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If you have sold or transferred all your shares in Harbin Electric Company Limited (the “Company”), you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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哈电集团
HARBIN ELECTRIC CORPORATION

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)

**AMENDMENTS TO ARTICLES OF ASSOCIATION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A letter from the Board is set out on pages 2 to 6 of this circular.

A notice convening the extraordinary general meeting (the “EGM”) of Harbin Electric Company Limited to be held at Conference Room, 17th Floor, Block B, 39 Sandadongli Road, Xiangfang District, Harbin, Heilongjiang Province, the People's Republic of China on Friday, 29 January 2016 at 9:00 a.m. is set out on pages 7 to 8 of this circular.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the registered office of the Company at Block B, 39 Sandadongli Road, Xiangfang District, Harbin, Heilongjiang Province, the People's Republic of China as soon as possible and in any event not less than twenty-four (24) hours before the time appointed for holding the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof, if you so wish.

15 December 2015

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Articles of Association”	the articles of association of the Company as amended, modified or otherwise supplemented from time to time;
“associate(s)”	the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Company”	Harbin Electric Company Limited, a company incorporated in the PRC with limited liability, the H-shares of which are listed on the Stock Exchange;
“Director(s)”	director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened at Conference Room, 17th Floor, Block B, 39 Sandadongli Road, Xiangfang District, Harbin, Heilongjiang Province, the People’s Republic of China on Friday, 29 January 2016 at 9:00 a.m.;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, Macau and Taiwan;
“Shareholder(s)”	shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“CASBE”	the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC;
“Financial Statements”	the balance sheet, statement of profit and loss, statement of cash flows, statement of changes in equity and notes prepared in accordance with the CASBE.

LETTER FROM THE BOARD



哈电集团
HARBIN ELECTRIC CORPORATION

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)

Executive Directors:

Mr. Wu Wei-zhang
Mr. Zhang Ying-jian
Mr. Song Shi-qi

Registered Office and headquarters:

Block B, No. 39 Sandadongli Road
Xiangfang District
Harbin, Heilongjiang Province
People's Republic of China

Non-Executive Director:

Mr. Zou Lei

Principal Place of Business in Hong Kong:

Room 1601, 16th Floor
LHT Tower
31 Queen's Road Central
Hong Kong

Independent Non-Executive Directors:

Mr. Yu Bo
Mr. Liu Deng-qing
Mr. Yu Wen-xing

15 December 2015

To the Shareholders

Dear Sir or Madam,

AMENDMENTS TO ARTICLES OF ASSOCIATION

I. INTRODUCTION

In light of the current situation of the Company and the relevant regulatory requirements, the Board proposes to amend the Articles of Association.

The purpose of this circular is to provide you with further information in respect of the proposed amendments to the Articles of Association and the EGM to be held.

LETTER FROM THE BOARD

II. AMENDMENTS TO ARTICLES OF ASSOCIATION

The Board proposes to make the following amendments to the Articles of Association:

The existing Article 82, which reads:

The Board comprises 11 directors, of which there are at least two non-executive directors (independent directors). All directors shall be elected by the shareholders general meeting. A director shall be elected from the candidates nominated by the last Board of Directors or a shareholder representing over 5% (including 5%) of the issued shares by the shareholders general meeting. The shortest period for the written notice on the intent of the relevant nominated director candidate and its willing expression on nomination acceptance shall not be less than 7 days. The period will be started to calculate since the shareholders general meeting sends meeting notice and it shall not be later than the time 7 days before the holding of the shareholders general meeting.

is proposed to be amended to:

The Board comprises 7–13 directors, of which there are at least three independent non-executive directors, accounting for at least one-third of all the members of the Board. All directors shall be elected by the shareholders general meeting. A director shall be elected from the candidates nominated by the last Board of Directors or a shareholder representing over 5% (including 5%) of the issued shares by the shareholders general meeting. The shortest period for the written notice on the intent of the relevant nominated director candidate and its willing expression on nomination acceptance shall not be less than 7 days. The period will be started to calculate since the shareholders general meeting sends meeting notice and it shall not be later than the time 7 days before the holding of the shareholders general meeting.

The existing Article 158, which reads:

The Financial Statements of the Company shall, in addition to complying with PRC accounting standards and regulations, be prepared in accordance with either international accounting standards or accounting standards of the place at which the Company is listed overseas. If there shall be material differences between the Financial Statements prepared in accordance with the aforesaid two accounting standards, then those Financial Statements shall specify such differences. When the Company distributes the profits after tax in respect of the relevant financial year, the profits after tax shall be deemed to be the lesser of the amount stated in the two sets of Financial Statements.

is proposed to be amended to:

The Financial Statements of the Company shall be prepared in accordance with the CASBE and regulations.

LETTER FROM THE BOARD

The existing Article 159, which reads:

If the relevant securities of the Company is permitted to be listed on the Exchange, during the period on which its securities remain listed, the Financial Statements placed before the shareholders shall, in addition to complying with PRC accounting standards and regulations, be prepared in accordance with either international accounting standards or Hong Kong accounting standards. If there shall be material differences between the Financial Statements prepared in accordance with the aforesaid two accounting standards, then those Financial Statements shall specify the financial effects of such differences.

is proposed to be amended to:

If the relevant securities of the Company is permitted to be listed on the Exchange, during the period on which its securities remain listed, the Financial Statements placed before the shareholders shall be prepared in accordance with the CASBE and regulations.

The existing Article 160, which reads:

Any interim results or financial information published or disclosed by the Company shall be prepared in accordance with PRC accounting standards and regulations also in accordance with either international or accounting standards of the place where the Company is listed.

is proposed to be amended to:

Any interim results or financial information published or disclosed by the Company shall be prepared in accordance with the CASBE and regulations.

III. EGM

The special resolution approving the amendments to the Articles of Association will be proposed to the Shareholders for their consideration at the EGM.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no connected person of the Company, Shareholder or their respective associates have a material interest in the resolution to be proposed at the EGM and are required to abstain from voting at the EGM.

LETTER FROM THE BOARD

A notice convening the EGM is set out on pages 7 to 8 of this circular. The EGM will be held at Conference Room, 17th Floor, Block B, 39 Sandadongli Road, Xiangfang District, Harbin, Heilongjiang Province, the People's Republic of China on Friday, 29 January 2016 at 9:00 a.m. at which a resolution will be proposed to approve the amendments to the Articles of Association. A form of proxy for use at the EGM has been enclosed and dispatched with this circular.

Shareholders who intend to attend the EGM should complete and return the enclosed reply slip in accordance with the instructions printed thereon as soon as possible but in any event not later than 4:00 p.m. on Saturday, 9 January 2016.

Whether or not you intend to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the registered office of the Company at Block B, 39 Sandadongli Road, Xiangfang District, Harbin, Heilongjiang Province, the People's Republic of China as soon as possible and in any event not less than twenty-four (24) hours before the time appointed for holding the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof, if you so wish.

For the purpose of determining shareholders' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 30 December 2015 to Friday, 29 January 2016 (both dates inclusive), during which period no transfer of shares will be registered. Shareholders whose names appear on the register before book closure shall be entitled to attend and vote at the EGM. Persons buying shares of the Company during the period of book closure shall not be entitled to attend and vote at the EGM. For shareholders who wish to attend this EGM, all transfers of shares accompanied with the relevant share certificates must be lodged with the Company's Registrar, namely, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:00 p.m. on Tuesday, 29 December 2015.

IV. RECOMMENDATION

The Directors believe that the special resolution in respect of the amendments to the Articles of Association is in the interests of the Company and the Shareholders as a whole, and, accordingly, the Directors recommend that all the Shareholders vote in favour of the relevant resolution at the EGM.

LETTER FROM THE BOARD

V. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Yours faithfully,
By Order of the Board
Harbin Electric Company Limited
Ai Li-song
Company Secretary

NOTICE OF EGM

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



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 an extraordinary general meeting (the “EGM”) of Harbin Electric Company Limited (the “Company”) will be held at Conference Room, 17th Floor, Block B, 39 Sandadongli Road, Xiangfang District, Harbin, Heilongjiang Province, the People's Republic of China on Friday, 29 January 2016 at 9:00 a.m. for the following purposes:

SPECIAL RESOLUTION

To consider and approve the proposed amendments to the Articles of Association.

(For details of the above resolution, please refer to the circular of the Company dated 15 December 2015.)

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

Harbin, PRC
15 December 2015

NOTICE OF EGM

Notes:

1. For the purpose of determining shareholders' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 30 December 2015 to Friday, 29 January 2016 (both dates inclusive), during which period no transfer of shares will be registered. Shareholders whose names appear on the register before book closure shall be entitled to attend and vote at the EGM. Persons buying shares of the Company during the period of book closure shall not be entitled to attend and vote at the EGM. For shareholders who wish to attend this EGM, all transfers of shares accompanied with the relevant share certificates must be lodged with the Company's Registrar, namely, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:00 p.m. on Tuesday, 29 December 2015.
2. Shareholders intending to attend the EGM shall give written reply of the same to the Company, which shall be lodged at its correspondence address by 4:00 p.m. on Saturday, 9 January 2016.
3. Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more persons (whether or not a Shareholder) as his/her proxy to attend and vote on his/her behalf.
4. To be valid, the form of proxy, together with a notarially certified power of attorney or other document of authority, if any, under which the form is signed, must be deposited at the correspondence address of the Company not later than 24 hours before the time appointed for holding the EGM.

As at the date of this announcement, the executive directors of the Company are Mr. Wu Wei-zhang, Mr. Zhang Ying-jian and Mr. Song Shi-qi; the non-executive director of the Company is Mr. Zou Lei; and the independent non-executive directors of the Company are Mr. Yu Bo, Mr. Liu Deng-qing and Mr. Yu Wen-xing.