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*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.*

**Haier** 海尔

**HAIER ELECTRONICS GROUP CO., LTD.**

**海爾電器集團有限公司\***

*(Incorporated in Bermuda with Limited Liability)*

**(Stock Code: 1169)**

**ANNOUNCEMENT PURSUANT TO RULE 3.7 OF  
THE TAKEOVERS CODE  
AND INSIDE INFORMATION  
IN RELATION TO A POSSIBLE OFFER FOR THE COMPANY  
AND  
RESUMPTION OF TRADING**

This announcement is made by Haier Electronics Group Co., Ltd. (the “**Company**”) pursuant to Rule 3.7 of the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”) issued by the Securities and Futures Commission of Hong Kong (the “**SFC**”), Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

**POSSIBLE OFFER**

Reference is made to the announcement made by Haier Smart Home Co., Ltd (the “**Possible Offeror**”), a controlling shareholder of the Company, dated 16 December 2019 (the “**Offeror Announcement**”) in relation to the clarification on certain news reports regarding its possible privatisation of the Company which may involve a securities exchange offer for the Company (the “**Possible Offer**”). The Company has made enquiries with the Possible Offeror regarding the status of the Possible Offer and understands that the Possible Offer remains in the exploration stage, and there is no certainty that the Possible Offer will proceed. For further details in relation to the Possible Offer, please refer to the Offeror Announcement. As at the date of this announcement, the Possible Offeror has not furnished a definitive Possible Offer to the

Company. The Possible Offeror stated in the Offeror Announcement that no agreement or other commitment has been made by the Possible Offeror as to whether to proceed with the Possible Offer, and details and terms (including the exchange ratio and the timetable) of the Possible Offer are yet to be finalized and there is no certainty that the Possible Offer will proceed.

### **Shares in issue**

As at the date of this announcement, the Company has a total issued share capital of 2,805,465,978 shares and outstanding options to subscribe for up to 1,893,200 shares of the Company granted under the share option scheme of the Company. Save as disclosed, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this announcement.

### **Interest of the Possible Offeror in the Company**

As at the date of this announcement, the Possible Offeror is interested in 1,623,420,592 shares in the issued share capital of the Company, representing approximately 57.87% of the Company's total issued shares.

### **Disclosure of dealings in Shares**

In light of the fact that the Possible Offeror may make the Possible Offer, an offer period (as defined in the Takeovers Code) commences as at the date of this announcement.

Associates (including a person who owns or controls 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code)) of the Possible Offeror and the Company are reminded to disclose their dealings in the relevant securities of the Possible Offeror and the Company pursuant to the requirements under Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

#### ***“Responsibilities of stockbrokers, banks and other intermediaries***

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

## **Monthly Updates**

In compliance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the Possible Offer will be made by the Company until an announcement is made of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with the Possible Offer is made.

Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules and/or the Takeovers Code (as the case may be).

**WARNING: There is no assurance that the Possible Offer will materialise or eventually be consummated, and any future discussion between the Possible Offeror and the Company in relation to the Possible Offer may or may not result in the privatisation and delisting of the Company from the Stock Exchange. Shareholders of the Company and potential investors are reminded to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisors.**

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on 13 December 2019 pending the release of this announcement.

Application has been made to the Stock Exchange for the resumption of trading of the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 17 December 2019.

By Order of the Board of  
**Haier Electronics Group Co., Ltd.**  
**Zhou Yun Jie**  
*Chairman*

Hong Kong, 16 December 2019

*As at the date of this announcement, the executive Directors are Mr. Zhou Yunjie (Chairman), Mr. Xie Ju Zhi and Mr. Li Hua Gang; the non-executive Directors are Mr. Liang Haishan and Mr. Yang Guang; the independent non-executive Directors are Mr. Yu Hon To, David, Mrs. Eva Cheng Li Kam Fun, Mr. Gong Shao Lin and Dr. John Changzheng Ma.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*\* For identification purposes only*