's share capital, and therefore the Equity Cooperation Agreement is a disclosed transaction under the Listing Rules, and the Company is required to comply with the disclosure requirements under the Listing Rules.

### INTRODUCTION

The Board of Directors of the Company has approved the Equity Cooperation Agreement with Tianjin Lingang Investment Holding Co., Ltd. on 23 December 2019, pursuant to which the Company and Tianjin Lingang Investment Holding Co., Ltd. have entered into an equity cooperation agreement with a total investment amount of RMB400,000,000 (equivalent to approximately HK\$444,869,542), of which the Company will hold 80% of the shares.



### 3. Subject matters of the Equity Cooperation Agreement

The Company and Tailor Law shall cooperate to carry out the business of the Finance Lease Company.

### 4. Business scope of the Finance Lease Company

The business scope of the Finance Lease Company shall include: finance lease business; equipment lease; purchase and sale of equipment; and other business activities; and factoring business (including becoming a creditor, business activities that can be carried out after bankruptcy proceedings).

### 5. Amount and method of capital contribution

The registered capital of the Finance Lease Company is RMB500,000,000 (equivalent to HK\$556,086,928), of which the Finance Lease Company shall contribute RMB400,000,000 (equivalent to HK\$444,869,542) in cash, of which 80% amounting to RMB320,000,000 (equivalent to HK\$351,255,644) shall be contributed by the Finance Lease Company; Tailor Law shall contribute RMB100,000,000 (equivalent to HK\$111,217,386) in cash, of which 20% amounting to RMB20,000,000 (equivalent to HK\$22,276,755) shall be contributed by Tailor Law.

The capital contribution of the Finance Lease Company and Tailor Law shall be made in accordance with the provisions of the Equity Cooperation Agreement.

The Company and Tailor Law shall cooperate to carry out the business of the Finance Lease Company, and, according to the provisions of the Equity Cooperation Agreement, shall cooperate to carry out the business of the Finance Lease Company. If the Finance Lease Company is established before 31 August 2020, the Finance Lease Company shall contribute RMB400,000,000 (equivalent to HK\$444,869,542) in cash, of which 80% amounting to RMB320,000,000 (equivalent to HK\$351,255,644) shall be contributed by the Finance Lease Company; Tailor Law shall contribute RMB100,000,000 (equivalent to HK\$111,217,386) in cash, of which 20% amounting to RMB20,000,000 (equivalent to HK\$22,276,755) shall be contributed by Tailor Law.

The Company and Tailor Law shall cooperate to carry out the business of the Finance Lease Company, and, according to the provisions of the Equity Cooperation Agreement, shall cooperate to carry out the business of the Finance Lease Company.

## 6. The board of directors, supervisory committee and the management of the Finance Lease Company

The board of directors of the Finance Lease Company shall be composed of five members (including the Chairman of the Board). The Chairman of the Board shall be elected by the shareholders of the Finance Lease Company. The Chairman of the Board shall be elected by the shareholders of the Finance Lease Company. The Chairman of the Board shall be elected by the shareholders of the Finance Lease Company.

The board of directors of the Finance Lease Company shall be composed of five members (including the Chairman of the Board). The Chairman of the Board shall be elected by the shareholders of the Finance Lease Company. The Chairman of the Board shall be elected by the shareholders of the Finance Lease Company.

The Finance Lease Company shall be a company with limited liability. Each of the shareholders of the Finance Lease Company shall be liable for the debts of the Finance Lease Company only to the extent of the amount of their shares.

The shareholders of the Finance Lease Company shall be entitled to the dividends of the Finance Lease Company. The shareholders of the Finance Lease Company shall be entitled to the dividends of the Finance Lease Company. The shareholders of the Finance Lease Company shall be entitled to the dividends of the Finance Lease Company.

The Finance Lease Company shall be a company with limited liability. Each of the shareholders of the Finance Lease Company shall be liable for the debts of the Finance Lease Company only to the extent of the amount of their shares.

## 7. Profit distribution

The profit of the Finance Lease Company shall be distributed to the shareholders of the Finance Lease Company. The profit of the Finance Lease Company shall be distributed to the shareholders of the Finance Lease Company. The profit of the Finance Lease Company shall be distributed to the shareholders of the Finance Lease Company.

## 8. Equity transfer and change of registered capital

Mr. [Name] hereby irrevocably and exclusively transfers all the shares of [Company Name] to [Name]. The transferee shall be entitled to exercise all the rights and benefits of the shares of [Company Name] from the date of the transfer. The transferee shall also be responsible for the payment of the share transfer fee and the stamp duty. The transferee shall also be responsible for the payment of the share transfer tax. The transferee shall also be responsible for the payment of the share transfer fee and the stamp duty. The transferee shall also be responsible for the payment of the share transfer tax.

If the [Company Name] is to increase its registered capital, the transferee shall have the right to subscribe for the new shares in proportion to the number of shares held by the transferee. If the [Company Name] is to decrease its registered capital, the transferee shall have the right to object to the decrease. The transferee shall also be responsible for the payment of the share transfer fee and the stamp duty. The transferee shall also be responsible for the payment of the share transfer tax.

## 9. Effect and operation term of the Equity Cooperation Agreement

The Equity Cooperation Agreement shall be effective from the date of its signing and shall remain in effect until the termination of the [Company Name]. The Equity Cooperation Agreement shall be effective from the date of its signing and shall remain in effect until the termination of the [Company Name].

The Equity Cooperation Agreement shall be effective from the date of its signing and shall remain in effect until the termination of the [Company Name].

## REASONS FOR AND BENEFITS OF ENTERING INTO THE EQUITY COOPERATION AGREEMENT

1. Entering into the Equity Cooperation Agreement shall be beneficial for the [Company Name] and the transferee. The transferee shall be able to exercise all the rights and benefits of the shares of [Company Name] from the date of the transfer. The transferee shall also be responsible for the payment of the share transfer fee and the stamp duty. The transferee shall also be responsible for the payment of the share transfer tax.
2. Entering into the Equity Cooperation Agreement shall be beneficial for the [Company Name] and the transferee. The transferee shall be able to exercise all the rights and benefits of the shares of [Company Name] from the date of the transfer. The transferee shall also be responsible for the payment of the share transfer fee and the stamp duty. The transferee shall also be responsible for the payment of the share transfer tax.



## DEFINITIONS

Interim financial statements	Interim financial statements prepared by the Company for the period ending 31 December 2019;
Board	the board of directors of the Company;
Company	Harbin Electric Company Limited* (哈爾濱電氣股份有限公司), a company incorporated in the PRC with its registered address in Harbin, Heilongjiang Province, the People's Republic of China, and its principal place of business in the People's Republic of China;
Electricity Company Articles	the Electricity Company Articles of Association of the Company as amended from time to time and the Company's Articles of Association as amended from time to time, as amended up to and including the date of the General Meeting of Shareholders held on 23 December 2019;
Finance Lease Company	Harbin Electric Finance Lease Company Limited* (哈電融資租賃有限責任公司) (a company), a company incorporated in the PRC with its registered address in Harbin, Heilongjiang Province, the People's Republic of China, and its principal place of business in the People's Republic of China;
HK\$	Hong Kong dollars, the lawful currency of Hong Kong;
HKEX	the Hong Kong Securities and Futures Commission of the PRC;
Listed Rule	the Rules Governing the Listing of Securities of the Company on the Stock Exchange;
PRC	the People's Republic of China;
Shareholder(s)	shareholder(s) of the Company;
Stock Exchange	The Stock Exchange of Hong Kong Limited;

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RMB-

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\* F... de... f... c... a... e...

B O d e... f... e B... a d  
**Harbin Electric Company Limited**  
**Si Ze-fu**  
C a... a

Ha b... , PRC  
23 Dec... be 2019

A a... e d a... e f... a... c... e... e e e c... e d e c... f... e C... a... a e M...  
S Ze-f, M. W, We... a... a d M. Z a... Y... -... a ; a d... e... de... e... e...  
e e c... e d e c... f... e C... a... a e M. Z, H... -... e, M. Y, We... , M. H...  
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