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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 Board is pleased to announce that, during the period from 13 May 2021 to 16 June 2021, the Company and its non-wholly owned subsidiary, Refrigerator Marketing Company as subscribers entered into the CIB Wealth Management Agreements to subscribe for the CIB Wealth Management Products in an aggregate subscription amount of RMB905,000,000 (equivalent to approximately HK\$1,093,655,232^{note1}).

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

Each of the CIB Wealth Management Agreements 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 CIB Wealth Management Agreements are aggregated, the relevant applicable percentage ratios (as defined under the Listing Rules) of the transactions under the CIB Wealth Management Agreements exceed 5% but are lower than 25%. Therefore, the transactions under the CIB 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 CIB Wealth Management Agreements. Summarised below are the major terms of the CIB Wealth Management Agreements:

	2021 1st CIB Wealth Management Agreement
(1) Date of subscription:	13 May 2021
(2) Name of product:	CIB Wealth Management Golden Snowball Steady Profit No. 1 Net Worth Management Product Type C (興銀理財金雪球穩利(1)號(C)款淨值型理財產品)
(3) Parties:	(i) CIB Wealth Management as issuer (ii) the Company as subscriber To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, CIB Wealth Management and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.
(4) Type of product:	Public equity, fixed income, open-end, non-principal-guaranteed with floating return and net worth
(5) Risk rating of product:	Relatively low
(6) Principal amount of subscription:	RMB300,000,000 (equivalent to approximately HK\$360,620,267 ^{Note 2})
(7) Currency of subscription:	Renminbi
(8) Term of investment:	One month
(9) Expected rate of return:	(i) The 2021 1st CIB Wealth Management Product is non-principal-guaranteed so it is possible for the redemption amount to fall below the subscription amount. (ii) The net value of the 2021 1st CIB Wealth Management Product shares published on the valuation date prior to the actual termination date of the 2021 1st CIB Wealth Management Product, net of transaction fees, sales service fees, product custody fees and investment management fees. (iii) The manager of the 2021 1st CIB Wealth Management Product will announce the net value of the shares, allocate and repay the proceeds based on the net value of the 2021 1st CIB Wealth Management Product shares on the redemption date.
(10) Investment scope of the product:	The 2021 1st CIB Wealth Management Product principally invests in: (i) monetary market instruments including bank deposit, bond repurchase and currency funds, and other interbank and exchange financing tools; (ii) interbank deposit certificates, national bonds, policy financial bonds, local government bonds, central bank bills, short-term financing bills, ultra-short-term financing bills, medium-term notes (including perpetual mid-term notes), enterprise bonds, corporate bonds (including renewable corporate bonds), non-public targeted debt financing instruments, project

	income bonds, project income notes, asset-backed securities, subordinated debt (including secondary capital bonds), securities bonds, convertible bonds, credit risk mitigation tools, exchange market bonds and debt financing instruments, other fixed income investment instruments, etc; (iii) public funds, asset management plans of fund companies or subsidiaries, asset management plans of securities companies, insurance asset management plans and trust plans that meet regulatory requirements and invest in the above-mentioned fixed-income assets; (iv) financial derivatives for hedging purposes: treasury futures, interest rate swaps, bond lending; and (v) other assets with risk not higher than the above-mentioned assets.
(11) Payment of return on principal upon maturity:	The principal and return (if any) will be deposited to the designated account of the subscriber within three Working Days after the redemption date (“ Payment Date ”), or on the following Working Day if the Payment Date falls on a non-Working Day.
(12) Right of early termination:	The CIB Wealth Management is entitled to early termination of the 2021 1st CIB Wealth Management Product.

	2021 2nd CIB Wealth Management Agreement
(1) Date of subscription:	27 May 2021
(2) Name of product:	CIB Wealth Management Golden Snowball Steady Profit No. 1 Net Worth Management Product Type C (興銀理財金雪球穩利(1)號(C)款淨值型理財產品)
(3) Parties:	(i) CIB Wealth Management as issuer (ii) Refrigerator Marketing Company as subscriber To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, CIB Wealth Management and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.
(4) Type of product:	Public equity, fixed income, open-end, non-principal-guaranteed with floating return and net worth
(5) Risk rating of product:	Relatively low
(6) Principal amount of subscription:	RMB100,000,000 (equivalent to approximately HK\$121,240,043 ^{Note3})
(7) Currency of subscription:	Renminbi
(8) Term of investment:	One month
(9) Expected rate of return:	(i) The 2021 2nd CIB Wealth Management Product is non-principal-guaranteed so it is possible for the redemption amount to fall below the subscription amount. (ii) The net value of the 2021 2nd CIB Wealth Management Product shares published on the valuation date prior to the actual termination date of the 2021 2nd CIB Wealth Management Product, net of transaction fees, sales service fees, product custody fees and investment management fees. (iii) The manager of the 2021 2nd CIB Wealth Management Product manager will announce the net value of the shares, allocate and repay the proceeds based on the net value of the 2021 2nd CIB Wealth Management

	Product shares on the redemption date.
(10) Investment scope of the product:	The 2021 2nd CIB Wealth Management Product principally invests in: (i) monetary market instruments including bank deposit, bond repurchase and currency funds, and other interbank and exchange financing tools; (ii) interbank deposit certificates, national bonds, policy financial bonds, local government bonds, central bank bills, short-term financing bills, ultra-short-term financing bills, medium-term notes (including perpetual mid-term notes), enterprise bonds, corporate bonds (including renewable corporate bonds), non-public targeted debt financing instruments, project income bonds, project income notes, asset-backed securities, subordinated debt (including secondary capital bonds), securities bonds, convertible bonds, credit risk mitigation tools, exchange market bonds and debt financing instruments, other fixed income investment instruments, etc; (iii) public funds, asset management plans of fund companies or subsidiaries, asset management plans of securities companies, insurance asset management plans and trust plans that meet regulatory requirements and invest in the above-mentioned fixed-income assets; (iv) financial derivatives for hedging purposes: treasury futures, interest rate swaps, bond lending; and (v) other assets with risk not higher than the above-mentioned assets.
(11) Payment of return on principal upon maturity:	The principal and return (if any) will be deposited to the designated account of the subscriber within three Working Days after the redemption date, or on the following Working Day if the Payment Date falls on a non-Working Day.
(12) Right of early termination:	The CIB Wealth Management is entitled to early termination of the 2021 2nd CIB Wealth Management Product.

	2021 3rd CIB Wealth Management Agreement
(1) Date of subscription:	16 June 2021
(2) Name of product:	CIB Wealth Management Golden Snowball Premium 2021 11th Closed-End Net Worth Management Product (興銀理財金雪球優享 2021 年 11 期封閉式淨值型理財產品)
(3) Parties:	(i) CIB Wealth Management as issuer (ii) the Company as subscriber To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, CIB Wealth Management and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.
(4) Type of product:	Private equity, fixed income, closed-end, non-principal-guaranteed with floating return and net worth
(5) Risk rating of product:	Relatively low
(6) Principal amount of subscription:	RMB505,000,000 (equivalent to approximately HK\$611,794,922 ^{Note 4})
(7) Currency of subscription:	Renminbi
(8) Term of investment:	Six months

(9) Expected rate of return:	<p>(i) The 2021 3rd CIB Wealth Management Product is non-principal-guaranteed so it is possible for the redemption amount to fall below the subscription amount.</p> <p>(ii) The net value of the 2021 3rd CIB Wealth Management Product shares published on the valuation date prior to the actual termination date of the 2021 3rd CIB Wealth Management Product, net of transaction fees, sales service fees, product custody fees and investment management fees.</p> <p>(iii) The manager of the 2021 3rd CIB Wealth Management Product will announce the net value of the shares, allocate and repay the proceeds based on the net value of the 2021 3rd CIB Wealth Management Product shares on the redemption date.</p>
(10) Investment scope of the product:	<p>The 2021 3rd CIB Wealth Management Product principally invests in:</p> <p>(i) interbank borrowings;</p> <p>(ii) securities income vouchers;</p> <p>(iii) other assets that meet the regulatory requirements; and</p> <p>(iv) the idle funds of this product will be invested in various types of highly liquid assets, including but not limited to bank deposits, bond repos, interbank certificates of deposit, large value certificates of deposit, money market instruments such as currency funds and other interbank funding instruments.</p>
(11) Payment of return on principal upon maturity:	The principal and return (if any) will be deposited to the designated account of the subscriber within three Working Days after the maturity date, or on the following Working Day if the Payment Date falls on a non-Working Day.
(12) Right of early termination:	The CIB Wealth Management is entitled to early termination of the 2021 3rd CIB Wealth Management Product.

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 CIB 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 CIB 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 CIB Wealth Management Agreements 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 CIB Wealth Management Agreements are aggregated, the relevant applicable percentage ratios (as defined under the Listing Rules) of the transactions under the CIB Wealth Management Agreements exceed 5% but are lower than 25%. Therefore, the transactions under the CIB 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 CIB WEALTH MANAGEMENT

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.

Refrigerator Marketing Company

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

CIB Wealth Management

CIB Wealth Management Co., Ltd. is a bank financial subsidiary wholly owned by 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). The business scope of CIB Wealth Management mainly covers business areas including public issuance of financial products for the unspecified social public, investment and management of the entrusted investments and properties; non-public issuance of financial products for qualified investors; financial advisory and consulting services, etc.

LIST OF CIB WEALTH MANAGEMENT AGREEMENTS

Name of agreement	Date of agreement / announcement	Subscriber	Wealth management products subscribed
2021 1st CIB Wealth Management Agreement	13 May 2021 (agreement) / 16 June 2021 (announcement)	Company	2021 1st CIB Wealth Management Product
2021 2nd CIB Wealth Management Agreement	27 May 2021 (agreement) / 16 June 2021 (announcement)	Refrigerator Marketing Company	2021 2nd CIB Wealth Management Product

The aggregate subscription amount of the CIB Wealth Management Products above (excluding the 2021 3rd CIB Wealth Management Product) is RMB400,000,000 (equivalent to approximately HK\$481,860,310^{Note 1}).

DEFINITIONS

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

“2021 1st CIB Wealth Management Agreement”	the wealth management agreement entered into between the Company and CIB Wealth Management on 13 May 2021 in relation to the subscription of the 2021 1st CIB Wealth Management Product;
“2021 2nd CIB Wealth Management Agreement”	the wealth management agreement entered into between Refrigerator Marketing Company and CIB Wealth Management on 27 May 2021 in relation to the subscription of the 2021 2nd CIB Wealth Management Product;

“2021 3rd CIB Wealth Management Agreement”	the wealth management agreement entered into between the Company and CIB Wealth Management on 16 June 2021 in relation to the subscription of the 2021 3rd CIB Wealth Management Product;
“2021 1st CIB Wealth Management Product”	the wealth management product subscribed under the 2021 1st CIB Wealth Management Agreement, the major terms of which are summarised in this announcement;
“2021 2nd CIB Wealth Management Product”	the wealth management product subscribed under the 2021 2nd CIB Wealth Management Agreement, the major terms of which are summarised in this announcement;
“2021 3rd CIB Wealth Management Product”	the wealth management product subscribed under the 2021 3rd CIB Wealth Management Agreement, the major terms of which are summarised in this announcement;
“Board”	the board of directors of the Company;
“CIB Wealth Management”	a bank financial subsidiary wholly owned by Industrial Bank Co., Ltd.*(興業銀行). Industrial Bank Co., Ltd. is a licensed bank incorporated under the laws of the PRC;
“CIB Wealth Management Agreements”	the CIB wealth management agreements as listed in the section headed “List of CIB Wealth Management Agreements” in this announcement and the 2021 3rd CIB Wealth Management Agreement;
“CIB Wealth Management Products”	the wealth management products subscribed under the CIB Wealth Management Agreements;
“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;
“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 is an aggregation of the HK\$ amounts converted from RMB at exchange rates adopted in this announcement. The conversion is 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 has been converted from RMB into HK\$ at an exchange rate of RMB0.83190 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.*
- 3. This amount has been converted from RMB into HK\$ at an exchange rate of RMB0.82481 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.*
- 4. This amount has been converted from RMB into HK\$ at an exchange rate of RMB0.82544 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.*

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

Foshan City, Guangdong, the PRC, 16 June 2021

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.