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## **HARVEST INTERNATIONAL COMPANY**

*(incorporated in the Cayman Islands with limited liability)*

**HK\$8,000,000,000 Zero Coupon Guaranteed Convertible Bonds due 2022**  
**(Stock Code: 5024; ISIN: XS1716796641)**  
**(the “Bonds”)**

*unconditionally and irrevocably guaranteed by*

The Haier logo is displayed in a bold, blue, sans-serif font.

**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**

**convertible into the ordinary H shares of HAIER SMART HOME CO., LTD.**  
**(海爾智家股份有限公司) (“Shares”)**

**ADJUSTMENT TO CONVERSION PRICE**

Reference is made to the announcements dated 31 July 2020, 18 August 2020 and 28 August 2020 (together, the “**Consent Solicitation Announcements**”) made by Harvest International Company (the “**Issuer**”) relating to the notice of a meeting dated 31 July 2020 given by the Issuer, Haier Smart Home Co., Ltd. (the “**Company**”), Haier Shareholdings (Hong Kong) Limited and FLOURISHING REACH LIMITED to holders (the “**Bondholders**”) of the HK\$8,000,000,000 Zero Coupon Guaranteed Convertible Bonds due 2022 convertible into the ordinary H shares of the Company (the “**Bonds**”) (formerly referred to as HK\$8,000,000,000 Zero Coupon Guaranteed Exchangeable Bonds due 2022 exchangeable into the ordinary shares of Haier Electronics Group Co., Ltd. (“**Haier Electronics**”)) 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 Consent Solicitation Announcements. For further details of the Consent Solicitation and the EB-to-CB Proposal, please refer to the Consent Solicitation Announcements and the Consent Solicitation Memorandum.

Reference is also made to the announcement dated 23 December 2020 made by the Issuer relating to the effectiveness of the EB-to-CB Proposal, the announcement dated 25 December 2020 made by the Company relating to, among other things, the payment of the Cash Payment by Haier Electronics on 24 December 2020 and the announcement dated 11 January 2021 made by the Issuer relating to the adjustment of the Conversion Price due to the Cash Payment.

Reference is further made to (i) the listing document of the Company dated 16 November 2020; (ii) the announcement of the Company dated 11 January 2021 in relation to the adjustments to the Conversion Price of the Bonds; and (iii) the poll result announcement in relation to the 2020 annual general meeting of the Company dated 25 June 2021, according to which, the shareholders of the Company had approved the declaration and payment by the board of directors of the Company of a final dividend of RMB3.66 (tax inclusive) per 10 ordinary shares of the Company (the “**Dividend**”) to all shareholders of the Company.

In the case of the Dividend relating to the Shares, such Dividend was paid on 20 August 2021 to holders of the Shares whose names appear on the register of members of the Company on 15 July 2021 in Hong Kong dollars calculated at the average benchmark exchange rate of Renminbi against Hong Kong dollars (i.e. RMB0.831902 = HK\$1.00) published by the People’s Bank of China for a week prior to the announcement of Dividend and payment decision (i.e. 25 June 2021). Accordingly, the Dividend per 10 Shares was HK\$4.399557 (tax inclusive).

In the case of the Dividend relating to the D Shares, such Dividend was paid on 20 August 2021 to holders of the D Shares whose names appear on the register of members of the Company on 19 August 2021 in Euro (i.e. EUR1 = RMB7.6954) calculated at the average exchange rate of the last five business days prior to the general meeting on 25 June 2021. Accordingly, the Dividend per D Share was € 0.04756088 (tax inclusive).

In the case of the Dividend relating to the A Shares, such Dividend was paid on 23 August 2021 to holders of the A Shares whose names appear on the register of members of the Company on 20 August 2021 (the “**A Share Record Date**”) in Renminbi. The aggregate amount of A Share Dividend paid was RMB2,291,948,545.17, calculated based on 6,262,154,495 shares (being the number of A Shares outstanding as of the A Share Record Date (i.e. 6,308,552,654 shares) minus the number of A Shares repurchased by the Company as of the A Share Record Date (i.e. 46,398,159 shares)).

Pursuant to the terms and conditions of the Bonds, the Dividend falls within the definition of Distribution. Accordingly, pursuant to Condition 6(c)(iii) (*Distributions*) and Condition 6(d)(i) (*Minor Adjustments*), the Conversion Price per Share will be adjusted from approximately HK\$18.8369 to HK\$18.58 effective from 23 August 2021 (being the Trading Day following the A Share Record Date) in connection with the declaration and payment of the Dividend (the “**Adjustment**”).

Apart from the Adjustment, all other terms and conditions of the Bonds will remain unchanged.

As at the date of this announcement, the aggregate principal amount of the Bonds remaining outstanding is HK\$489,000,000 (“**Outstanding Bonds**”), representing approximately 6.11% of the initial aggregate principal amount of the Bonds. Assuming full conversion of the Outstanding Bonds at the prevailing adjusted Conversion Price of HK\$18.58 per Share (subject to adjustments), Shares resulting from such conversion will amount to approximately 0.28% of the total issued share capital of the Company as at 31 July 2021.

**Harvest International Company**  
*Board of Directors*

By order of the Board of Directors  
**Haier Smart Home Co., Ltd.\***  
**Mr. LIANG Haishan**  
*Chairman*

Hong Kong, 2 September 2021

*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 executive directors of Haier Smart Home Co., Ltd. are Mr. LIANG Haishan, Mr. LI Huagang and Mr. XIE Juzhi; the non-executive directors are Mr. WU Changqi, Mr. LIN Sui, Mr. YU Hon To, David and Ms. Eva LI Kam Fun; and the independent non-executive directors are Mr. CHIEN Da-Chun, Mr. WONG Hak Kun, Mr. LI Shipeng and Mr. WU Qi.*

*\* For identification purpose only*