

Harbin Electric and Tiesha Electric
K. Limited, a company incorporated in the People's Republic of China with limited liability
and Tiesha Electric, a company incorporated in the People's Republic of China with limited liability
are jointly and severally liable for the performance of the obligations of the Company.



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 between the Company and 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 listing rules (as defined in the Listing Rules) of the Exchange, the Equity Cooperation Agreement exceeds 5% of the Company's share capital, and therefore the Equity Cooperation Agreement is subject to the disclosure requirements of the Listing Rules, and the Company is required to disclose the details of the Equity Cooperation Agreement in accordance with the applicable listing rules of the Exchange.

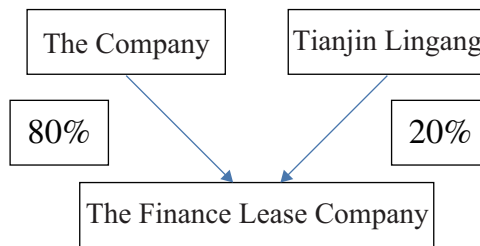
INTRODUCTION

The Board of Directors of the Company has approved the Equity Cooperation Agreement between the Company and 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.

INFORMATION ABOUT FINANCE LEASE COMPANY

The registered capital of Finance Lease Company is RMB500,000,000 (equivalent to approximately HK\$556,086,928). The Company's authorized capital is RMB400,000,000 (equivalent to approximately HK\$444,869,542). The Finance Lease Company's registered capital is RMB100,000,000 (equivalent to approximately HK\$111,217,386). In accordance with the Company's Articles of Association, the Finance Lease Company is a wholly-owned subsidiary of the Company. The Finance Lease Company is a limited liability company established in the People's Republic of China, and its registered office is located in Tianjin. The Finance Lease Company is a subsidiary of the Company and is a limited liability company established in the People's Republic of China. The Finance Lease Company is a subsidiary of the Company and is a limited liability company established in the People's Republic of China.

The shareholders of Finance Lease Company are as follows:



PRINCIPAL TERMS OF THE EQUITY COOPERATION AGREEMENT

The Equity Cooperation Agreement is a legal document entered into between the Company and Tianjin Lingang, effective from the date of signing.

1. Date

23 December 2019

2. Parties

() The Company ; and

() Tianjin Lingang .

The above mentioned Finance Lease Company is a wholly-owned subsidiary of the Company. The Finance Lease Company is a limited liability company established in the People's Republic of China. The Finance Lease Company is a subsidiary of the Company and is a limited liability company established in the People's Republic of China.

3. Subject matters of the Equity Cooperation Agreement

The Company and Taishan Leasing shall cooperate to establish 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 financial and management consulting services (financial consulting, accounting, tax consulting, etc.).

5. Amount and method of capital contribution

The registered capital of the Finance Lease Company shall be 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; Taishan Leasing shall contribute RMB100,000,000 (equivalent to HK\$111,217,386) in cash, of which 20% amounting to RMB20,000,000 (equivalent to HK\$22,261,575) shall be contributed by the Finance Lease Company.

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

The Company and Taishan Leasing shall cooperate to establish the Finance Lease Company, and the Finance Lease Company shall be established by the Finance Lease Company and Taishan Leasing. If the Finance Lease Company is established by the Finance Lease Company and Taishan Leasing, the Finance Lease Company shall be established by the Finance Lease Company and Taishan Leasing.

The Company and Taishan Leasing shall cooperate to establish the Finance Lease Company and Taishan Leasing shall be established by the Finance Lease Company and Taishan Leasing.

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 () members. Each of the Company and the Supervisory Committee shall have the right to propose and elect members to the board of directors. The board of directors shall be authorized to elect and dismiss members of the Finance Lease Company and to elect and dismiss members of the Supervisory Committee.

The board of directors of the Finance Lease Company shall have the power to decide on the business plan and investment plan of the Company, to elect and dismiss members of the Supervisory Committee, to elect and dismiss members of the Finance Lease Company, and to elect and dismiss members of the Finance Lease Company.

The Finance Lease Company shall have the right to elect and dismiss members of the Supervisory Committee. Each of the Company and the Supervisory Committee shall have the right to propose and elect members to the Supervisory Committee. The Supervisory Committee shall have the right to elect and dismiss members of the Finance Lease Company.

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7. Profit distribution

The profit of the Finance Lease Company shall be distributed to the shareholders of the Finance Lease Company. The Finance Lease Company shall have the right to elect and dismiss members of the Supervisory Committee.

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 obligations of the shareholder 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 registration fee of the share transfer. The transferee shall also be responsible for the payment of the share transfer tax and the registration fee of the share transfer. The transferee shall also be responsible for the payment of the share transfer tax and the registration fee of the share transfer.

If the [Company Name] decides to increase its registered capital, the transferee shall have the right to subscribe the new shares in proportion to its existing shares. If the [Company Name] decides to reduce its registered capital, the transferee shall have the right to receive the corresponding amount of cash or other assets. The transferee shall also be responsible for the payment of the share transfer fee and the registration fee of the share transfer.

9. Effect and operation term of the Equity Cooperation Agreement

The Equity Cooperation Agreement shall be effective from the date of signing and shall remain valid until the expiration of the term specified in the agreement. The agreement shall be terminated if the parties agree to terminate it or if the agreement is terminated by law. The agreement shall be terminated if the parties agree to terminate it or if the agreement is terminated by law.

The agreement shall be signed by the parties and shall be effective from the date of signing.

REASONS FOR AND BENEFITS OF ENTERING INTO THE EQUITY COOPERATION AGREEMENT

1. Entering into the Equity Cooperation Agreement shall be beneficial for the parties as it allows them to share resources and expertise, thereby increasing their competitiveness and profitability.
2. Entering into the Equity Cooperation Agreement shall be beneficial for the parties as it allows them to share resources and expertise, thereby increasing their competitiveness and profitability.

3. The Board of Directors of the Company shall have the authority to, but is not limited to, to execute and carry out the business of the Company, and to do all such things as may be necessary or proper for the conduct of the business of the Company, and to do all such things as may be necessary or proper for the conduct of the business of the Company, and to do all such things as may be necessary or proper for the conduct of the business of the Company.

The Board of Directors of the Company shall have the authority to, but is not limited to, to execute and carry out the business of the Company, and to do all such things as may be necessary or proper for the conduct of the business of the Company, and to do all such things as may be necessary or proper for the conduct of the business of the Company.

INFORMATION ABOUT THE COMPANY AND TIANJIN LINGANG

The Company is a limited liability company established in the People's Republic of China, with its registered office at the address stated in the Company's articles of association and its business scope is as follows: ...

The Company is a limited liability company established in the People's Republic of China, with its registered office at the address stated in the Company's articles of association and its business scope is as follows: ...

IMPLICATIONS UNDER THE LISTING RULES

According to the applicable provisions of the Listing Rules, the Company's share capital is not less than 5% of the total share capital of the Company, and the Company's share capital is not less than 5% of the total share capital of the Company, and the Company's share capital is not less than 5% of the total share capital of the Company.

DEFINITIONS

Interim financial statements	Interim financial statements prepared by the Company in accordance with the applicable accounting standards;
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 under the laws of the PRC with its registered office at No. 100, Zhongyuan Road, Heilongjiang Economic and Technological Development Zone, Harbin, Heilongjiang Province, PRC;
Electricity Company Articles of Association	The Electricity Company Articles of Association – the articles of association of the Company adopted on December 23, 2019;
Finance Lease Company	Harbin Electric Finance Lease Company Limited* (哈電融資租賃有限責任公司) (collectively, the Finance Lease Company) incorporated under the laws of the PRC;
HK\$	Hong Kong dollar, the official 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 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;

Ta... L... a -

Ta... L... a I e... e... H... d... C... , L... d... * (天津臨港投資控股有限公司);

RMB-

Re... b... e a f... c... e c... f... e PRC;

I... a... c... e... a... f RMB... HK\$... ba ed... e e c a e a e... f HK\$1.00 = RMB0.89914. T... f... e... e f... a... a d d e... c... e a e e e... a... a... a... a e b e e , c... d... a e b e e... a b e... c... e... e d a... c... a e... a... e e c a e a e.

* 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 de... -... e e c... e d e c... f... e C... a... a e M. Z, H... -... e, M. Y, We... , M. H, Ja... a d M. T a M...