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

The Board is pleased to announce that, on 6 April 2022, the Company as subscriber entered into the 2022 2nd Pacific Asset Wealth Management Agreement to subscribe for the 2022 2nd Pacific Asset Wealth Management Product in the subscription amount of RMB150,000,000 (equivalent to approximately HK\$184,234,444^{Note 1}).

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

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

	2022 2nd Pacific Asset Wealth Management Agreement
(1) Date of subscription:	6 April 2022
(2) Name of product:	Pacific Asset Premier Pure Debt No. 9 Product (太平洋卓越純債九號產品)
(3) Parties:	(i) Pacific Asset as the asset manager (ii) the Company as the subscriber To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Pacific Asset and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.
(4) Type of product:	Non-principal-guaranteed with floating return
(5) Risk rating of product:	The 2022 2nd Pacific Asset Wealth Management Product is a product with expected risk lower than hybrid securities investment products and equity investment products.
(6) Principal amount of subscription:	RMB150,000,000 (equivalent to approximately HK\$184,234,444 ^{Note 1})
(7) Currency of subscription:	Renminbi
(8) Term of investment:	Every Trading Day is an open day for subscriptions and redemptions (except for the days when Pacific Asset suspends subscriptions and redemptions in accordance with laws and regulations, the requirements of the China Banking and Insurance Regulatory Commission or the provisions of the 2022 2nd Pacific Asset Management Agreement). The term of investment of the 2022 2nd Pacific

	Asset Wealth Management Product is subject to the redemption time of the subscriber.
(9) Expected rate of return:	The performance of the 2022 2nd Pacific Asset Wealth Management Product will fluctuate with the market and is subject to uncertainty. It will be valued at the net asset value of the 2022 2nd Pacific Asset Wealth Management Product on the valuation day.
(10) Investment scope of the product:	The 2022 2nd Pacific Asset Wealth Management Product invests in debt assets which principally include cash, money market funds, demand deposits with banks, call deposits with banks, negotiable certificates of deposits of substantial amount, government bonds, quasi government bonds, reverse repurchase agreements, interbank certificates of deposits, time deposits with banks, bank negotiated deposits, interbank deposits, medium-term notes, short-term financing bills (including ultra-short-term financing bills), enterprise corporate bonds, non-finance enterprise corporate bonds and bond funds.
(11) Payment of return on principal upon maturity:	The principal and return will be transferred to the subscriber's account within five Trading Days after submission of the redemption request.
(12) Right of early termination:	<p>The subscriber is not entitled to early termination of the 2022 2nd Pacific Asset Wealth Management Agreement.</p> <p>The 2022 2nd Pacific Asset Wealth Management Agreement shall be terminated if (i) the relevant assets are liquidated in full; (ii) Pacific Asset and the custodian agree in writing regarding the termination; (iii) there arises any circumstance as prescribed for under the 2022 2nd Pacific Asset Wealth Management Agreement; or (iv) required under the relevant laws and regulations and the China Banking and Insurance Regulatory Commission.</p>

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 Pacific Asset 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 Pacific Asset 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 2nd Pacific Asset Wealth Management Agreements 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 Pacific Asset Wealth Management Agreements are aggregated, the relevant applicable percentage ratios (as defined under the Listing Rules) of the transactions under the Pacific Asset Wealth Management Agreements exceed 5% but are lower than 25%. Therefore, the transactions under the Pacific Asset 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 AND PACIFIC ASSET

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.

Pacific Asset

Pacific Asset is a company incorporated under the laws of the PRC and a non-bank financial institution regulated by China Banking and Insurance Regulatory Commission. It is principally engaged in asset management business.

LIST OF PACIFIC ASSET WEALTH MANAGEMENT AGREEMENTS

Name of agreement	Date of agreement / announcement	Subscriber	Wealth management products subscribed
2021 1st Pacific Asset Wealth Management Agreement	16 November 2021 (agreement) / 29 March2022 (announcement)	Refrigerator Marketing Company	2021 1st Pacific Asset Wealth Management Product
2021 2nd Pacific Asset Wealth Management Agreement	14 December 2021 (agreement) / 29 March2022 (announcement)	Refrigerator Marketing Company	2021 2nd Pacific Asset Wealth Management Product
2021 3rd Pacific Asset Wealth Management Agreement	16 December 2021 (agreement) / 29 March2022 (announcement)	Refrigerator Marketing Company	2021 3rd Pacific Asset Wealth Management Product
2022 1st Pacific Asset Wealth Management Agreement	29 March2022 (agreement) / 29 March2022 (announcement)	Refrigerator Marketing Company	2022 1st Pacific Asset Wealth Management Product

The aggregate subscription amount of the Pacific Asset Wealth Management Products above (excluding the 2022 2nd Pacific Asset Wealth Management Product) is RMB900,000,000 (equivalent to approximately HK\$1,103,085,328^{Note2}).

DEFINITIONS

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

“2022 2nd Pacific Asset Wealth Management Agreement”	the wealth management agreement entered into between the Company and Pacific Asset on 6 April 2022 in relation to the subscription of the 2022 2nd Pacific Asset Wealth Management Product;
“2022 2nd Pacific Asset Wealth Management Product”	the wealth management product subscribed under the 2022 2nd Pacific Asset Wealth Management Agreement, the major terms of which are summarised in this announcement;
“Board”	the board of directors of the Company;
“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;
“Pacific Asset”	Pacific Asset Management Co., Ltd.* (太平洋資產管理有限責任公司), a company incorporated under the laws of the PRC and a non-bank financial institution;
“Pacific Asset Wealth Management Agreements”	the Pacific Asset wealth management agreements as listed in the section headed “List of Pacific Asset Wealth Management Agreements” in this announcement and the 2022 2nd Pacific Asset Wealth Management Agreement;
“Pacific Asset Wealth Management Products”	the wealth management products subscribed under the Pacific Asset Wealth Management Agreements;

“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;
“Trading Day(s)”	a day on which the Shanghai Stock Exchange and the Shenzhen Stock Exchange are open for trading;
“%”	per cent; and
“*”	for identification purposes only.

Notes:

1. This amount has been converted from RMB into HK\$ at an exchange rate of RMB0.81418 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 Pacific Asset 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, 6 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.