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

The Board is pleased to announce that, on 19 April 2022, Air-conditioner Marketing Company, a non-wholly owned subsidiary of the Company, as subscriber entered into the 2022 Citic Bank 2nd Wealth Management Agreement to subscribe for the 2022 Citic Bank 2nd Wealth Management Product in the subscription amount of RMB300,000,000 (equivalent to approximately HK\$369,276,219^{Note 1}).

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

The 2022 Citic Bank 2nd 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 Citic Bank Wealth Management Agreements are aggregated, the relevant applicable percentage ratios (as defined under the Listing Rules) of the transactions under the Citic Bank Wealth Management Agreements exceed 5% but are lower than 25%. Therefore, the transactions under the Citic 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 Citic Bank Wealth Management Agreements. Summarised below are the major terms of the 2022 Citic Bank 2nd Wealth Management Agreement:

	2022 Citic Bank 2nd Wealth Management Agreement
(1) Date of subscription:	19 April 2022
(2) Name of product:	Citic Bank Win-win and Stable Daily Profit RMB Wealth Management Product (中信理財之共贏穩健天天利人民幣理財產品)
(3) Parties:	(i) Citic Bank as issuer (ii) Air-conditioner Marketing Company as subscriber To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, Citic Bank and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.
(4) Type of product:	Public equity, open-end, fixed income
(5) Risk rating of product:	Cautious
(6) Principal amount of subscription:	RMB300,000,000 (equivalent to approximately HK\$369,276,219 ^{Note 1})
(7) Currency of subscription:	Renminbi
(8) Term of investment:	Every Working Day is an open day for subscriptions and redemptions (except days Citic Bank announces otherwise), so the term of investment of the 2022 Citic Bank 2nd Wealth Management Product is subject to the redemption time of the subscriber.

(9) Expected rate of return:	The performance of the 2022 Citic Bank 2nd 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 2022 Citic Bank 2nd Wealth Management Product invests in: (i) monetary market: cash, deposits, currencies market funds, pledged repo and other currencies market assets; (ii) fixed income: bonds, asset-backed securities, non-public directed debt financing instruments and other fixed income assets; and (iii) other debt assets that meet regulatory requirements.
(11) Payment of return on principal upon maturity:	If the subscriber makes the redemption request to redeem the 2022 Citic Bank 2nd Wealth Management Product in full on a Working Day, the redemption funds will be credited on the same day, and the accrued but unallocated dividends will be credited within 2 Working Days after the redemption request is made. If the subscriber redeems the 2022 Citic Bank 2nd Wealth Management Product partially on a Working Day, the redemption funds will be credited on the same day, and the accrued but unallocated dividends will be carried forward to the dividend carry-forward date and will be paid on the dividend payment date.
(12) Right of early termination:	The subscriber is not entitled to early termination of the 2022 Citic Bank 2nd Wealth Management Product. Citic Bank is entitled to early termination of the 2022 Citic Bank 2nd Wealth Management Product if there arises any adverse situation which affects the purpose of the 2022 Citic Bank 2nd 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 Citic 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 Citic 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 UNDER THE LISTING RULES

The 2022 Citic Bank 2nd 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 Citic Bank Wealth Management Agreements are aggregated, the relevant applicable percentage ratios (as defined under the Listing Rules) of the transactions under the Citic Bank Wealth Management Agreements exceed 5% but are

lower than 25%. Therefore, the transactions under the Citic 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 ON THE COMPANY, AIR-CONDITIONER MARKETING COMPANY AND CITIC 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.

Air-conditioner Marketing Company

Air-conditioner Marketing Company is a company established in the PRC and a non-wholly owned subsidiary of the Company. It is principally engaged in the sales of refrigeration and air-conditioning equipment; sales of household appliances; installation services for household appliances; technical services, technical development, technical consultation, technical transfer, technical promotion; repair of daily-use appliances.

Citic Bank

Citic Bank is a branch of China Citic Bank Corporation Limited*(中信銀行股份有限公司), a licensed bank incorporated under the laws of the PRC listed on the Hong Kong Stock Exchange (Stock code: 998) and the Shanghai Stock Exchange (Stock code: 601998). Citic Bank is principally engaged in provision of corporate and personal banking services, the provision of asset management, finance leasing and other non-banking financial services.

LIST OF CITIC BANK WEALTH MANAGEMENT AGREEMENTS

Name of agreement	Date of agreement / announcement	Subscriber	Wealth management products subscribed
2021 Citic Bank 1st Wealth Management Agreement	11 May 2021 (agreement) / 18 June 2021 (announcement)	Refrigerator Marketing Company	2021 Citic Bank 1st Wealth Management Product
2021 Citic Bank 2nd Wealth Management Agreement	31 May 2021 (agreement) / 18 June 2021 (announcement)	Refrigerator Marketing Company	2021 Citic Bank 2nd Wealth Management Product
2021 Citic Bank 3rd Wealth Management Agreement	9 June 2021 (agreement) / 18 June 2021 (announcement)	Refrigerator Marketing Company	2021 Citic Bank 3rd Wealth Management Product

2021 Citic Bank 4th Wealth Management Agreement	9 June 2021 (agreement) / 18 June 2021 (announcement)	Refrigerator Marketing Company	2021 Citic Bank 4th Wealth Management Product
2021 Citic Bank 5th Wealth Management Agreement	18 June 2021 (agreement) / 18 June 2021 (announcement)	Refrigerator Marketing Company	2021 Citic Bank 5th Wealth Management Product
2021 Citic Bank 6th Wealth Management Agreement	18 June 2021 (agreement) / 18 June 2021 (announcement)	Air-conditioner Marketing Company	2021 Citic Bank 6th Wealth Management Product
2021 Citic Bank 7th Wealth Management Agreement	5 July 2021 (agreement) / 5 July 2021 (announcement)	Refrigerator Marketing Company	2021 Citic Bank 7th Wealth Management Product
2021 Citic Bank 8th Wealth Management Agreement	13 July 2021 (agreement) / 13 July 2021 (announcement)	Company	2021 Citic Bank 8th Wealth Management Product
2021 Citic Bank 9th Wealth Management Agreement	16 July 2021 (agreement) / 16 July 2021 (announcement)	Air-conditioner Marketing Company	2021 Citic Bank 9th Wealth Management Product
2021 Citic Bank 10th Wealth Management Agreement	2 September 2021 (agreement) / 2 September 2021 (announcement)	Air-conditioner Marketing Company	2021 Citic Bank 10th Wealth Management Product
2021 Citic Bank 11th Wealth Management Agreement	16 September 2021 (agreement) / 16 September 2021 (announcement)	Refrigerator Marketing Company	2021 Citic Bank 11th Wealth Management Product
2022 Citic Bank 1st Wealth Management Agreement	21 March 2022 (agreement) / 21 March 2022 (announcement)	Refrigerator Marketing Company	2022 Citic Bank 1st Wealth Management Product

The aggregate subscription amount of the Citic Bank Wealth Management Products above (excluding the 2022 Citic Bank 2nd Wealth Management Product) is RMB2,950,000,000 (equivalent to approximately HK\$3,563,109,871 ^{Note2}).

DEFINITIONS

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

“2022 Citic Bank 2nd Wealth Management Agreement”	the wealth management agreement entered into between Air-conditioner Marketing Company and Citic Bank on 19 April 2022 in relation to the subscription of the 2022 Citic Bank 2nd Wealth Management Product;
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“2022 Citic Bank 2nd Wealth Management Product”	the wealth management product subscribed under the 2022 Citic Bank 2nd 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;
“Citic Bank”	a branch of China Citic Bank Corporation Limited *(中信銀行股份有限公司), a licensed bank incorporated under the laws of the PRC;
“Citic Bank Wealth Management Agreements”	the Citic Bank wealth management agreements as listed in the section headed “List of Citic Bank Wealth Management Agreements” in this announcement and the 2022 Citic Bank 2nd Wealth Management Agreement;
“Citic Bank Wealth Management Products”	the wealth management products subscribed under the Citic Bank 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 non-wholly owned 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;

“0%” per cent; and

“*” for identification purposes only.

Notes:

1. This amount has been converted from RMB into HK\$ at an exchange rate of RMB0.8124 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 Citic 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.

By order of the Board
Hisense Home Appliances Group Co., Ltd.
Dai Hui Zhong
Chairman

Foshan City, Guangdong, the PRC, 19 April 2022

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