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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*

**FLOURISHING REACH LIMITED**  
*(incorporated in the British Virgin Islands with limited liability)*

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

**(2) PROPOSED WITHDRAWAL OF LISTING OF SHARES**

**AND**

**(3) DESPATCH OF SCHEME DOCUMENT**

Reference is made to (i) the announcement dated 31 July 2020 (the "**July 2020 Announcement**") made by the 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 16 November 2020 (the "**16 November 2020 Joint Announcement**") made by HSH and Haier Electronics relating to the proposal for privatisation of Haier Electronics by HSH, the proposed withdrawal of listing of the Shares (as defined in the July 2020 Announcement) and the despatch of the Scheme Document, (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 (the "**Extraordinary Resolution**") for approval of certain *amendments* to the terms and conditions of the Bonds (the "**Terms and Conditions**") and the trust deed constituting the Bonds (the "**Consent Solicitation**") and the results of the Bondholders' meeting and the Consent Solicitation, (iv) the announcement dated 1 September 2020 made by the Issuer relating to the results of meeting of HSH Shareholders, HSH A Shareholders and HSH D Shareholders in relation to the EB-to-CB Proposal, (v) the announcement dated 30 October 2020 made by the Issuer relating to the requisite approval from the CSRC in relation to the EB-to-CB Proposal and (vi) the announcement dated 13 November 2020 made by the Issuer relating to the satisfaction of all Privatisation Pre-Conditions (as defined in the July 2020 Announcement) and certain approval from the Stock Exchange in relation to the EB-to-CB Proposal. Terms and expressions used but not defined herein have the respective meanings given to them in the 16 November 2020 Joint Announcement, the Consent Solicitation Announcements and the Terms and Conditions.

## **DESPATCH OF THE SCHEME DOCUMENT**

As disclosed in the 16 November 2020 Joint Announcement, the Scheme Document, together with the notices of the Court Meeting and the SGM (each to be held on Wednesday, 9 December 2020) and the relevant forms of proxy, will be despatched to the Shareholders on Monday, 16 November 2020.

The Scheme Document contains, among other things, further details about the Privatisation Proposal and the Scheme, an explanatory statement as required under the Companies Act, the expected timetable relating to the Privatisation Proposal, the letter from the HEG Board, the recommendations of the Independent Board Committee, the letter of advice from the Independent Financial Adviser, the Valuation Report, the Listing Document and the notices of the Court Meeting and the SGM.

For further information, please refer to the 16 November 2020 Joint Announcement, the Scheme Document (published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk))) and separate announcements published from time to time in accordance with the Takeovers Code and/or the Listing Rules.

## **COURT MEETING AND SGM**

As disclosed in the 16 November 2020 Joint Announcement, the Court Meeting and the SGM are scheduled to be held at 9:30 a.m. and 10:00 a.m. (or so soon thereafter as the Court Meeting has been concluded or adjourned) respectively on Wednesday, 9 December 2020 at Grand

Ballroom 2, Level B, Hong Kong Ocean Park Marriott Hotel, 180 Wong Chuk Hang Road, Aberdeen, Hong Kong.

In accordance with the directions of the Court, the Court Meeting will be held for the purposes of considering, and if thought fit, passing a resolution to approve the Scheme, with or without modification.

The SGM will be held so soon thereafter as the Court Meeting has concluded or adjourned for the purposes of, amongst others, considering, and if thought fit, approving the special resolutions to approve and give effect to, amongst other things, (i) the reduction of the issued share capital of Haier Electronics by the cancellation of the Scheme Shares, (ii) immediately thereafter, the restoration of the issued share capital of Haier Electronics to its amount in issue prior to the cancellation of the Scheme Shares by issuing to HSH such number of Shares as is equal to the number of Scheme Shares cancelled, credited as fully paid at par, by applying the reserve created in the books of accounts of Haier Electronics as a result of the cancellation of the Scheme Shares, (iii) the cancellation of all amount standing to the credit of the share premium account of Haier Electronics and/or other account of Haier Electronics as of the Scheme Effective Date (such cancellation of share premium constitutes a reduction in the issued share capital of Haier Electronics under the Companies Act), and (iv) the reduction of the issued share capital of Haier Electronics by the cancellation of the Fractional Shares.

Notices of the Court Meeting and the SGM are contained in the Scheme Document. An announcement will be made by HSH and Haier Electronics in relation to the results of the Court Meeting and the SGM on Wednesday, 9 December 2020 by no later than 7:00 p.m.

#### **ENTITLEMENTS TO ATTEND AND VOTE AT THE COURT MEETING AND THE SGM**

As disclosed in the 16 November 2020 Joint Announcement, Shareholders who are entitled to attend and vote at the Court Meeting and the SGM are those whose names appear on the register of members of Haier Electronics on Wednesday, 9 December 2020 (being the "**Meeting Record Date**"). In order to qualify to vote at the Court Meeting and the SGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Share Registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong before 4:30 p.m. on Thursday, 3 December 2020.

Prior to the EB-to-CB Proposal taking effect, the Bondholders remain entitled to exercise their right to exchange the Bonds into Shares in accordance with the Terms and Conditions. **If the Bondholders exercise their Exchange Right and become Shareholders on or prior to the Meeting Record Date (Wednesday, 9 December 2020), those Shares held by such Bondholders will form part of the Scheme Shares and accordingly may be voted on at the Court Meeting and the SGM.**

Pursuant to the Terms and Conditions, HSH and the New Guarantor will take all necessary action to procure the transfer of Shares to exchanging Bondholders and the delivery of such Shares to such exchanging Bondholder or its nominee as provided for in the relevant exchange notice through CCASS in accordance with prevailing laws, rules, regulations and procedures of CCASS effective from time to time within 10 business days after the Exchange Date. References to "**business day**" in the Terms and Conditions mean a day on which both CCASS and the share registrar and transfer office of Haier Electronics in Hong Kong are open for business for trade, settlement of the Shares and for registration of Share transfers. The

Exchange Date is the Exchange Business Day immediately following the date of due delivery of the relevant exchange notice and, if applicable, the making of any payment to be made and the giving of any indemnity and/or security to be given under the Terms and Conditions in connection with the exercise of such Exchange Right.

**Please note that the register of members of Haier Electronics will be closed from Friday, 4 December 2020 to Wednesday, 9 December 2020 (both days inclusive) for determining the entitlement to attend and vote at the Court Meeting and the SGM and as such the latest time for lodging transfers of Shares to qualify for attending and voting at the Court Meeting and the SGM is 4:30 p.m. on Thursday, 3 December 2020. There is no guarantee that HSH and the New Guarantor will be able to transfer and deliver Shares to the relevant exchanging Bondholders by 4:30 p.m. on Thursday, 3 December 2020 in respect of any exercise of Exchange Right after Wednesday, 18 November 2020. Bondholders should refer to the timetable below for more details.**

Bondholders are further reminded that although HSH and the New Guarantor will take all necessary action to procure the transfer and delivery of Shares to the relevant exchanging Bondholders as soon as practicable, there is no guarantee that transfer and delivery of the Shares can be completed before the 10th business day after the Exchange Date. **As the register of members of Haier Electronics will be closed from Thursday, 17 December 2020 onwards for determining entitlement of the Scheme Shareholders under the Scheme, there is no guarantee that HSH and the New Guarantor will be able to transfer and deliver Shares to the relevant exchanging Bondholders in respect of any exercise of Exchange Right after Wednesday, 25 November 2020.** Upon exchange, the right of the exchanging Bondholder to repayment of any amount of principal or premium (if any) of the Bond to be exchanged will be extinguished and released and the principal amount of the Bonds will be reduced to reflect such exchange on the Exchange Date.

**Bondholders are therefore urged to refer to the expected timetable below, deliver an exchange notice and make all relevant arrangements (including providing sufficient details to its broker, dealer, bank, custodian, trust company or other nominee or other intermediary) as early as possible if they intend to be a Scheme Shareholder to attend and vote at the Court Meeting and the SGM and/or to participate in the Scheme. Bondholders are also 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.**

## **CONDITIONS OF THE PRIVATISATION PROPOSAL AND THE SCHEME**

Bondholders should be aware that the Privatisation Proposal is subject to the Privatisation Conditions (as defined in the July 2020 Announcement) being fulfilled or waived, as applicable. All of the Privatisation Conditions will have to be satisfied or waived, as applicable, on or before the Scheme Long Stop Date, failing which the Privatisation Proposal and the Scheme will lapse.

If all the resolutions are passed at the Court Meeting and the SGM, further announcement will be made in relation to, among other things, the results of the Court Hearing, the expected Scheme Record Time, the expected Scheme Effective Date and the expected date of withdrawal of listing of Shares from the Stock Exchange in accordance with the requirements of the Takeovers Code and the Listing Rules.

## **IMPACT OF THE PRIVATISATION PROPOSAL AND THE DELISTING ON THE BONDS AND THE RIGHTS AND INTERESTS OF THE BONDHOLDERS AND OPTIONS AVAILABLE FOR THE BONDHOLDERS UNDER THE TERMS AND CONDITIONS**

The holders of the Bonds are reminded that they have various available options to manage their respective investment in the Bonds, including:

- (a) selling the Bonds in the secondary market;
- (b) exchanging the Bonds into the Shares and becoming Shareholders to participate in the Scheme in the following ways:
  - (i) if the Bondholders exercise their Exchange Right and become Shareholders on or prior to the Meeting Record Date, those Shares so exchanged into and held by such Bondholders as Shareholders will form part of the Scheme Shares and accordingly may be voted on at the Court Meeting and at the SGM; and
  - (ii) if the Bondholders exercise their Exchange Right and become Shareholders on or prior to the Scheme Record Time (but only after the Meeting Record Date specified in sub-paragraph (b)(i) above), those Shares so exchanged into and held by such Bondholders as Shareholders will form part of the Scheme Shares (but such Bondholders will not be entitled to vote at the Court Meeting or the SGM). Subject to the Scheme becoming effective, as part of the Scheme, HSH will issue such number of HSH H Shares in accordance with the Share Exchange Ratio, and Haier Electronics will make the Cash Payment, multiplied by the number of Scheme Shares held by such Bondholders who have exercised their Exchange Right and become Scheme Shareholders as at the Scheme Record Time.

Pursuant to the Terms and Conditions, HSH and the New Guarantor will take all necessary action to procure the transfer of Shares to exchanging Bondholders and the delivery of such Shares to such exchanging Bondholder or its nominee as provided for in the relevant exchange notice through CCASS in accordance with prevailing laws, rules, regulations and procedures of CCASS effective from time to time within 10 business days after the Exchange Date. Bondholders are reminded to refer to the expected timetable below for the last day to exercise Exchange Right under the Bonds in order to become Shareholders (A) on or prior to the Meeting Record Date or (B) on or prior to the Scheme Record Time, as applicable, **such last day being (A) Wednesday, 18 November 2020 and (B) Wednesday, 25 November 2020, respectively.**

- (c) holding their Bonds until the Maturity Date and being repaid at 105.11 per cent. of the principal amount of such Bonds.

In terms of the put option available to the Bondholders relating to the Delisting and withdrawal of listing of HSH H Shares on the Stock Exchange:

- (i) the Bondholders may exercise their early redemption right upon Delisting and request the Issuer to redeem their Bonds at the Early Redemption Amount if the Delisting occurs without all EB-to-CB Conditions satisfied;

- (ii) after the EB-to-CB Conditions are satisfied, upon Delisting but before Listing and the commencement of trading of HSH H Shares, the Bondholders will no longer be able to request the Issuer to redeem their Bonds based on the Delisting due to the Transitional Delisting Put Waiver, which has been granted by the Bondholders as part of the EB-to-CB Proposal approved and the Extraordinary Resolution; and
- (iii) after the EB-to-CB Conditions are satisfied and upon Listing and the commencement of trading of HSH H Shares, the EB-to-CB Proposal will become effective. Thereafter, the holder of any Bond will have the right, at such holder's option, to require the Issuer to redeem all or some only of that holder's Bonds at the Early Redemption Amount after the HSH H Shares cease to be listed or admitted to trading on the Stock Exchange. Listing and the commencement of trading of HSH H Shares are expected to occur concurrently with the Delisting.

In the event that the Privatisation Proposal takes effect, the EB-to-CB Proposal does not become effective and the Bondholders do not exercise any of the options outlined in paragraphs (a) or (b) above, the consequence will be that, following the Delisting, the Bonds will, on the exercise of the Exchange Right by the Bondholders, exchange into unlisted shares of Haier Electronics which will not have an open market for trading and will therefore become illiquid.

#### **EXPECTED TIMETABLE**

The 16 November 2020 Joint Announcement sets out the below expected timetable with respect to the Privatisation Proposal. **As disclosed in the 16 November 2020 Joint Announcement, the following expected timetable is indicative only and is subject to change.** Further announcement(s) will be made if there is any change to the expected timetable. All references to times and dates are references to Hong Kong times and dates, except as otherwise specified.

Date of despatch of the Scheme Document.....	Monday, 16 November 2020
Last day for Bondholders to exchange the Bonds into Shares in order to become Shareholders to qualify for attending and voting at the Court Meeting and the SGM <sup>(Note 1)</sup> .....	Wednesday, 18 November 2020
Last day for Bondholders to exchange the Bonds into Shares and in order to become Shareholders to qualify for entitlements under the Scheme <sup>(Note 1)</sup> .....	Wednesday, 25 November 2020
Latest time for lodging transfers of Shares to qualify for attending and voting at the Court Meeting and the SGM.....	4:30 p.m. on Thursday, 3 December 2020
Closure of the register of members of Haier Electronics for determining the entitlement to attend and vote at the Court Meeting and the SGM <sup>(Note 2)</sup> .....	Friday, 4 December 2020 to Wednesday, 9 December 2020 (both days inclusive)

Latest time for lodging forms of proxy in respect of the Court Meeting <sup>(Note 3)</sup> .....	9:30 a.m. on Monday, 7 December 2020
Latest time for lodging forms of proxy in respect of the SGM <sup>(Note3)</sup> ...	10:00 a.m. on Monday, 7 December 2020
Meeting Record Date.....	Wednesday, 9 December 2020
Court Meeting <sup>(Note 4)</sup> .....	9:30 a.m. on Wednesday, 9 December 2020
SGM <sup>(Note 4)</sup> .....	10:00 a.m. on Wednesday, 9 December 2020
	(or so soon thereafter as the Court Meeting has been concluded or adjourned)
Announcement of the results of the Court Meeting and the SGM published on the Stock Exchange's website and Haier Electronics' website.....	no later than 7:00 p.m. on Wednesday, 9 December 2020
Expected last day for trading in the Shares on the Stock Exchange.....	Friday, 11 December 2020
Latest time for lodging transfers of Shares to qualify for entitlements under the Scheme.....	4:30 p.m. on Wednesday, 16 December 2020
Closure of the register of members of Haier Electronics for determining entitlement of the Scheme Shareholders under the Scheme <sup>(Note 5)</sup> .....	From Thursday, 17 December 2020 onwards
Court Hearing for sanctioning the Scheme.....	Thursday, 17 December 2020 (Bermuda time)
Announcement of (i) the results of the Court Hearing; (ii) the expected Scheme Record Time; (iii) the expected Scheme Effective Date; and (iv) the expected date of withdrawal of listing of the Shares to be published on the Stock Exchange's website and Haier Electronics' website.....	at or before 8:30 a.m. on Friday, 18 December 2020

Scheme Record Time.....	4:30 p.m. on Friday, 18 December 2020
Scheme Effective Date <sup>(Note 7)</sup> .....	Friday, 18 December 2020 (Bermuda time)
Announcement of (1) the Scheme Effective Date and (2) the withdrawal of listing of the Shares on the Stock Exchange's website and Haier Electronics' website .....	at or before 8:30 a.m. on Monday, 21 December 2020
Despatch of certificates for the new HSH H Shares to be issued pursuant to the Scheme and the Listing <sup>(Notes 6 and 8)</sup> .....	Monday, 21 December 2020
Withdrawal of the listing of the Shares on the Stock Exchange becomes effective <sup>(Notes 6 and 9)</sup> .....	9:00 a.m. on Tuesday, 22 December 2020
Dealings in the HSH H Shares on the Stock Exchange expected to commence at <sup>(Note 6)</sup> .....	9:00 a.m. on Tuesday, 22 December 2020
EB-to-CB Proposal becomes effective <sup>(Note 10)</sup> .....	Tuesday, 22 December 2020
Latest time to despatch cheques for payment of the Cash Payment to the Scheme Shareholders.....	Wednesday, 30 December 2020

Notes:

- I. Pursuant to the Terms and Conditions, HSH and the New Guarantor will take all necessary action to procure the transfer of Shares to exchanging Bondholders and the delivery of such Shares to such exchanging Bondholder or its nominee as provided for in the relevant exchange notice through CCASS in accordance with prevailing laws, rules, regulations and procedures of CCASS effective from time to time within 10 business days after the Exchange Date. References to "**business day**" in the Terms and Conditions mean a day on which both CCASS and the share registrar and transfer office of Haier Electronics in Hong Kong are open for business for trade, settlement of the Shares and for registration of Share transfers. The Exchange Date is the Exchange Business Day immediately following the date of due delivery of the relevant exchange notice and, if applicable, the making of any payment to be made and the giving of any indemnity and/or security to be given under the Terms and Conditions in connection with the exercise of such Exchange Right.

*Bondholders are reminded that although HSH and the New Guarantor will take all necessary action to procure the transfer and delivery of Shares to the relevant exchanging Bondholders as soon as practicable, there is no guarantee that transfer and delivery of the Shares can be completed before the 10<sup>th</sup> business day after the Exchange Date. As the register of members of Haier Electronics will be closed from Thursday, 17 December 2020 onwards for determining entitlement of the Scheme Shareholders under the Scheme, there is no guarantee that HSH and the New Guarantor will be able to transfer and deliver Shares to the relevant exchanging Bondholders in respect of any exercise of Exchange Right after Wednesday, 25 November 2020. Upon exchange, the right of the exchanging Bondholder to repayment of any amount of principal or premium (if any) of the Bond to be exchanged will be extinguished and released and the principal amount of the Bonds will be reduced to reflect such exchange on the Exchange Date.*



*Bondholders are urged to deliver an exchange notice and make all relevant arrangements (including providing sufficient details to its broker, dealer, bank, custodian, trust company or other nominee or other intermediary) as early as possible if they intend to be a Scheme Shareholder to attend and vote at the Court Meeting and the SGM and/or to participate in the Scheme. Bondholders are also 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 related to the exchange before the deadlines specified above.*

*Bondholders are strongly advised to refer to this announcement and other announcements published by the Issuer in relation to the Bonds on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) from time to time in the manner as provided under the Terms and Conditions and in accordance with the Listing Rules for further information in relation to the Bonds.*

- 2. The closure of the register of members of Haier Electronics during this period is not for the purpose of determining entitlements under the Scheme. Instead, it is for the purpose of determining entitlements of Scheme Shareholders and Disinterested Scheme Shareholders to attend and vote at the Court Meeting and the Shareholders to attend and vote at the SGM, respectively.*
- 3. Forms of proxy should be lodged with the share registrar and transfer office of Haier Electronics in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not later than the respective times and dates stated above. In the case of the **pink** forms of proxy for use at the Court Meeting, they may alternatively be handed to the chairman of the Court Meeting (who will have absolute discretion on whether or not to accept it) at the Court Meeting. Completion and return of the relevant form of proxy for the Court Meeting or the SGM will not preclude a Scheme Shareholder, a Disinterested Scheme Shareholder or a Shareholder, as the case may be, from attending the relevant meeting and voting in person. In such event, the relevant form of proxy returned will be deemed to have been revoked by operation of law.*
- 4. The Court Meeting and the SGM will be held at Grand Ballroom 2, Level B, Hong Kong Ocean Park Marriott Hotel, 180 Wong Chuk Hang Road, Aberdeen, Hong Kong, at the times and dates specified above. Please see the notice of the Court Meeting set out in Appendix J – Notice of Court Meeting to the Scheme Document and the notice of the SGM set out in Appendix K – Notice of SGM to the Scheme Document.*
- 5. Subject to the requisite approval having been obtained at the Court Meeting and the SGM, the register of members of the Company will be closed from Thursday, 17 December 2020 onwards for the purposes of determining the entitlements under the Scheme.*
- 6. If the approval for the Listing is not granted on or prior to Friday, 18 December 2020, the certificates for the new HSH H Shares will not be despatched on Monday, 21 December 2020, dealings in the HSH H Shares on the Stock Exchange will not commence on Tuesday, 22 December 2020, and the listing of the Shares on the Stock Exchange will also not be withdrawn on Tuesday, 22 December 2020. In such event, HSH will make an announcement of the above and of a revised timetable as soon as practicable.*
- 7. The Scheme will become effective upon all the Privatisation Conditions set out in the section headed "2. THE PRIVATISATION PROPOSAL AND THE SCHEME – 2.6 Conditions of the Privatisation Proposal and the Scheme" in Part IX – Explanatory Statement of the Scheme Document having been satisfied or validly waived (as applicable) on or before the Scheme Long Stop Date. Shareholders will be advised by an announcement of the exact date upon which the Scheme becomes effective.*
- 8. The share certificates for the new HSH H Shares to be issued pursuant to the Scheme and the Listing as cancellation consideration for the Scheme Shares are expected to be despatched to the Scheme Shareholders (other than the Non-Qualifying Overseas Shareholders) on Monday, 21 December 2020. Each Scheme Shareholder (other than the Non-Qualifying Overseas Shareholders) will be sent one share certificate representing all HSH H Shares. Such share certificates will not become valid unless the formal letter of approval for the Listing is obtained, and the Introduction has become effective. Investors who trade in the HSH H Shares prior to the receipt of the HSH H Share certificates or prior to the HSH H Share Certificates becoming valid do so entirely at their own risk.*

9. *If the Scheme becomes effective, it is expected that the listing of the Shares on the Stock Exchange will be withdrawn with effect from 9:00 a.m. on Tuesday, 22 December 2020, being the second Business Day following the Scheme Effective Date. The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective.*
10. *The EB-to-CB Proposal will become effective upon all the relevant conditions set out in the Consent Solicitation Memorandum having been obtained or completed. The Bondholders will be advised by an announcement published by the Issuer in relation to the Bonds on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) in relation to the exact date upon which the EB-to-CB Proposal becomes effective.*

**Bondholders are reminded that 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.**

**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 and pages 115 to 116 of the Scheme Document. 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, 16 November 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, LIN Sui, CHIEN Da-Chun, DAI Deming and WONG Hak Kun.*

*As at the date of this announcement, the sole director of FLOURISHING REACH LIMITED is GONG Wei.*

*\* For identification purposes only*