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

  
**HAIER ELECTRONICS GROUP CO., LTD.**  
海爾電器集團有限公司\*  
*(incorporated in the Bermuda with limited liability)*  
**(Stock Code: 1169)**

## **JOINT ANNOUNCEMENT**

### **PROPOSED PRIVATISATION OF HAIER ELECTRONICS GROUP CO., LTD. (“HEG”) BY HAIER SMART HOME CO., LTD. (“HSH”) BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 99 OF THE COMPANIES ACT**

#### **(1) FULFILMENT OF ALL PRE-CONDITIONS TO THE PRIVATISATION PROPOSAL**

**AND**

#### **(2) FULFILMENT OF CERTAIN CONDITIONS TO THE EB-TO-CB PROPOSAL**

### **INTRODUCTION**

Reference is made to (i) the joint announcement issued by HSH and HEG (the “**Joint Announcement**”) on 31 July 2020 regarding the Privatisation Proposal; (ii) the joint announcement issued by HSH and HEG on 1 September 2020 regarding the fulfilment of Pre-Conditions in relation to obtaining the approval by Independent HSH Shareholders, HSH A Shareholders and HSH D Shareholders and the extension of time for despatch of the Scheme Document (the “**September Joint Announcement**”); and (iii) the joint announcement issued by HSH and HEG on 30 October 2020 regarding the fulfilment of Pre-Condition in relation to obtaining the approval from the CSRC. Unless otherwise defined, capitalised terms used in this announcement have the same meanings as defined in the Joint Announcement.

## **FULFILMENT OF ALL PRE-CONDITIONS TO THE PRIVATISATION PROPOSAL**

As disclosed 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 Joint Announcement, the making of the Privatisation Proposal is conditional upon the fulfilment of the Pre-Conditions.

On 13 November 2020, HSH received the letter from the Stock Exchange confirming that they have no further comments on the Listing Document and approving in principle the listing of the HSH H Shares on the Stock Exchange as described in the Listing Document, including the HSH H Shares to be issued as consideration for the cancellation of the Scheme Shares under the Scheme (the “**Stock Exchange Approval**”). Accordingly, the Pre-Condition as set out under paragraph (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 Joint Announcement has been fulfilled.

Accordingly, as at the date of this announcement, all Pre-Conditions as set out 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 Joint Announcement have been fulfilled.

## **FULFILMENT OF CERTAIN CONDITIONS TO THE EB-TO-CB PROPOSAL**

As disclosed in the section headed “4. HSH EXCHANGEABLE BONDS — 4.3 EB-to-CB Proposal” in the Joint Announcement, HSH has proposed the EB-to-CB Proposal, pursuant to which the Bond Terms and Conditions are proposed to be amended to substitute the right to exchange the HSH Exchangeable Bonds for the existing Exchange Property with the right to convert the HSH Convertible Bonds into new HSH H Shares issuable by HSH at the time of conversion, such that the HSH Exchangeable Bonds will not be exchangeable into the HEG Shares but will instead be convertible into new HSH H Shares. The implementation of the EB-to-CB Proposal is subject to, amongst others, obtaining or completing various third-party, corporate and regulatory approvals or filings and the satisfaction of the Pre-Conditions as elaborated in the section headed “4. HSH EXCHANGEABLE BONDS — 4.3 EB-to-CB Proposal” in the Joint Announcement.

The Stock Exchange Approval includes the approval in principle for the listing of the HSH H Shares to be issued pursuant to the conversion of the HSH Convertible Bonds on the Stock Exchange.

The implementation of the EB-to-CB Proposal remains to be subject to other conditions, including, amongst others, the satisfaction of the Conditions, the Scheme becoming effective and the commencement of the Listing. If all conditions to the implementation of the EB-to-CB Proposal are satisfied, the EB-to-CB Proposal will become effective immediately upon Listing and the commencement of trading of HSH H Shares on the Stock Exchange.

For the avoidance of doubt, the implementation of the EB-to-CB Proposal is not a condition to the Scheme becoming effective.

## DESPATCH OF THE SCHEME DOCUMENT

As referred to in the September Joint Announcement, the Executive has granted its consent to extend the latest time for the despatch of the Scheme Document to 30 November 2020. As all the Pre-Conditions have been satisfied, it is expected that the Scheme Document will be despatched on or around 16 November 2020. Further announcement will be made on the date of despatch of the Scheme Document.

Shareholders and potential investors of HSH and HEG are advised to refer to the announcements and other documents published by HSH and/or HEG from time to time on the website of the Stock Exchange for information regarding the Privatisation Proposal.

**WARNING: The implementation of the Privatisation Proposal (including the effectiveness of the Scheme), is subject to the satisfaction or waiver (as applicable) of the Conditions, and therefore the Privatisation Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors of HSH and HEG should therefore exercise caution when dealing in the securities of HSH and HEG. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers.**

By Order of the board of directors of  
**Haier Smart Home Co., Ltd.\***

**Liang Haishan**  
Chairman

By Order of the Board of  
**Haier Electronics Group Co., Ltd.**

**Zhou Yunjie**  
Chairman

13 November 2020

*As at the date of this announcement, the directors of HSH are Liang Haishan, Tan Lixia, Wu Changqi, Li Hua Gang, Lin Sui Martin, Chien Da-Chun, Dai Deming and Wong Hak Kun.*

*The directors of HSH jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than any information relating to HEG) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the directors of HEG) 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.*

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

*The directors of HEG jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than any information relating to HSH) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the directors of HSH) 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 purpose only