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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

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

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 announcement dated 2 September 2021 made by Harvest International Company (the "**Issuer**") relating to the adjustment of the Conversion Price due to the dividend payment in 2021 in respect of the Shares, A Shares and D Shares of Haier Smart Home Co., Ltd. (the "**Company**"). Terms and expressions used but not defined herein have the respective meanings given to them in such announcement.

Reference is further made to the announcement of the Company dated 14 July 2022 in relation to the final dividend payable to the Shares, A Shares and D Shares in 2022 by the Company, according to which a final dividend of RMB4.61357 (tax inclusive) per 10 ordinary shares of the Company (the "**Dividend**") would be paid to all shareholders of the Company.

In the case of the Dividend relating to the Shares, such Dividend was paid on 23 August 2022 to holders of the Shares whose names appear on the register of members of the Company on

18 July 2022 in Hong Kong dollars calculated at the average benchmark exchange rate of Renminbi against Hong Kong dollars (i.e. RMB0.853256 = 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. 28 June 2022). Accordingly, the Dividend per 10 Shares was HK\$5.407017 (tax inclusive).

In the case of the Dividend relating to the D Shares, such Dividend was paid on 23 August 2022 to holders of the D Shares whose names appear on the register of members of the Company on 22 August 2022 in Euro (i.e. EUR 1 = RMB7.0598) calculated at the average exchange rate of the last five business days prior to the general meeting on 28 June 2022. Accordingly, the Dividend per D Share was €0.06534990 (tax inclusive).

In the case of the Dividend relating to the A Shares, such Dividend was paid on 23 August 2022 to holders of the A Shares whose names appear on the register of members of the Company on 22 August 2022 (the "**A Share Record Date**") in Renminbi. The aggregate amount of A Share Dividend paid was RMB2,871,878,761.90, calculated based on 6,224,810,911 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. 83,741,743 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 HK\$18.58 to HK\$18.20 effective from 23 August 2022 (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\$223,000,000 ("**Outstanding Bonds**"), representing approximately 2.79% of the initial aggregate principal amount of the Bonds. Assuming full conversion of the Outstanding Bonds at the prevailing adjusted Conversion Price of HK\$18.20 per Share (subject to adjustments), Shares resulting from such conversion will amount to approximately 0.13% of the total issued share capital of the Company as at 31 August 2022.

Harvest International Company
Board of Directors

By order of the Board of Directors
Haier Smart Home Co., Ltd.*
LI Huagang
Chairman

Hong Kong, 2 September 2022

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. LI Huagang and Mr. GONG Wei; the non-executive directors are Mr. YU Hon To,

David, Ms. Eva LI Kam Fun and Ms. SHAO Xinzhi; 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*