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HARVEST INTERNATIONAL COMPANY
(incorporated in the Cayman Islands with limited liability)

HK\$8,000,000,000 Zero Coupon Guaranteed Exchangeable Bonds due 2022
(the "Bonds")

(Stock Code: 5024.HK; ISIN: XS1716796641)

exchangeable into the ordinary shares of
HAIER ELECTRONICS GROUP CO., LTD. (Stock Code: 1169)
海爾電器集團有限公司*

unconditionally and irrevocably guaranteed by

Haier

HAIER SMART HOME CO., LTD. (海爾智家股份有限公司)
(incorporated with limited liability in the People's Republic of China)

and

HAIER SHAREHOLDINGS (HONG KONG) LIMITED
(incorporated in Hong Kong with limited liability)

MEETING OF BONDHOLDERS AND CONSENT SOLICITATION

Reference is made to the announcement dated 31 July 2020 made by Harvest International Company (the "**Issuer**") relating to the notice of a meeting (the "**Notice of Meeting**") dated 31 July 2020 given by the Issuer, Haier Smart Home Co., Ltd. (formerly known as Qingdao Haier Co., Ltd.) ("**HSH**"), Haier Shareholdings (Hong Kong) Limited ("**Haier HK**") and FLOURISHING REACH LIMITED (the "**New Guarantor**") to holders of the Bonds (the "**Bondholders**") in connection with the solicitation of consents by an extraordinary resolution of the Bondholders for approval of certain amendments to the terms and conditions of the Bonds (the "**Conditions**") and the trust deed (the "**Trust Deed**") constituting

the Bonds (the "**Consent Solicitation**") and the dispatchment of a consent solicitation memorandum (the "**Consent Solicitation Memorandum**") with respect to the Consent Solicitation with the Notice of Meeting. All words and expressions defined in the Notice of Meeting and the Consent Solicitation Memorandum shall (save as otherwise provided herein or unless the context otherwise requires) have the same meaning in this announcement.

Meeting of Bondholders

Bondholders are reminded that the Notice of Meeting was given by the Issuer that a meeting of the Bondholders (the "**Meeting**"), convened by the Issuer in accordance with the Trust Deed and the Conditions will be held at 9.00 a.m. (Hong Kong time) on 28 August 2020 at the offices of Clifford Chance at 27/F, Jardine House, One Connaught Place, Central, Hong Kong (the "**Meeting Venue**") for the purpose of considering and, if thought fit, passing the Extraordinary Resolution set out in the Notice of Meeting pursuant to the Trust Deed.

In light of the ongoing developments in relation to the coronavirus (Covid-19), it may become impossible or inadvisable to hold the Meeting at the Meeting Venue. In that event, the Issuer may prescribe further or alternative regulations regarding the holding of the Meeting, which may include providing access to the Meeting by conference or video call. In such circumstances, those Bondholders who have indicated that they wish to attend the meeting in person will be provided with further details about access to the Meeting. Bondholders who have requested that their votes be included in an Electronic Voting Instruction will be unaffected by these alternative regulations and will not be requested to take any further action.

Attendance and Representation at the current Meeting

Bondholders are reminded that any Bondholder who wish to vote for the purposes of the current Meeting must take action prior to the Deadline, being **9.00 a.m. (Hong Kong time) on 26 August 2020** (namely 48 hours before the time fixed for the current Meeting):

- Bondholders who do not wish to attend the Meeting in person but who wish to vote must, before the Deadline, either:
 - deliver the Form of Proxy (with a relevant appointment) to the person whom it wishes to attend on its behalf. Please refer to below for details on obtaining a Form of Proxy from the Registrar; or
 - give a voting instruction (in the form of an Electronic Voting Instruction in accordance with the standard procedures of Euroclear and/or Clearstream) to, and require the Registrar to, include the votes attributable to its Bonds in an Electronic Voting Instruction issued by the Registrar for the current Meeting (or any adjourned meeting), in which case the Registrar shall appoint The Hongkong and Shanghai Banking Corporation Limited as the information and tabulation agent (the "**Information and Tabulation Agent**") (or its representatives) as its proxy to attend and vote at such Meeting in accordance with such Bondholder's instructions.
- Bondholders who wish to attend and vote at the current Meeting in person must produce at such Meeting valid Forms of Proxy issued by the Registrar. A Bondholder may obtain a Form of Proxy in respect of its Bonds from the Registrar prior to the Deadline by arranging for its Bonds to be deposited with the Registrar (or to its order at a bank or other depositary) or blocked in an account with the relevant Clearing System (unless the Bond is the subject of an Electronic Voting Instruction (as defined below) which has been issued and is outstanding in respect of the current Meeting or any meeting held following any adjournment of the Meeting).

Clearing Systems typically set deadlines for receipt of requests and instructions that are in

advance of the cut-off times specified in the Consent Solicitation Memorandum. Accordingly, holders of interests in the Bonds must allow sufficient time for compliance with the standard operating procedures of the relevant Clearing System in order to ensure that their instructions are received by such Clearing System by the date specified by the Clearing System. If a request for submission of instructions is received by the Clearing System after this date, such instructions may not be received by the Information and Tabulation Agent and not be effective.

Bondholders are advised to check with any broker, dealer, bank, custodian, trust company or other nominee or other intermediary through which they hold the Bonds to confirm whether such intermediary requires that it receive instructions for such Bondholder to participate in the Consent Solicitation before the deadlines specified above. The deadlines set by each Clearing System for delivery of consents in the Consent Solicitation may be earlier than the relevant deadlines specified above.

Quorum and Passing of Extraordinary Resolution

The quorum at the Meeting for passing the Extraordinary Resolution shall be two or more persons so present holding Bonds or being proxies or representatives and holding or representing in the aggregate not less than 66 per cent. in principal amount of the Bonds for the time being outstanding.

If within 15 minutes after the time appointed for the Meeting, a quorum is not present, the Meeting will be adjourned for not less than 14 days and not more than 42 days.

At any adjourned meeting, the quorum for passing the Extraordinary Resolution be two or more persons so present holding Bonds or being proxies or representatives and holding or representing in the aggregate not less than 33 per cent. in principal amount of the Bonds for the time being outstanding.

In order for the Extraordinary Resolution to be passed at the Meeting, it must be passed by a majority of not less than 75 per cent. of the votes cast. If passed, the Extraordinary Resolution will be binding on all Bondholders, whether or not present at the Meeting and whether or not voting, and the passing of the Extraordinary Resolution shall be conclusive evidence that the circumstances justify the passing thereto.

Bondholders are reminded that all Electronic Voting Instructions submitted prior to the Deadline in favour of the Extraordinary Resolution will also constitute a consent given by way of Electronic Consent for the purposes of the Trust Deed. Accordingly, if Bondholders representing not less than 90 per cent. of the principal amount of the Bonds deliver Electronic Voting Instructions in favour of the Extraordinary Resolution prior to the Deadline, the Extraordinary Resolution shall be approved by way of Electronic Consent and no Extraordinary Resolution shall be tabled for consideration at any Meeting.

If insufficient Electronic Voting Instructions are submitted in favour of the Extraordinary Resolution prior to the Deadline in order to approve the Extraordinary Resolution by way of Electronic Consent, all Electronic Voting Instructions received prior to the Deadline shall continue to count towards the quorum of the Meeting (and any adjourned Meeting) and will be deemed to instruct the Information and Tabulation Agent to attend the Meeting on behalf of the Bondholders and vote in the manner specified or identified in such Electronic Voting Instructions in respect of the Extraordinary Resolution.

Contacts of Consent Solicitation Agent and Information and Tabulation Agent

Any questions and requests for assistance in connection with the terms of the Consent Solicitation may be directed to J.P. Morgan Securities (Asia Pacific) Limited as the consent solicitation agent (the "**Consent Solicitation Agent**") at its address and email as set forth below. Any questions and requests for assistance with regard to the procedures for participating in the Consent Solicitation, voting at the Meeting and/or the delivery of Electronic Voting Instructions or for additional copies of the Consent Solicitation Memorandum may be directed to the Information and Tabulation Agent at its address and

email as set forth below. No person has been authorised to make any recommendation on behalf of the Issuer, HSH, Haier HK, the New Guarantor, Haier Electronics, the Consent Solicitation Agent, the Trustee, the Principal Agent, the Registrar or the Information and Tabulation Agent as to whether or how the Bondholders should vote pursuant to the Proposals.

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Harvest International Company
Board of Directors

Hong Kong, 18 August 2020

As at the date of this announcement, the directors of Harvest International Company are WANG Ningning and WANG Rongli.

As at the date of this announcement, the directors of Haier Smart Home Co., Ltd. (海爾智家股份有限公司) are LIANG Haishan, TAN Lixia, WU Changqi, LI Huagang, YAN Yan, LIN Sui, QIAN Daqun, DAI Deming and WONG Hak Kun.

As at the date of this announcement, the directors of Haier Shareholdings (Hong Kong) Limited are ZHANG Liqun, LIANG Haishan and WANG Ningning

** For identification purposes only*