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**Haier**

**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)  
(Stock Code: 6690)

**Haier 海尔**

**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

- (1) 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**
- (2) PROPOSED WITHDRAWAL OF LISTING OF HEG SHARES**
- (3) RESULTS OF THE COURT MEETING AND THE SGM  
AND**
- (4) CLOSURE OF THE REGISTER OF MEMBERS OF HEG**

Joint Financial Advisers to HSH



J.P.Morgan

Financial Adviser to HEG



Valuation Adviser to HSH



**PLATINUM**  
Securities

Independent Financial Adviser to the Independent Board Committee

 **SOMERLEY CAPITAL LIMITED**

## 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; and (ii) the scheme document issued by HSH and HEG on 16 November 2020 regarding the Privatisation Proposal and the Scheme (the “**Scheme Document**”). Unless otherwise defined, capitalised terms used in this joint announcement have the same meanings as defined in the Scheme Document.

## RESULTS OF THE COURT MEETING

The Court Meeting was convened and held 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 compliance with Section 99 of the Companies Act and Rule 2.10 of the Takeovers Code, the approval required to be obtained at the Court Meeting in respect of the Scheme were as follows:

- (a) the approval of the Scheme (by way of poll) by a majority in number of Scheme Shareholders representing not less than three-fourths in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) by Disinterested Scheme Shareholders holding at least 75% of the votes attaching to the Disinterested Scheme Shares that are voted either in person or by proxy at the Court Meeting; and
- (c) the number of votes cast (by way of poll) by the Disinterested Scheme Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Disinterested Scheme Shares held by all the Disinterested Scheme Shareholders.

The poll results in respect of the resolution (the full text of which is set out in the notice of Court Meeting included in the Scheme Document) to approve the Scheme at the Court Meeting were as follows:

	<b>Votes cast in person or by proxy</b>		
	<b>Total number</b>	<b>In favour of the Scheme</b>	<b>Against the Scheme</b>
Number of Scheme Shares voted by the Scheme Shareholders in person or by proxy (approximate percentage represented)	1,221,138,079 (100%)	1,220,987,296 (99.99%)	150,783 (0.01%)
Number of Scheme Shareholders who attended and voted in person or by proxy	292	292	Nil
Number of Scheme Shares voted by the Disinterested Scheme Shareholders in person or by proxy (approximate percentage represented)	884,538,079 (100%)	884,387,296 (99.98%)	150,783 (0.02%)
Approximate percentage of: (i) 150,783 Scheme Shares (being the number of votes cast by the Disinterested Scheme Shareholders against the Scheme) over (ii) 1,170,898,247 Scheme Shares (being the number of votes attaching to all Disinterested Scheme Shareholders)			0.01%

Accordingly, as:

- (a) the resolution proposed at the Court Meeting to approve the Scheme was duly passed (by way of poll) by:
- (i) a majority in number of Scheme Shareholders representing not less than three-fourths in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting; and
  - (ii) Disinterested Scheme Shareholders holding at least 75% of the votes attaching to the Disinterested Scheme Shares that were voted either in person or by proxy at the Court Meeting; and
- (b) the number of votes cast (by way of poll) by the Disinterested Scheme Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting was not more than 10% of the votes attaching to all Disinterested Scheme Shares held by all the Disinterested Scheme Shareholders,

the requirements under both section 99 of the Companies Act and Rule 2.10 of the Takeovers Code have been complied with.

As at the Meeting Record Date: (a) the total number of HEG Shares in issue were 2,816,995,978 HEG Shares; (b) the total number of Scheme Shares were 1,530,174,884 HEG Shares, representing approximately 54.32% of the total issued HEG Shares; (c) the total number of Scheme Shares entitled to be voted on at the Court Meeting were 1,530,174,884 HEG Shares, representing 54.32% of the total issued HEG Shares; and (d) the total number of Disinterested Scheme Shares held by Disinterested Scheme Shareholders entitled to vote at the Court Meeting in respect of the Scheme for the purposes of Rule 2.10 of the Takeovers Code were 1,170,898,247 HEG Shares, representing approximately 41.57% of the total issued HEG Shares.

As at the Meeting Record Date, HSH and the HSH Concert Parties held 1,646,097,229 HEG Shares, representing approximately 58.43% of the total issued HEG Shares. HSH (together with FRL, its wholly-owned subsidiary) directly and indirect held 1,286,820,592 HEG Shares, representing approximately 45.68% of the total issued HEG Shares. Such HEG Shares held by HSH and FRL do not form part of the Scheme Shares and accordingly were not entitled to be voted on at the Court Meeting. As disclosed in the Scheme Document, all Scheme Shareholders were entitled to vote on the Scheme at the Court Meeting. However, as the other HSH Concert Parties are not Disinterested Scheme Shareholders, the votes of the other HSH Concert Parties (which held 359,276,637 HEG Shares as at the date of the Court Meeting, representing 12.75% of the total issued HEG Shares) were not taken into account for the purpose of satisfying the requirements under Rule 2.10 of the Takeovers Code.

As disclosed in the Scheme Document, each of Mr. Zhou Yunjie (being a director of Haier Group, the controlling shareholder of HSH, and a HSH Concert Party) and Mr. Li Huagang (being a director of HSH, and a HSH Concert Party) has indicated that the Scheme Shares held by him will be abstained from voting at the Court Meeting. Accordingly, each of Mr. Zhou Yunjie and Mr. Li Huagang did not exercise the voting rights attached to those HEG Shares at the Court Meeting, notwithstanding that such HEG Shares form part of the Scheme Shares.

As disclosed in the Scheme Document, (i) the HKI/HIC Trustee was required under the rules of the HKI/HIC Restricted Share Award Schemes not to exercise the voting rights attached to the 10,339,439 HEG Shares (representing 0.37% of the total issued HEG Shares) held by it; and (ii) the HEG Trustee was required under the rules of the HEG Restricted Share Award Scheme not to exercise the voting rights attached to the 2,304,625 HEG Shares (representing 0.08% of the total issued HEG Shares) held by it. Accordingly, each of the HKI/HIC Trustee and the HEG Trustee did not exercise the voting rights attached to those HEG Shares at the Court Meeting, notwithstanding that such HEG Shares form part of the Scheme Shares.

As disclosed in the Scheme Document, HEG Shares held by any connected exempt principal traders connected with HEG or HSH must not be voted in the context of the Privatisation Proposal in accordance with Rule 35.4 of the Takeovers Code, unless (i) the relevant connected exempt principal trader holds the HEG Shares as a simple custodian for and on behalf of non-discretionary clients, and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any voting discretion over the relevant HEG Shares, and all voting instructions shall originate from the client only, and if no instructions are given, then no votes shall be cast for the relevant HEG Shares held by the relevant connected exempt principal trader.

Exempt principal traders within the CICC group, J.P. Morgan group and UBS group did not exercise the voting rights attached to the Scheme Shares held in their names in respect of the resolution to approve the Scheme at the Court Meeting.

Save as disclosed above, none of the Scheme Shareholders were required to abstain from voting at the Court Meeting in accordance with the Takeovers Code, there were no HEG Shares entitling the holders thereof to attend where such holders were required to abstain from voting in favour of the Scheme pursuant to Rule 13.40 of the Listing Rules, and no HEG Shareholder was required under the Listing Rules to abstain from voting in respect of the Scheme at the Court Meeting nor did any person state any intention in the Scheme Document to vote against or to abstain from voting in respect of the Scheme at the Court Meeting.

In accordance with the direction from the Court, HKSCC Nominees Limited was counted as one Scheme Shareholder at the Court Meeting for the purposes of ascertaining whether or not the requirement that a “majority in number” of the Scheme Shareholders approve the Scheme under section 99(2) of the Companies Act had been satisfied. The vote of HKSCC Nominees Limited as one Scheme Shareholder in favour of or against the Scheme was determined in accordance with the majority of voting instructions as represented by the HEG Shares it received.

The number of votes cast in favour of the Scheme and the number of voting instructions given to HKSCC Nominees Limited in favour of the Scheme, and the number of votes cast against the Scheme and the number of voting instructions given to HKSCC Nominees Limited against the Scheme will be disclosed to the Court and may be taken into account by the Court in deciding whether or not the Court should exercise its discretion to sanction the Scheme. A total number of 26 CCASS Participants and 1 Investor Participant holding 831,432,855 Scheme Shares and 800 Scheme Shares respectively voted in favour of the resolution to approve the Scheme, and a total number of 3 CCASS Participants holding 150,783 Scheme Shares voted against the resolution to approve the Scheme at the Court Meeting. None of the Investor Participants voted against the resolution to approve the Scheme at the Court Meeting. Accordingly, for the purpose of calculating the “majority in number”, the vote of HKSCC Nominees Limited was counted in favour of the resolution to approve the Scheme.

Tricor Tengis Limited, being the branch share registrar of the Company in Hong Kong, acted as the scrutineer for the vote-taking at the Court Meeting.

## RESULTS OF THE SGM

The SGM was convened and held on Wednesday, 9 December 2020 at 10:00 a.m. at Grand Ballroom 2, Level B, Hong Kong Ocean Park Marriott Hotel, 180 Wong Chuk Hang Road, Aberdeen, Hong Kong.

The poll results in respect of the special resolutions (the full text of which are set out in the notice of SGM included in the Scheme Document) proposed at the SGM were as follows:

	Number of votes cast (approximate percentage represented)		
	Total Number	For	Against
<b>Special resolutions</b>			
To approve the reduction in the issued share capital of HEG by way of a cancellation of Fractional Shares	2,513,567,350 (100%)	2,513,416,567 (99.99%)	150,783 (0.01%)
To approve the Scheme between HEG and the Scheme Shareholders and the implementation of the Scheme, including the related reduction of issued share capital of HEG, cancellation of share premium of HEG, and the issue of new HEG Shares as more particularly set out in the notice of SGM	2,510,147,428 (100%)	2,509,996,645 (99.99%)	150,783 (0.01%)

Accordingly:

- (a) the special resolution proposed at the SGM to approve the reduction in the issued share capital of HEG by way of cancellation of the Fractional Shares, as more particularly set out in the notice of SGM, was duly passed by a majority of not less than 75% of the votes cast by the HEG Shareholders, present and voting either in person or by proxy at the SGM; and
- (b) the special resolution proposed at the SGM to approve the Scheme between HEG and the Scheme Shareholders and the implementation of the Scheme, including the related reduction of issued share capital of HEG, cancellation of share premium of HEG, and the issue of new HEG Shares as more particularly set out in the notice of SGM, was duly passed by a majority of not less than 75% of the votes cast by the HEG Shareholders, present and voting either in person or by proxy at the SGM.

The total number of HEG Shares entitling the HEG Shareholders to attend and vote on the special resolutions above was 2,816,995,978 HEG Shares. As disclosed in the Scheme Document, (i) the HKI/HIC Trustee was required under the rules of the HKI/HIC Restricted Share Award Schemes not to exercise the voting rights attached to the 10,339,439 HEG Shares (representing 0.37% of the total issued HEG Shares) held by it; and (ii) the HEG Trustee was required under the rules of the HEG Restricted Share Award Scheme not to exercise the voting rights attached to the 2,304,625 HEG Shares (representing 0.08% of the total issued HEG Shares) held by it. Accordingly, each of the HKI/HIC Trustee and the HEG Trustee did not exercise the voting rights attached to those HEG Shares at the SGM.

Save as disclosed above, there were no HEG Shares entitling the HEG Shareholders thereof to attend where such HEG Shareholders were required to abstain from voting in favour of the special resolutions at the SGM pursuant to Rule 13.40 of the Listing Rules, and no HEG Shareholder was required under the Listing Rules to abstain from voting on the special resolutions at the SGM, nor did any person state any intention in the Scheme Document to vote against or to abstain from voting on the special resolutions at the SGM.

Tricor Tengis Limited, being the branch share registrar of the Company in Hong Kong, acted as the scrutineer for the vote-taking at the SGM.

## **STATUS OF THE SATISFACTION OF CONDITIONS OF THE PRIVATISATION PROPOSAL**

As disclosed 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, the implementation of the Privatisation Proposal (including the effectiveness of the Scheme) is subject to the satisfaction or waiver (as applicable) of a number of Conditions.

As at the date of this joint announcement, Conditions (a) to (c) have been satisfied and Conditions (d) to (k) remain outstanding.

Subject to the outstanding Conditions being satisfied or waived (as applicable), the Scheme is expected to become effective on Monday, 21 December 2020 (*Bermuda time*).

# PROPOSED WITHDRAWAL OF THE LISTING OF HEG SHARES

Subject to the fulfilment of the Conditions and the Scheme becoming effective, the withdrawal of the listing of HEG Shares on the Stock Exchange is expected to take place with effect from 9:00 a.m. on Wednesday, 23 December 2020.

## CLOSURE OF REGISTER OF MEMBERS OF HEG

For the purpose of determining the entitlements under the Scheme, the register of members of HEG will be closed from Thursday, 17 December 2020 onwards. During such period, no transfer of HEG Shares will be effected. In order to qualify for entitlements under the Scheme, Scheme Shareholders should ensure that the transfer of HEG Shares to them are lodged with the Share Registrar at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration in their names or in the names of their nominees no later than 4:30 p.m. on Wednesday, 16 December 2020.

## EXPECTED TIMETABLE

**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.

Expected last day for trading in the HEG Shares on the Stock Exchange . . . . .	Friday, 11 December 2020
Latest time for lodging transfers of HEG Shares to qualify for entitlements under the Scheme . . . . .	4:30 p.m. on Wednesday, 16 December 2020
Closure of the register of members of HEG for determining entitlement of the Scheme Shareholders under the Scheme <sup>(Note 1)</sup> . . . . .	From Thursday, 17 December 2020 onwards
	Friday, 18 December 2020
Court Hearing for sanctioning the Scheme. . . . .	<i>(Bermuda time)</i>
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 HEG Shares to be published on the Stock Exchange's website and HEG's website . . . . .	at or before 8:30 a.m. on Monday, 21 December 2020
Scheme Record Time . . . . .	4:30 p.m. on Monday, 21 December 2020
	Monday, 21 December 2020
Scheme Effective Date <sup>(Note 3)</sup> . . . . .	<i>(Bermuda time)</i>
Announcement of (1) the Scheme Effective Date and (2) the withdrawal of listing of the HEG Shares on the Stock Exchange's website and HEG's website . . . . .	at or before 8:30 a.m. on Tuesday, 22 December 2020

Despatch of certificates for the new HSH H Shares to be issued pursuant to the Scheme and the Listing <sup>(Notes 2 and 4)</sup> .....	Tuesday, 22 December 2020
Withdrawal of the listing of the HEG Shares on the Stock Exchange becomes effective <sup>(Notes 2 and 5)</sup> .....	9:00 a.m. on Wednesday, 23 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 Wednesday, 23 December 2020
EB-to-CB Proposal becomes effective <sup>(Note 6)</sup> .....	Wednesday, 23 December 2020
Latest time to despatch cheques for payment of the Cash Payment to the Scheme Shareholders .....	Thursday, 31 December 2020

**HEG Shareholders should note that the above timetable is subject to change. Further announcement(s) will be made in the event that there is any change.**

*Notes:*

1. 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.
2. If the approval for the Listing is not granted on or prior to Monday, 21 December 2020, the certificates for the new HSH H Shares will not be despatched on Tuesday, 22 December 2020, dealings in the HSH H Shares on the Stock Exchange will not commence on Wednesday, 23 December 2020, and the listing of the HEG Shares on the Stock Exchange will also not be withdrawn on Wednesday, 23 December 2020. In such event, HSH will make an announcement of the above and of a revised timetable as soon as practicable.
3. The Scheme will become effective upon all the 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. HEG Shareholders will be advised by an announcement of the exact date upon which the Scheme becomes effective.
4. 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 Tuesday, 22 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.
5. If the Scheme becomes effective, it is expected that the listing of the HEG Shares on the Stock Exchange will be withdrawn with effect from 9:00 a.m. on Wednesday, 23 December 2020, being the second Business Day following the Scheme Effective Date. The listing of the HEG Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective.
6. The EB-to-CB Proposal will become effective upon all the relevant conditions set out in the section headed “4. HSH EXCHANGEABLE BONDS — 4.3 EB-to-CB Proposal” in Part IX — Explanatory Statement of the Scheme Document having been obtained or completed. The Bondholders will be advised by an announcement published by Harvest in relation to the HSH Exchangeable Bonds or the then HSH Convertible Bonds (under Stock Code: 5024) 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.



## GENERAL

As at 16 December 2019 (being the Offer Period Commencement Date), HSH and the HSH Concert Parties held 1,644,584,556 HEG Shares, representing approximately 58.38% of the total issued HEG Shares. As at the date of this joint announcement, HSH and the HSH Concert Parties held 1,646,097,229 HEG Shares, representing approximately 58.43% of the total issued HEG Shares. The number of HEG Shares held by certain HSH Concert Parties increased as a result of the vesting of HEG Shares pursuant to the scheme rules of the HEG Restricted Share Award Scheme and/or the respective HKI/HIC Restricted Share Award Schemes, as more particularly set out in the section headed “5. DEALINGS IN HEG SHARES” in Appendix D — General Information of HSH of the Scheme Document. Save as disclosed above, neither HSH or the HSH Concert Parties had acquired or agreed to acquire any HEG Shares or any convertible securities, warrants, options or derivatives in respect of the HEG Shares during the offer period (as defined under the Takeovers Code).

As at the date of this joint announcement, neither HSH or the HSH Concert Parties had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of HEG.

**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

9 December 2020

*As at the date of this joint 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 joint 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 joint 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 joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint 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 joint 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 joint 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 joint announcement, the omission of which would make any statement in this joint announcement misleading.*

\* For identification purpose only