
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Hisense Home Appliances Group Co., Ltd.**, you should hand this circular and the accompanying proxy form at once to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Hisense 海信家電

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)

PROPOSED CHANGE OF AUDITOR AND NOTICE OF THE 2019 THIRD EXTRAORDINARY GENERAL MEETING

Capitalised terms used in this cover page have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 3 to 5 of this circular.

A notice convening the EGM to be held at the conference room of the Company's head office, Shunde District, Foshan City, Guangdong Province, the PRC on Friday, 13 December 2019 at 3 p.m. or any adjournment of such meeting is set out on pages 6 to 7 of this circular. Whether or not you intend to attend the EGM, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed on it and return it to the Company's branch share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 24 hours before the time appointed for holding the EGM or any adjournment of such meeting (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment of such meeting (as the case may be) should you so wish and, in such event, the proxy form previously submitted shall be deemed to be revoked.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“A Shares”	domestic ordinary shares of the Company with a nominal value of RMB1.00 each and are listed on the Shenzhen Stock Exchange
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Company”	Hisense Home Appliances Group Co., Ltd. 海信家電集團股份有限公司, a company incorporated in the PRC with limited liability, whose shares are listed on the main board of the Stock Exchange and the Shenzhen Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	the 2019 third extraordinary general meeting of the Company to be held at the conference room of the Company’s head office, Shunde District, Foshan City, Guangdong Province, the PRC on Friday, 13 December 2019 at 3 p.m. or any adjournment of such meeting for considering and, if thought fit, approving the Proposed Change of Auditor
“H Shares”	overseas listed foreign shares of the Company with a nominal value of RMB1.00 each and are listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Proposed Change of Auditor”	the proposed termination of the appointment of Ruihua as the domestic and international auditor of the Company and appointment of ShineWing as the domestic and international auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company
“RMB”	Renminbi, the lawful currency of the PRC

DEFINITIONS

“Ruihua”	Ruihua Certified Public Accountants LLP
“Share(s)”	share(s) of RMB1.00 each in the capital of the Company, comprising the A Shares and the H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“ShineWing”	ShineWing Certified Public Accountants LLP
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

In the event of any inconsistency, the Chinese text of this circular shall prevail over the English text.

References to time and dates in this circular are to Hong Kong time and dates.

Hisense 海信家電
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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)

Executive Directors:

Mr. Tang Ye Guo
Mr. Jia Shao Qian
Mr. Lin Lan
Mr. Dai Hui Zhong
Mr. Fei Li Cheng
Mr. Wang Yun Li

Registered office:

No. 8 Ronggang Road
Ronggui Street
Shunde District
Foshan City
Guangdong Province
PRC

Independent non-executive Directors:

Mr. Ma Jin Quan
Mr. Zhong Geng Shen
Mr. Cheung Sai Kit

Principal place of business

in Hong Kong:
Room 3101-05
Singga Commercial Centre
No. 148 Connaught Road West
Hong Kong

28 October 2019

To the Shareholders

Dear Sir or Madam,

**PROPOSED CHANGE OF AUDITOR
AND
NOTICE OF THE 2019 THIRD EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The Company refers to its announcement dated 28 October 2019 in relation to the Proposed Change of Auditor.

This circular aims to give you the notice of the EGM and provide you with relevant information, to enable you to make an informed decision on whether to vote for or against the ordinary resolution relating to the Proposed Change of Auditor and the grant of authority to the Board to determine the remuneration of the new auditor at the EGM.

LETTER FROM THE BOARD

PROPOSED CHANGE OF AUDITOR AND GRANT OF AUTHORITY TO THE BOARD TO DETERMINE THE REMUNERATION OF THE NEW AUDITOR

An ordinary resolution will be proposed at the EGM to approve the appointment of ShineWing as the domestic and international auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company and the grant of authority to the Board to determine its remuneration.

In consideration of the future business development and audit needs of the Company, with the recommendation of the Audit Committee, the Board proposes to (i) terminate the appointment of Ruihua as the domestic and international auditor of the Company; and (ii) appoint ShineWing as the new domestic and international auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company.

ShineWing is an eligible firm of practising accountants which has been approved by the Ministry of Finance and the China Securities Regulatory Commission to provide auditing services in accordance with China Accounting Standards for Business Enterprises.

Ruihua has confirmed to the Board that there are no matters in relation to the proposed termination of its appointment as the domestic and international auditor of the Company that need to be brought to the attention of the Shareholders and creditors of the Company. The Board and the Audit Committee also confirmed that there are no matters in relation to the Proposed Change of Auditor that need to be brought to the attention of the Shareholders and there was no disagreement between the Company and Ruihua regarding the proposed termination of its appointment.

EGM

A notice convening the EGM to be held at the conference room of the Company's head office, Shunde District, Foshan City, Guangdong Province, the PRC on Friday, 13 December 2019 at 3 p.m. or any adjournment of such meeting is set out on pages 6 to 7 of this circular.

A proxy form and a reply slip for use in connection with the EGM are accompanied with this circular. Whether or not you intend to attend the EGM, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed on it and return it to the Company's branch share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 24 hours before the time appointed for holding the EGM or any adjournment of such meeting (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment of such meeting (as the case may be) should you so wish and, in such event, the proxy form previously submitted shall be deemed to be revoked.

If you intend to attend the EGM in person or by proxy, you are required to complete and return the reply slip to The Securities Department, Hisense Home Appliances Group Co., Ltd. by personal delivery, post or fax during hours between 8:30 a.m. and 11:00 a.m.,

LETTER FROM THE BOARD

1:30 p.m. and 4:30 p.m. on every business day on or before Saturday, 23 November 2019. Failure to complete or return the reply slip will not preclude eligible Shareholders from attending the EGM should they so wish.

The vote of the Shareholders at the EGM will be taken by poll in accordance with Rule 13.39(4) of the Listing Rules and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

In order to determine the holders of Shares who are eligible to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 13 November 2019 to Friday, 13 December 2019 (both days inclusive). In order to qualify for attending the EGM, all transfer documents of H Shares together with the relevant share certificates must have been lodged with the Company's branch share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Tuesday, 12 November 2019 for registration.

RECOMMENDATION

The Directors consider that the Proposed Change of Auditor is in the interests of the Company and the Shareholders, and would recommend the Shareholders to vote in favour of the resolution to approve the Proposed Change of Auditor and the grant of authority to the Board to determine the remuneration of the new auditor.

By order of the Board
Hisense Home Appliances Group Co., Ltd.
Tang Ye Guo
Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING

Hisense 海信家電

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NOTICE OF THE 2019 THIRD EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2019 third extraordinary general meeting (the “EGM”) of Hisense Home Appliances Group Co., Ltd. (the “Company”) will be held at the conference room of the Company’s head office, Shunde District, Foshan City, Guangdong Province, the People’s Republic of China on Friday, 13 December 2019 at 3 p.m. or any adjournment of such meeting for the purpose of considering and, if thought fit, passing with or without modification the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

1. To consider and approve the Proposed Change of Auditor (as defined in the circular of the Company dated 28 October 2019) and the grant of authority to the board of directors of the Company to determine the remuneration of the new auditor.

By order of the Board
Hisense Home Appliances Group Co., Ltd.
Tang Ye Guo
Chairman

Foshan City, Guangdong, the People’s Republic of China, 28 October 2019

Notes:

- (1) Holders of H shares of the Company intending to attend the EGM shall return the accompanying reply slip in writing to the registered office of the Company during hours between 8:30 a.m. and 11:00 a.m., 1:30 p.m. and 4:30 p.m. on every business day on or before Saturday, 23 November 2019. To qualify for attendance at the EGM, all transfers of H shares of the Company together with the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Tuesday, 12 November 2019 for registration.
- (2) Shareholders who are entitled to attend and vote at the EGM are entitled to appoint one or more persons (whether or not a shareholder of the Company) as their proxy or proxies to attend and vote on their behalf.
- (3) Holders of H shares of the Company whose names appear on the register of members of the Company as at the close of business on Tuesday, 12 November 2019 (including holders of H Shares of the Company who have submitted verified transfer forms on or before 4:30 p.m. on Tuesday, 12 November 2019) will be entitled to attend the EGM. The register of members of the Company will be closed from Wednesday, 13 November 2019 to Friday, 13 December 2019 (both days inclusive).
- (4) To be valid, the proxy form, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be deposited with the Company’s branch share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited, at

NOTICE OF EXTRAORDINARY GENERAL MEETING

Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not later than 24 hours before the time appointed for holding the EGM or any adjournment of such meeting (as the case may be).

- (5) In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), any vote of shareholders at a general meeting must be taken by poll (except those which relate purely to a procedural or administrative matter). As such, the resolution set out in this notice will be voted on by way of poll. Voting results will be uploaded to the website of the Company at www.kelon.com and the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk after conclusion of the EGM.
- (6) The registered address of the Company is: No. 8 Ronggang Road, Ronggui Street, Shunde District, Foshan City, Guangdong Province, the People's Republic of China.

Postal code: 528303

Tel: (86) 757 2836 2570

Fax: (86) 757 2836 1055

Contact person: Ms. Wei Fang Yuan

- (7) References to time and dates in this notice are to Hong Kong time and dates.
- (8) The English version of the proposed resolution as set out in this notice is for reference only and if there is any conflict between the English and the Chinese versions, the Chinese version shall prevail.

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