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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)

- (1) FULFILMENT OF PRE-CONDITIONS TO THE PRIVATISATION PROPOSAL IN
RELATION TO APPROVAL BY INDEPENDENT HSH SHAREHOLDERS, HSH A
SHAREHOLDERS AND HSH D SHAREHOLDERS**
- (2) RESULTS OF MEETING OF HSH SHAREHOLDERS, HSH A SHAREHOLDERS AND
HSH D SHAREHOLDERS IN RELATION TO CONSENT SOLICITATION**
- AND**
- (3) EXTENSION OF TIME FOR DESPATCH OF THE SCHEME DOCUMENT**

Reference is made to (i) the announcement dated 31 July 2020 (the "**July 2020 Announcement**") made by Harvest International Company (the "**Issuer**") relating to the joint announcement dated 31 July 2020 (the "**Rule 3.5 Announcement**") made by Haier Smart Home Co., Ltd. ("**HSH**") and Haier Electronics Group Co., Ltd. ("**Haier Electronics**") pursuant to Rule 3.5 of the Takeovers Code in relation to a pre-conditional proposal for privatisation of Haier Electronics by HSH, (ii) the joint announcement dated 1 September 2020 (the "**1 September 2020 Joint Announcement**") made by HSH and Haier Electronics related to the satisfaction of certain Privatisation Pre-Conditions (as defined in the July 2020 Announcement) and (iii) the announcements dated 31 July 2020, 18 August 2020 and 28 August 2020 (together, the "**Consent Solicitation Announcements**") made by the Issuer relating to the notice of a meeting dated 31 July 2020 given by the Issuer, HSH, Haier Shareholdings (Hong Kong) Limited and FLOURISHING REACH LIMITED 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 and the trust deed constituting the Bonds (the "**Consent Solicitation**") and the results of the Bondholders' meeting and the Consent Solicitation. Terms and expressions used but not defined herein have the respective meanings given to them in the 1 September 2020 Joint Announcement and the Consent Solicitation Announcements.

FULFILMENT OF PRIVATISATION PRE-CONDITIONS TO THE PRIVATISATION PROPOSAL IN RELATION TO APPROVAL BY INDEPENDENT HSH SHAREHOLDERS, HSH A SHAREHOLDERS AND HSH D SHAREHOLDERS

As disclosed in the 1 September 2020 Joint Announcement, the HSH General Meeting, the HSH A Shares Class Meeting and the HSH D Shares Class Meeting were convened and held on 1 September 2020, for the Independent HSH Shareholders, the HSH A Shareholders and the HSH D Shareholders respectively to consider, and if thought fit, approve, amongst other things, the Privatisation Proposal and the transactions contemplated thereunder. At each of the HSH General Meeting, the HSH A Shares Class Meeting and the HSH D Shares Class Meeting, the requisite resolutions to approve the Privatisation Proposal and the transactions contemplated thereunder were duly passed. Accordingly, the Privatisation Pre-Conditions as set out under paragraphs (c) and (d) in the section headed "2. TERMS OF THE PRE-CONDITIONAL PRIVATISATION PROPOSAL – 2.6 Pre-Conditions to the making of the Privatisation Proposal" in the Rule 3.5 Announcement have been fulfilled. Such requisite resolutions as approved by the Independent HSH Shareholders, HSH A Shareholders and HSH D Shareholders at the HSH General Meeting, HSH A Shares Class Meeting and HSH D Shares Class Meeting respectively will remain valid for a period of 12 months from 1 September 2020.

As disclosed in the 1 September 2020 Joint Announcement, as at the date of this announcement, the Privatisation Pre-Conditions as set out under paragraphs (a) and (b) in the section headed "2. TERMS OF THE PRE-CONDITIONAL PRIVATISATION PROPOSAL – 2.6 Pre-Conditions to the making of the Privatisation Proposal" in the Rule 3.5 Announcement remain outstanding.

For further information, please refer to the 1 September 2020 Joint Announcement and separate announcements published from time to time in accordance with the Takeovers Code and/or the Listing Rules.

RESULTS OF MEETING OF HSH SHAREHOLDERS, HSH A SHAREHOLDERS AND HSH D SHAREHOLDERS AND CONSENT SOLICITATION IN RELATION TO THE EB-TO-CB PROPOSAL

At the HSH General Meeting, HSH A Share Class Meeting and the HSH D Shares Class Meeting, the requisite resolution to approve the EB-to-CB Proposal was respectively duly passed by the approval of at least two-thirds of the voting rights of the HSH Shareholders, HSH A Shareholders and HSH D Shareholders respectively present at the HSH General Meeting, HSH A Shares Class Meeting and HSH D Shares Class Meeting.

The implementation of the EB-to-CB Proposal remains to be subject to obtaining or completing various other approvals or filings as disclosed in the Consent Solicitation Announcements, including, amongst others, the satisfaction of the Privatisation Pre-Conditions and the Privatisation Conditions (as defined in the July 2020 Announcement) and the Scheme becoming effective. If such other conditions to the implementation of the EB-to-CB Proposal are satisfied on or before the Scheme Long Stop Date, the EB-to-CB Proposal will become effective immediately upon Listing and the commencement of trading of HSH H Shares on the Stock Exchange. The implementation of the EB-to-CB Proposal is not a condition to the Scheme becoming effective.

EXTENSION OF TIME FOR DESPATCH OF THE SCHEME DOCUMENT

As disclosed in the 1 September 2020 Joint Announcement, as more time is required for (i) the satisfaction of the Privatisation Pre-Conditions and (ii) accommodating the Court timetable, an application was made to the Executive for, and the Executive has indicated that it is minded to grant, the extension of the latest date for despatching the Scheme Document from 4 September 2020 to 30 November 2020.

For further information, please refer to the 1 September 2020 Joint Announcement and separate announcements published from time to time in accordance with the Takeovers Code and/or the Listing Rules.

The Bondholders are reminded that the making of the Privatisation Proposal is subject to the satisfaction of the Privatisation Pre-Conditions. Even if the Privatisation Proposal is made, the implementation of the Privatisation Proposal (including the effectiveness of the Scheme), is subject to the satisfaction or waiver (as applicable) of the Privatisation Conditions, and therefore the Privatisation Proposal may or may not be implemented and the Scheme may or may not become effective. The Bondholders should therefore exercise caution when dealing in the Bonds and/or the securities of HSH and Haier Electronics. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers.

The Bondholders are further reminded that the implementation of the EB-to-CB Proposal remains to be subject to obtaining or completing various other approvals or filings as disclosed in the Consent Solicitation Announcements. The Bondholders should therefore exercise caution when dealing in the Bonds. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers.

Harvest International Company
Board of Directors

Hong Kong, 1 September 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*