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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 2021 held by the tenth session of the Directors on 30 March 2021 and the 2020 annual general meeting of the Company held on 25 June 2021, 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 RMB10,000,000,000 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.

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

The Board is pleased to announce that, on 15 October 2021, Refrigerator Marketing Company, a non-wholly owned subsidiary of the Company, as subscriber entered into the 2021 10th Industrial Bank Wealth Management Agreement to subscribe for the 2021 10th Industrial Bank Wealth Management Product in the subscription amount of RMB400,000,000 (equivalent to approximately HK\$483,301,919^{Note 1}).

The Group utilised its idle funds for the payment of the subscription amount under each of the Industrial Bank Wealth Management Agreements.

The 2021 10th Industrial Bank 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 Industrial Bank Wealth Management Agreements are aggregated, the relevant applicable percentage ratios (as defined under the Listing Rules) of the transactions under the Industrial Bank Wealth Management Agreements exceed 5% but are lower than 25%. Therefore, the transactions under the Industrial 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.

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The Group utilised its idle funds for the payment of the subscription amount under each of the Industrial Bank Wealth Management Agreements. Summarised below are the major terms of the 2021 10th Industrial Bank Wealth Management Agreement:

	2021 10th Industrial Bank Wealth Management Agreement
(1) Date of subscription:	15 October 2021
(2) Name of product:	Tianli Express Net Worth Wealth Management Product (添利快線淨值型理財產品)
(3) Parties:	(i) Industrial Bank as issuer (ii) Refrigerator Marketing Company as subscriber
	To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, Industrial Bank and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.
(4) Type of product:	Fixed income non-capital-protected floating income open net worth
(5) Risk rating of product:	Basically risk-free
(6) Principal amount of subscription:	RMB400,000,000 (equivalent to approximately HK\$483,301,919 ^{Note 1})
(7) Currency of subscription:	Renminbi
(8) Term of investment:	Every Working Day is an open day for subscriptions and redemptions (except days Industrial bank announces otherwise), so the term of investment of the 2021 10th Industrial Bank Wealth Management Product is subject to the redemption time of the subscriber.
(9) Expected rate of return:	The performance of the 2021 10th Industrial Bank Wealth Management Product will fluctuate with the market and is subject to uncertainty. The performance comparison benchmark is the 7-day notice deposit rate published by the People’s Bank of China for the same period.

(10) Investment scope of the product:	The 2021 10th Industrial Bank Wealth Management Product principally invests in: (i) monetary market instruments including bank deposits, bond reverse repos, currency funds and other interbank and exchange financing instruments; (ii) interbank deposit certificates, national bonds, policy financial bonds, central bank bills, short-term financing bills, ultra-short-term financing bills, medium-term notes, enterprise bonds, corporate bonds, non-public directed debt financing instruments, asset-backed securities, subordinated debt and other interbank and exchange market bonds and debt financing instruments, other fixed-income short-term investment instruments; and (iii) other debt assets that meet regulatory requirements.
(11) Payment of return on principal upon maturity:	Redemption requests can be submitted between 08:00am and 15:15pm every Working Day (except for the days when the Industrial bank announces the suspension of opening), the principal and return will be transferred to the subscriber's account on the same day.
(12) Right of early termination:	The subscriber is not entitled to early termination of the 2021 10th Industrial Bank Wealth Management Product. Industrial Bank is entitled to early termination of the 2021 10th Industrial Bank Wealth Management Product if there arises any adverse situation which affects the purpose of the 2021 10th Industrial Bank Wealth Management Agreement.

REASONS FOR AND BENEFITS OF 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 Industrial 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 Industrial 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

The 2021 10th Industrial Bank 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 Industrial Bank Wealth Management Agreements are aggregated, the relevant applicable percentage ratios (as defined under the Listing Rules) of the transactions under the Industrial Bank Wealth Management Agreements exceed 5%

but are lower than 25%. Therefore, the transactions under the Industrial 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, REFRIGERATOR MARKETING COMPANY AND INDUSTRIAL 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 and automotive air conditioner compressor and integrated thermal management system.

Refrigerator Marketing Company

Refrigerator Marketing Company is a company established in the PRC and a subsidiary of the Company, which is principally engaged in sales and after-sales service and technical services of household appliances such as refrigerators, freezers, washing machines, household appliances.

Industrial Bank

Industrial Bank is a branch of Industrial Bank Co., Ltd.*(興業銀行股份有限公司), a licensed bank incorporated under the laws of the PRC listed on the Shanghai Stock Exchange (Stock code: 601166). Industrial Bank has now developed into a modern integrated financial services group covering trust, leasing, fund, wealth management, futures, asset management, research and consulting, digital finance, etc. CIB Wealth Management is a bank financial subsidiary wholly owned by Industrial Bank.

LIST OF INDUSTRIAL BANK WEALTH MANAGEMENT AGREEMENTS

Name of agreement	Date of agreement / announcement	Subscriber	Wealth management products subscribed
2021 1st CIB Wealth Management Agreement ^{Note3}	13 May 2021 (agreement) / 16 June 2021 (announcement)	Company	2021 1st CIB Wealth Management Product
2021 2nd CIB Wealth Management Agreement ^{Note3}	27 May 2021 (agreement) / 16 June 2021 (announcement)	Refrigerator Marketing Company	2021 2nd CIB Wealth Management Product
2021 3rd CIB Wealth Management Agreement ^{Note3}	16 June 2021 (agreement) / 16 June 2021 (announcement)	Company	2021 3rd CIB Wealth Management Product
2021 4th Industrial Bank Wealth Management Agreement	5 July 2021 (agreement) / 5 July 2021 (announcement)	Refrigerator Marketing Company	2021 4th Industrial Bank Wealth Management Product
2021 5th Industrial Bank Wealth Management Agreement	9 July 2021 (agreement) / 9 July 2021 (announcement)	Air-conditioner Marketing Company	2021 5th Industrial Bank Wealth Management Product
2021 6th Industrial Bank Wealth Management Agreement	29 July 2021 (agreement) / 29 July 2021 (announcement)	Refrigerator Marketing Company	2021 6th Industrial Bank Wealth Management Product
2021 7th Industrial Bank	18 August 2021 (agreement) /	Air-	2021 7th Industrial Bank

Wealth Management Agreement	18 August 2021 (announcement)	conditioner Marketing Company	Wealth Management Product
2021 8th Industrial Bank Wealth Management Agreement	17 September 2021 (agreement) / 17 September 2021 (announcement)	Air-conditioner Marketing Company	2021 8th Industrial Bank Wealth Management Product
2021 9th Industrial Bank Wealth Management Agreement	14 October 2021 (agreement) / 14 October 2021 (announcement)	Air-conditioner Marketing Company	2021 9th Industrial Bank Wealth Management Product

The aggregate subscription amount of the Industrial Bank Wealth Management Products above (excluding the 2021 10th Industrial Bank Wealth Management Product) is RMB2,108,000,000 (equivalent to approximately HK\$2,539,586,830^{Note2}).

DEFINITIONS

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

“2021 10th Industrial Bank Wealth Management Agreement”	the wealth management agreement entered into between Refrigerator Marketing Company and Industrial Bank on 15 October 2021 in relation to the subscription of the 2021 10th Industrial Bank Wealth Management Product;
“2021 10th Industrial Bank Wealth Management Product”	the wealth management product subscribed under the 2021 10th Industrial Bank Wealth Management Agreement, 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 non-wholly owned subsidiary of the Company
“Board”	the board of directors of the Company;
“CIB Wealth Management”	a bank financial subsidiary wholly owned by Industrial Bank;
“Company”	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 PRC with limited liability, 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;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Industrial Bank”	Industrial Bank Co., Ltd.*(興業銀行股份有限公司), a licensed bank incorporated under the laws of the PRC;
“Industrial Bank Wealth Management Agreements”	the Industrial Bank wealth management agreements as listed in the section headed “List of Industrial Bank Wealth Management Agreements” in this announcement and the 2021 10th Industrial Bank Wealth Management Agreement;
“Industrial Bank Wealth Management Products”	the wealth management products subscribed under the Industrial Bank Wealth Management Agreements;
“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”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	the shareholder(s) of the Company;
“Working Day”	a statutory working day in the PRC;
“%”	per cent; and
“*”	for identification purposes only.

Notes:

1. This amount has been converted from RMB into HK\$ at an exchange rate of RMB0.82764 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 corresponding to the "Announcement Dates" in the list of Industrial Bank Wealth Management Agreements.. 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.

3. The wealth management products were issued by CIB Wealth Management.

By order of the Board
Hisense Home Appliances Group Co., Ltd.
Duan Yue Bin
Chairman

Foshan City, Guangdong, the PRC, 15 October 2021

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