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HISENSE HOME APPLIANCES GROUP CO., LTD.

海信家電集團股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00921)

DISCLOSEABLE TRANSACTIONS

SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS

At the first meeting for the year 2020 held by the tenth session of the Directors on 14 April 2020 and the 2019 annual general meeting of the Company held on 23 June 2020, a resolution on entrusted wealth management of idle self-owned funds of the Company was considered and approved. Subject to the investment risk control by the Company and the principles of improving efficiency of the use of capital and increasing return on cash assets, the entrustment of idle self-owned funds of not more than RMB9,000,000,000 to commercial banks, trust companies, securities companies, fund companies, insurance companies, asset management companies and other financial institutions to conduct short-term and low-risk investment for wealth management was approved. The progress is now announced as follows:

Reference is made to the SPD Bank Wealth Management Agreements in relation to subscription of wealth management products by the Company and its subsidiaries (as subscribers) from SPD Bank (as issuer), further particulars of which are listed out in the section headed "List of SPD Bank Wealth Management Agreements" in this announcement.

The Board is pleased to announce that, on 12 November 2020, Refrigerator Marketing Company, the non-wholly owned subsidiary of the Company, as subscriber entered into: (i) the 2020 SPD Bank 24th Wealth Management Agreement to subscribe for the 2020 SPD Bank 24th Wealth Management Product in the subscription amount of RMB100,000,000 (equivalent to approximately HK\$117,068,602^{Note 1}); (ii) the 2020 SPD Bank 25th Wealth Management Agreement to subscribe for the 2020 SPD Bank 25th Wealth Management Product in the subscription amount of RMB100,000,000 (equivalent to approximately HK\$117,068,602^{Note 1}); (iii) the 2020 SPD Bank 26th Wealth Management Agreement to subscribe for the 2020 SPD Bank 26th Wealth Management Product in the subscription amount of RMB100,000,000 (equivalent to approximately HK\$117,068,602^{Note 1}); (iv) the 2020 SPD Bank 27th Wealth Management Agreement to subscribe for the 2020 SPD Bank 27th Wealth Management Product in the subscription amount of RMB100,000,000 (equivalent to approximately HK\$117,068,602^{Note 1}); and (v) the 2020 SPD Bank 28th Wealth Management Agreement to subscribe for the 2020 SPD Bank 28th Wealth Management Product in the subscription amount of RMB100,000,000 (equivalent to approximately HK\$117,068,602^{Note 1}).

The Group utilised its idle funds for the payment of the subscription amount under each of the

SPD Bank Wealth Management Agreements.

Each of the 2020 SPD Bank 24th Wealth Management Agreement, the 2020 SPD Bank 25th Wealth Management Agreement, the 2020 SPD Bank 26th Wealth Management Agreement, the 2020 SPD Bank 27th Wealth Management Agreement and the 2020 SPD Bank 28th Wealth Management Agreement by itself does not constitute discloseable transaction of the Company under Rule 14.06 of the Listing Rules. However, pursuant to Rule 14.22 of the Listing Rules, when the relevant subscription amounts under the SPD Bank Wealth Management Agreements are aggregated, the relevant applicable percentage ratios (as defined under the Listing Rules) of the transactions under the SPD Bank Wealth Management Agreements exceed 5% but are lower than 25%. Therefore, the transactions under the SPD Bank Wealth Management Agreements, on an aggregate basis, constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under the Listing Rules.

At the first meeting for the year 2020 held by the tenth session of the Directors on 14 April 2020 and the 2019 annual general meeting of the Company held on 23 June 2020, a resolution on entrusted wealth management of idle self-owned funds of the Company was considered and approved. Subject to the investment risk control by the Company and the principles of improving efficiency of the use of capital and increasing return on cash assets, the entrustment of idle self-owned funds of not more than RMB9,000,000,000 to commercial banks, trust companies, securities companies, fund companies, insurance companies, asset management companies and other financial institutions to conduct short-term and low-risk investment for wealth management was approved. The progress is now announced as follows:

Reference is made to the SPD Bank Wealth Management Agreements in relation to subscription of wealth management products by the Company and its subsidiaries (as subscribers) from SPD Bank (as issuer), further particulars of which are listed out in the section headed “List of SPD Bank Wealth Management Agreements” in this announcement.

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The Group utilised its idle funds for the payment of the subscription amount under each of the SPD Bank Wealth Management Agreements. Summarised below are the major terms of the SPD Bank Wealth Management Agreement:

	2020 SPD Bank 24th-28th Wealth Management Agreement
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(1) Date of subscription:	12 November 2020
(2) Name of product:	“Wealth Bus Go No. 3 (90 days)” (財富班車進取 3 號(90 天)).
(3) Parties:	<p>(i) SPD Bank as issuer (ii) Refrigerator Marketing Company as subscriber</p> <p>To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, SPD Bank and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.</p>
(4) Type of product:	Non-principal-guaranteed with floating return
(5) Risk rating of product:	Relatively low
(6) Principal amount of subscription:	24th: RMB100,000,000 (equivalent to approximately HK\$117,068,602 ^{Note 1}) 25th: RMB100,000,000 (equivalent to approximately HK\$117,068,602 ^{Note 1}) 26th: RMB100,000,000 (equivalent to approximately HK\$117,068,602 ^{Note 1}) 27th: RMB100,000,000 (equivalent to approximately HK\$117,068,602 ^{Note 1}) 28th: RMB100,000,000 (equivalent to approximately HK\$117,068,602 ^{Note 1})
(7) Currency of subscription:	Renminbi
(8) Term of investment:	90 days
(9) Expected maximum rate of return:	3.65% per annum
(10) Investment scope of the product:	The SPD Bank Wealth Management Products invest in cash, treasury bonds, local treasury bonds, central bank bills, policy financial bonds, credit bonds such as short-term financing bonds, medium-term notes, subordinated debt, enterprise bonds, corporate bonds, private placement of debt financing instruments, ABS, ABN and ABS subordinated bonds which are rated “AA” or above (rated “A-” (inclusive) or above in respect of credit bonds for which the SPD Bank is the lead underwriter), non-standardized debt assets which fulfill regulatory requirements such as repurchases, interbank lending, income receipts of securities dealers, preference shares, interbank deposits, currencies funds and credit assets, placement scheme and trust scheme of securities dealers/funds/insurance companies, etc.
(11) Payment of return on principal upon maturity:	The principal and return (if any) will be deposited to the designated account of the subscriber on the maturity date if it is a Working Day, or on the following Working Day if the maturity date falls on a non-Working Day, in which case the term of investment will be extended accordingly.
(12) Right of early termination:	The SPD Bank is entitled to early termination of the relevant SPD Bank Wealth Management Product.

REASONS AND BENEFITS FOR THE SUBSCRIPTIONS

The approval procedures of the subscriptions of wealth management products by the Company are in compliance with the relevant requirements of “Management Measures for Conducting Entrusted Wealth Management Transactions” (《委託理財管理制度》) of the Company. The subscriptions of the SPD Bank Wealth Management Products are made from the idle self-owned funds of the Group. Such use of the idle self-owned funds for entrusted wealth management is beneficial for enhancing efficiency of use of idle self-owned funds of the Group and will not adversely affect the daily operation and the principal business development of the Group as well as the interests of medium and small investors of the Company.

The Board considers that the subscriptions of the SPD Bank Wealth Management Products are on normal commercial terms, fair and reasonable, and in the interests of the Company and Shareholders as a whole.

IMPLICATION OF THE LISTING RULES

Each of the 2020 SPD Bank 24th Wealth Management Agreement, the 2020 SPD Bank 25th Wealth Management Agreement, the 2020 SPD Bank 26th Wealth Management Agreement, the 2020 SPD Bank 27th Wealth Management Agreement and the 2020 SPD Bank 28th Wealth Management Agreement by itself does not constitute discloseable transaction of the Company under Rule 14.06 of the Listing Rules. However, pursuant to Rule 14.22 of the Listing Rules, when the relevant subscription amounts under the SPD Bank Wealth Management Agreements are aggregated, the relevant applicable percentage ratios (as defined under the Listing Rules) of the transactions under the SPD Bank Wealth Management Agreements exceed 5% but are lower than 25%. Therefore, the transactions under the SPD Bank Wealth Management Agreements, on an aggregate basis, constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under the Listing Rules.

INFORMATION OF THE COMPANY AND THE SPD BANK

The Company

The Company and its subsidiaries are principally engaged in research and development, manufacturing and marketing of electrical products such as refrigerators, household air-conditioners, central air-conditioners, freezers, washing machines, kitchen appliances, etc.

The SPD Bank

The SPD Bank is a branch of Shanghai Pudong Development Bank Co., Ltd.*(上海浦東發展銀行股份有限公司), a licensed bank incorporated under the laws of the PRC listed on The Shanghai Stock Exchange (Stock code: 600000). The principal businesses of the SPD Bank include finance and trust investment business.

LIST OF SPD BANK WEALTH MANAGEMENT AGREEMENTS

Name of agreement (collectively, the “SPD Bank Wealth Management Agreements”)	Date of agreement / announcement	Subscriber	Wealth management products subscribed (collectively, the “SPD Bank Wealth Management Products”)
2020 SPD Bank 1st	27 February 2020 (agreement) /	Company	2020 SPD Bank 1st

Wealth Management Agreement	27 February 2020 (announcement)		Wealth Management Product
2020 SPD Bank 2nd Wealth Management Agreement	27 February 2020 (agreement) / 27 February 2020 (announcement)	Hisense (Beijing) Electric	2020 SPD Bank 2nd Wealth Management Product
2020 SPD Bank 3rd Wealth Management Agreement	2 April 2020 (agreement) / 2 April 2020 (announcement)	Company	2020 SPD Bank 3rd Wealth Management Product
2020 SPD Bank 4th Wealth Management Agreement	23 April 2020 (agreement) / 23 April 2020 (announcement)	Refrigerator Marketing Company	2020 SPD Bank 4th Wealth Management Product
2020 SPD Bank 5th Wealth Management Agreement	23 April 2020 (agreement) / 23 April 2020 (announcement)	Company	2020 SPD Bank 5th Wealth Management Product
2020 SPD Bank 6th Wealth Management Agreement	14 May 2020 (agreement) / 14 May 2020 (announcement)	Refrigerator Marketing Company	2020 SPD Bank 6th Wealth Management Product
2020 SPD Bank 7th Wealth Management Agreement	14 May 2020 (agreement) / 14 May 2020 (announcement)	Company	2020 SPD Bank 7th Wealth Management Product
2020 SPD Bank 8th Wealth Management Agreement	3 June 2020 (agreement) / 3 June 2020 (announcement)	Company	2020 SPD Bank 8th Wealth Management Product
2020 SPD Bank 9th Wealth Management Agreement	13 July 2020 (agreement) / 13 July 2020 (announcement)	Refrigerator Marketing Company	2020 SPD Bank 9th Wealth Management Product
2020 SPD Bank 10th Wealth Management Agreement	10 August 2020 (agreement) / 10 August 2020 (announcement)	Refrigerator Marketing Company	2020 SPD Bank 10th Wealth Management Product
2020 SPD Bank 11th Wealth Management Agreement	11 August 2020 (agreement) / 11 August 2020 (announcement)	Air-conditioner Marketing Company	2020 SPD Bank 11th Wealth Management Product
2020 SPD Bank 12th Wealth Management Agreement	18 August 2020 (agreement) / 18 August 2020 (announcement)	Refrigerator Marketing Company	2020 SPD Bank 12th Wealth Management Product
2020 SPD Bank 13th Wealth Management Agreement	18 August 2020 (agreement) / 18 August 2020 (announcement)	Refrigerator Marketing Company	2020 SPD Bank 13th Wealth Management Product
2020 SPD Bank 14th Wealth Management Agreement	18 August 2020 (agreement) / 18 August 2020 (announcement)	Refrigerator Marketing Company	2020 SPD Bank 14th Wealth Management Product
2020 SPD Bank 15th Wealth Management Agreement	18 August 2020 (agreement) / 18 August 2020 (announcement)	Refrigerator Marketing Company	2020 SPD Bank 15th Wealth Management Product
2020 SPD Bank 16th Wealth Management Agreement	18 August 2020 (agreement) / 18 August 2020 (announcement)	Company	2020 SPD Bank 16th Wealth Management Product
2020 SPD Bank 17th Wealth Management Agreement	18 August 2020 (agreement) / 18 August 2020 (announcement)	Company	2020 SPD Bank 17th Wealth Management Product
2020 SPD Bank 18th Wealth Management	18 August 2020 (agreement) / 18 August 2020 (announcement)	Company	2020 SPD Bank 18th Wealth Management

Agreement			Product
2020 SPD Bank 19th Wealth Management Agreement	27 August 2020 (agreement) / 27 August 2020 (announcement)	Hisense (Beijing) Electric	2020 SPD Bank 19th Wealth Management Product
2020 SPD Bank 20th Wealth Management Agreement	7 September 2020 (agreement) / 7 September 2020 (announcement)	Company	2020 SPD Bank 20th Wealth Management Product
2020 SPD Bank 21th Wealth Management Agreement	7 September 2020 (agreement) / 7 September 2020 (announcement)	Company	2020 SPD Bank 21th Wealth Management Product
2020 SPD Bank 22th Wealth Management Agreement	7 September 2020 (agreement) / 7 September 2020 (announcement)	Company	2020 SPD Bank 22th Wealth Management Product
2020 SPD Bank 23th Wealth Management Agreement	14 September 2020 (agreement) / 14 September 2020 (announcement)	Refrigerator Marketing Company	2020 SPD Bank 23th Wealth Management Product

The aggregate subscription amount of the SPD Bank Wealth Management Products is RMB3,360,000,000 (equivalent to approximately HK\$3,725,512,048^{Note 2}).

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms have the meanings set out below:

“2020 SPD Bank 24th Wealth Management Agreement”	the wealth management agreement entered into between the Company and the SPD Bank on 12 November 2020 in relation to the subscription of the 2020 SPD Bank 24th Wealth Management Product;
“2020 SPD Bank 24th Wealth Management Product”	“Wealth Bus Go No. 3 (90days)” (財富班車進取 3 號(90 天)), a wealth management product issued by the SPD Bank, the major terms of which are summarised in this announcement;
“2020 SPD Bank 25th Wealth Management Agreement”	the wealth management agreement entered into between the Company and the SPD Bank on 12 November 2020 in relation to the subscription of the 2020 SPD Bank 25th Wealth Management Product;
“2020 SPD Bank 25th Wealth Management Product”	“Wealth Bus Go No. 3 (90days)” (財富班車進取 3 號(90 天)), a wealth management product issued by the SPD Bank, the major terms of which are summarised in this announcement;
“2020 SPD Bank 26th Wealth Management Agreement”	the wealth management agreement entered into between the Company and the SPD Bank on 12 November 2020 in relation to the subscription of the 2020 SPD Bank 26th Wealth Management Product;
“2020 SPD Bank 26th Wealth Management Product”	“Wealth Bus Go No. 3 (90days)” (財富班車進取 3 號(90 天)), a wealth management product issued by the SPD Bank, the

	major terms of which are summarised in this announcement;
“2020 SPD Bank 27th Wealth Management Agreement”	the wealth management agreement entered into between the Company and the SPD Bank on 12 November 2020 in relation to the subscription of the 2020 SPD Bank 27th Wealth Management Product;
“2020 SPD Bank 27th Wealth Management Product”	“Wealth Bus Go No. 3 (90days)” (財富班車進取 3 號(90 天)), a wealth management product issued by the SPD Bank, the major terms of which are summarised in this announcement;
“2020 SPD Bank 28th Wealth Management Agreement”	the wealth management agreement entered into between the Company and the SPD Bank on 12 November 2020 in relation to the subscription of the 2020 SPD Bank 28th Wealth Management Product;
“2020 SPD Bank 28th Wealth Management Product”	“Wealth Bus Go No. 3 (90days)” (財富班車進取 3 號(90 天)), a wealth management product issued by the SPD Bank, the major terms of which are summarised in this announcement;
“Air-conditioner Marketing Company”	Qingdao Hisense Air-conditioner Marketing Co., Ltd.* (青島海信空調營銷股份有限公司), a subsidiary of the Company;
“Board”	the board of directors of the Company;
“Company”	Hisense Home Appliances Group Co., Ltd., a company incorporated in the PRC with limited liabilities, whose shares are listed on the main board of the Hong Kong Stock Exchange and the Shenzhen Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hisense (Beijing) Electric”	Hisense (Beijing) Electric Co., Ltd.* (海信(北京)電器有限公司), a non-wholly owned subsidiary of the Company;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;
“PRC”	the People’s Republic of China;
“Refrigerator Marketing Company”	Guangdong Hisense Refrigerator Marketing Co., Ltd.* (廣東海信冰箱營銷股份有限公司), a subsidiary of the Company;
“Renminbi” or “RMB”	the lawful currency of the PRC;
“Shareholder(s)”	the shareholder(s) of the Company;
“SPD Bank”	a branch of Shanghai Pudong Development Bank Co., Ltd. *(上海浦東發展銀行股份有限公司), a licensed bank incorporated under the laws of the PRC;
“SPD Bank Wealth Management Agreements”	the SPD Bank wealth management agreements as listed in the section headed “List of SPD Bank Wealth Management Agreements” in this announcement;
“SPD Bank Wealth Management Products”	the wealth management products subscribed under the SPD Bank Wealth Management Agreements;
“Working Day”	the day on which the SPD Bank is generally open for business, other than Saturday, Sunday (except for days on which it is open for business due to adjustment of Chinese holidays) or any other statutory holidays in the PRC;
“%”	per cent; and
“*”	for identification purpose only.

Notes:

- 1. This amount has been converted from RMB into HK\$ at an exchange rate of RMB0.85420 to HK\$1 for the purpose of illustration only. No representation is made that any amount in HK\$ or RMB could have been or could be converted at the relevant dates at the above rate or at any other rates or at all.*
- 2. This amount is an aggregation of the HK\$ amounts converted from RMB at the exchange rates that were used in the announcements of the Company dated 27 February 2020, 2 April 2020, 23 April 2020, 14 May 2020, 3 June 2020, 13 July 2020, 10 August 2020, 11 August 2020, 18 August 2020, 27 August 2020, 7 September 2020 and 14 September 2020. The conversions were for the purpose of illustration only. No representation is made that any amount in HK\$ or RMB could have been or could be converted at the relevant dates at the above rate or at any other rates or at all.*

By order of the Board of

Hisense Home Appliances Group Co., Ltd.
Tang Ye Guo
Chairman

Foshan City, Guangdong, the PRC, 12 November 2020

As at the date of this announcement, the Company's executive directors are Mr. Tang Ye Guo, Mr. Jia Shao Qian, Mr. Lin Lan, Mr. Dai Hui Zhong, Mr. Duan Yue Bin and Mr. Fei Li Cheng; and the Company's independent non-executive directors are Mr. Ma Jin Quan, Mr. Zhong Geng Shen and Mr. Cheung Sai Kit.