

**Dated November 15, 2020**

**HAIER SMART HOME CO., LTD.**  
**(海尔智家股份有限公司)**

**CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG  
SECURITIES LIMITED**

**J.P. MORGAN SECURITIES (FAR EAST) LIMITED**

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**SPONSORS AGREEMENT**

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## CONTENT

Clause	Page
1. DEFINITIONS AND INTERPRETATION.....	2
2. CONDITIONS.....	9
3. APPOINTMENTS.....	10
4. FEES AND EXPENSES .....	11
5. REPRESENTATIONS AND WARRANTIES .....	11
6. INDEMNITIES .....	14
7. TERMINATION .....	19
8. NON-ISSUE AND NON-DISPOSAL UNDERTAKINGS .....	21
9. FURTHER UNDERTAKINGS.....	22
10. ANNOUNCEMENTS .....	27
11. NOTICES .....	27
12. GOVERNING LAW; DISPUTE RESOLUTION; WAIVER OF IMMUNITY .....	29
13. CONFIDENTIALITY .....	30
14. MISCELLANEOUS.....	31
SCHEDULE 1 WARRANTIES .....	37
SCHEDULE 2 CONDITIONS PRECEDENT DOCUMENTS .....	53
SCHEDULE 3 CLOSING CERTIFICATES.....	58

**THIS AGREEMENT** is made on November 15, 2020

**BETWEEN:**

- (1) **HAIER SMART HOME CO., LTD.** (海尔智家股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose registered office is at Haier Industrial Park, Laoshan District, Qingdao, Shandong Province, PRC (the “**Company**”);
- (2) **CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED**, a company incorporated in Hong Kong with limited liability, whose principal place of business is at 29/F One International Finance Centre, 1 Harbour View Street, Central, Hong Kong (“**CICC**”); and
- (3) **J.P. MORGAN SECURITIES (FAR EAST) LIMITED**, a company incorporated in Hong Kong with limited liability, whose principal place of business is at 28/F Chater House, 8 Connaught Road Central, Hong Kong (“**JPMFE**”).

**RECITALS:**

- (A) The Company is a joint stock company incorporated in the PRC with limited liability. The Company was registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on September 8, 2020. As of the date hereof, the Company has a registered capital of RMB6,579,566,627, divided into 6,308,552,654 A Shares and 271,013,973 D Shares with a nominal value of RMB1.00 each, of which the A Shares are listed on the Shanghai Stock Exchange and the D Shares are listed on the China Europe International Exchange and quoted on the Frankfurt Stock Exchange.
- (B) Pursuant to the resolutions in writing passed by the shareholders of the Company on September 1, 2020 and conditional on the Admission:
  - (a) the Introduction and the Privatization have been approved; and
  - (b) the Directors have been given all necessary authorizations in connection with the Introduction and the Privatization,and all such resolutions remain in full force and effect.
- (C) On July 31, 2020, the Company and Haier Electronics Group Co., Ltd. (“**HEG**”) jointly issued an announcement pursuant to Rule 3.5 of the Takeovers Code. Further, on the Listing Document Date, the Company and HEG will dispatch a scheme document (the “**Scheme Document**”) to all shareholders of HEG, which contains, among other things, details of the proposal for the privatization of HEG by the Company by way of scheme of arrangement and the withdrawal of the listing of the HEG’s shares from the Stock Exchange (the “**Privatization**”).
- (D) The Company is proposing to obtain a listing of, and permission to deal in, the H Shares on the Main Board of the Stock Exchange by way of introduction.

- (E) The Company has entered into a mandate letter dated March 11, 2020 with each of CICC and JPMFE pursuant to which it was agreed, among other things, that the Company shall appoint CICC and JPMFE as the joint sponsors in respect of the Introduction (the “**Mandate Letters**”).
- (F) The Listing Document, the Scheme Document, and the Formal Notice in connection with the Introduction and the Privatization have been prepared and are in an agreed form.
- (G) The Company has appointed Tricor Investor Services Limited to act as its registrar and transfer agent for the H Shares.
- (H) On September 10, 2020, the Joint Sponsors submitted an application to the Stock Exchange on behalf of the Company for the listing of, and permission to deal in, the H Shares in issue as described in the Listing Document. The Listing Committee hearing was held on November 5, 2020. The date of publishing the Listing Document and Scheme Document is expected to be November 16, 2020. The date of Court Meeting is expected to be December 9, 2020. The Scheme Effective Date is expected to be December 18, 2020. The date of Listing is expected to be December 22, 2020.
- (I) The Company agrees that in view of the imminent publication of the Listing Document and the Joint Sponsors’ endorsement of such documents, it has entered into this Agreement to set forth the conditions to the Joint Sponsors’ respective obligations and to give certain representations and warranties upon which the Joint Sponsors may rely upon in their role as Joint Sponsors.

**NOW THEREFORE**, in consideration of the premises set forth above, the mutual promises and covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **IT IS AGREED AS FOLLOWS:**

## **1. DEFINITIONS AND INTERPRETATION**

- 1.1 **Defined terms and expressions:** Except where the context otherwise requires, in this Agreement, including the Recitals and the Schedules, the following words and expressions shall have the respective meanings set out below:

“**Accountants’ Reports**” means the accountants’ reports set out in Appendices I, II and III to the Listing Document;

“**Admission**” means the granting of an approval by the Listing Committee of the listing of, and permission to deal in, the H Shares in issue;

“**Affiliate**”, in relation to any person, means any other person which is the holding company of such person, or which is a subsidiary of such person or of the holding company of such person, or which directly or indirectly through one or more intermediaries controls or is controlled by or is under common control with such person and, for the purposes of the foregoing, “**control**” means the power, directly or indirectly, to direct or cause the direction of the management and policies of a person, whether through the ownership of

voting securities, by contract or otherwise, and “**controlled by**” and “**under common control**” shall be construed accordingly;

“**Approvals**” means and includes all approvals, orders, sanctions, consents, franchises, permissions, certificates, authorizations, notifications, filings, registrations, clearances, qualifications, licenses, permits and declarations;

“**Articles of Association**” means the articles of association of the Company as amended, supplemented or otherwise modified from time to time;

“**Authority**” means any administrative, governmental or regulatory commission, board, body, authority or agency, or any stock exchange, self-regulatory organisation or other non-governmental regulatory authority, or any court, tribunal or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic, foreign or supranational;

“**Board**” means the board of directors of the Company;

“**Business Day**” means a day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are open for normal banking business;

“**Cash Payment**” has the meaning ascribed to it in the Scheme Document;

“**Closing**” means the time after the conditions set out in Clause 2.1 have been satisfied or waived in accordance with this Agreement;

“**Companies Ordinance**” means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended and supplemented from time to time;

“**Companies (WUMP) Ordinance**” means the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended and supplemented from time to time;

“**Compliance Advisor**” means Anglo Chinese Corporate Finance, Limited;

“**Compliance Advisor Agreement**” means the agreement dated September 1, 2020 entered into between the Compliance Advisor and the Company in relation to the appointment of the Compliance Advisor;

“**Conditions**” means the conditions precedent set out in Clause 2.1;

“**Controlling Shareholder**” or “**Haier Group**” means Haier Group Corporation, a company incorporated under the laws of the PRC and which is the Company’s controlling shareholder;

“**HSH Convertible Bonds**” has the same meaning as ascribed to it in the Scheme Document;

“**Court Meeting**” has the meaning ascribed to it in the Scheme Document;

“**CSRC**” means the China Securities Regulatory Commission of the PRC;

“**Director(s)**” means the director(s) of the Company whose names are set out in the section headed “Directors, Supervisors and Senior Management” of the Listing Document;

“**EB-to-CB Proposal**” has the meaning ascribed to it in the Scheme Document;

“**Encumbrance**” means any mortgage, charge, pledge, lien or other security interest or any option, restriction, right of first refusal, right of pre-emption or other third party claim, right, interest or preference or any other encumbrance of any kind;

“**Financial Advisers**” means CICC and J.P. Morgan Securities (Asia Pacific) Limited, acting as the financial advisers of the Privatization and the EB-to-CB Proposal;

“**Formal Notice**” means the formal notice in relation to the Introduction in the agreed form required to be published in accordance with the Listing Rules;

“**Group**” means the Company and the Subsidiaries, and the expression “member of the Group” shall be construed accordingly;

“**H Share Registrar**” means Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong;

“**H Shares**” means foreign shares in the share capital of the Company with a nominal value of RMB1.00 each, which are to be listed on the Stock Exchange and traded in Hong Kong dollars;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the PRC;

“**IFRS**” means International Financial Reporting Standards issued by the International Accounting Standards Board;

“**Intellectual Property**” means patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems, processes, procedures or rights), trademarks, service marks, trade names, domain names, network real names, Internet keywords or other intellectual property;

“**Internal Control Consultant**” means HLB Hodgson Impey Cheng Risk Advisory Services Limited;

“**Introduction**” means the Listing by way of introduction pursuant to the Listing Rules;

“**Joint Sponsors**” means CICC and JPMFE, acting as the joint sponsors of the Introduction;

“**Laws**” means any and all national, central, federal, provincial, state, regional, municipal, local, domestic or foreign laws (including any common law or case law), statutes, ordinances, legal codes, regulations or rules (including any and all regulations, rules, orders, judgments, decrees, rulings, opinions, guidelines, measures, notices or circulars (in each case, whether formally published or not and to the extent mandatory or, if not complied with, the basis for legal, administrative, regulatory or judicial consequences) of any Authority);

“**Listing**” means the listing of the H Shares on the Main Board of the Stock Exchange;

“**Listing Committee**” means the listing sub-committee of the board of the Stock Exchange for the purpose of considering applications for listing and the granting of listing;

“**Listing Date**” means the date, expected to be on December 22, 2020, on which dealings in the H Shares first commence on the Stock Exchange;

“**Listing Document**” means the listing document to be published by the Company in connection with the Introduction;

“**Listing Document Date**” means November 16, 2020;

“**Listing Rules**” means The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, together with the listing decisions, guidelines, guidance letters and other requirements of the Stock Exchange, as amended from time to time;

“**Material Adverse Effect**” means a material adverse effect, or any development involving a prospective material adverse effect, on the assets, liabilities, business, general affairs, management, prospects, shareholders’ equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of the Company and the other members of the Group, taken as a whole;

“**parties**” means the parties to this Agreement and “**party**” means any of them;

“**PRC**” means the People’s Republic of China, which for the purposes of this Agreement shall not include Hong Kong, Taiwan and the Macau Special Administrative Region of the People’s Republic of China;

“**PRC Legal Opinions**” means the PRC legal opinions dated on or around November 13, 2020 from King & Wood Mallesons addressed to the Company in respect of the Introduction;

“**Registrar Agreement**” means the agreement dated October 31, 2020 entered into between the H Share Registrar and the Company;

“**Relevant Jurisdiction(s)**” means any jurisdiction that is relevant to any member of the Group, including, without limitation, the PRC, Hong Kong, the United States, the European Union and its member states, the United Kingdom, Australia, New Zealand and any other

jurisdictions where the Company or any Subsidiary was incorporated, organized or otherwise established, has property or assets or carries on business;

“**Relevant Persons**” means a listing applicant, together with its investors and shareholders and persons who might, directly or indirectly, be involved in permitting or participate in the listing, trading, clearing and settlement of its shares, whether as sponsor, advisor or otherwise, including the Stock Exchange and related group companies;

“**Reporting Accountants**” means HLB Hodgson Impey Cheng Limited, the independent reporting accountants;

“**RMB**” means Renminbi, the lawful currency of the PRC;

“**Sanctioned Country**” means Cuba, Iran, North Korea, Syria or the Crimea region of Ukraine/Russia or any country or territory subject to a general and comprehensive export, import, financial or investment embargo under any Sanctions Laws;

“**Sanctioned Target**” means any person or entity (i) designated on any list of targeted persons or entities issued under the Sanctions Laws; (ii) that is, or is owned or controlled by, a government of a Sanctioned Country; or (iii) that is the target of sanctions under any Sanctions Laws because of a relationship of ownership, control, or agency with a person or entity described in (i) or (ii);

“**Sanctions Laws**” means (i) any U.S. sanctions related to or administered by the U.S. government, including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury (including the designation as a “specially designated national or blocked person” thereunder) and the U.S. Department of State, (ii) any sanctions or requirements imposed by, or based upon the obligations or authorities set forth in, the U.S. Trading With the Enemy Act, the U.S. International Emergency Economic Powers Act, the U.S. United Nations Participation Act or the U.S. Syria Accountability and Lebanese Sovereignty Act, all as amended, or any of the foreign assets control regulations of the U.S. Department of the Treasury (including 31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto and (iii) any sanctions or measures imposed by the United Nations Security Council, the European Union (including under Council Regulation (EC) No. 194/2008), Her Majesty’s Treasury of the United Kingdom, the Swiss State Secretariat for Economic Affairs, the Monetary Authority of Singapore, the Hong Kong Monetary Authority, or other relevant sanctions authorities or other relevant sanctions Authority;

“**Scheme**” has the meaning ascribed to it in the Scheme Document;

“**Scheme Effective Date**” has the meaning ascribed to it in the Scheme Document;

“**Scheme Shareholders**” has the meaning ascribed to it in the Scheme Document;

“**SFC**” means the Securities and Futures Commission of Hong Kong;



“**SFO**” means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and supplemented from time to time;

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited;

“**Stock Market Listing Rules**” means Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong);

“**Subsidiaries**” means the subsidiaries of the Company as the term is defined under the Listing Rules, including, but not limited to, the companies named as subsidiaries of the Company in Appendix I to the Listing Document and “**Subsidiary**” means any of them;

“**Supervisor(s)**” means the supervisor(s) of the Company whose names are set out in the section headed “Directors, Supervisors and Senior Management” of the Listing Document;

“**Surviving Provisions**” means Clauses 4, 6, 10, 11, 12, 13 and 14;

“**Takeovers Code**” means the Hong Kong Code on Takeovers and Mergers, as amended and supplemented from time to time;

“**Tax**” or “**Taxation**” means all present or future taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature imposed, assessed or levied by any Authority, whether by way of actual assessment, loss of allowance, withholding, deduction or credit available for relief or otherwise, including all interest, additions to tax, penalties or similar liabilities with respect thereto and all forms of taxation whenever created, imposed or arising and whether of Hong Kong, the PRC or of any other part of the world and, without prejudice to the generality of the foregoing, includes all forms of taxation on or relating to profits, salaries, interest and other forms of income, taxation on capital gains, sales and value added taxation, estate duty, death duty, capital duty, stamp duty, payroll taxation, withholding taxation, rates and other taxes or charges relating to property, customs and other import and excise duties, and generally any taxation, duty, fee, assessment, impost, levy, rate, charge or any amount payable to taxing, revenue, customs or fiscal Authorities whether of Hong Kong, the PRC or of any other part of the world, whether by way of actual assessment, loss of allowance, withholding, deduction or credit available for relief or otherwise, and including all interest, additions to tax, penalties or similar liabilities arising in respect of any taxation;

“**U.S.**” or “**United States**” means the United States of America;

“**Verification Notes**” means the verification notes relating to the Listing Document together with the supporting documents thereto, copies of which have been signed and approved by the Directors;

“**Warranties**” means the representations, warranties and undertakings given or made, or deemed to be given or made, by the Company pursuant to Clause 5 and as contained in Schedule 1;

1.2 Interpretations: Except where the context otherwise requires, in this Agreement:

- 1.2.1 references to any statute or statutory provisions, or rules or regulations (whether or not having the force of law), shall be construed as references to the same as amended, varied, modified, consolidated, re-enacted and/or replaced from time to time (whether before, on or after the date of this Agreement) and to any subordinate legislation made under such statutes or statutory provisions.
- 1.2.2 references to notices, documents or other communications which are “**written**” or “**in writing**” include any mode of reproducing words in a legible and non-transitory form.
- 1.2.3 references to a document being in “**agreed form**” shall mean such document in a form from time to time (whether on or after the date hereof) agreed between the Company and the Joint Sponsors.
- 1.2.4 references to a “**company**” shall be construed to include any company, corporation or other body corporate, whenever and however incorporated or established.
- 1.2.5 references to a “**person**” shall be construed to include any individual, firm, company, government, state or agency of a state or any joint venture, association or partnership (whether or not having separate legal personality).
- 1.2.6 the terms “**herein**”, “**hereof**”, “**hereto**”, “**hereinafter**” and similar terms, shall in each case refer to this Agreement as a whole and not to any particular clause, paragraph, sentence, schedule or other subdivision of this Agreement.
- 1.2.7 references to a “**subsidiary**” or “**holding company**” shall have the same meaning as defined in section 2 of the Companies (WUMP) Ordinance and in sections 13 and 15 of the Companies Ordinance (as the case may be).
- 1.2.8 references to an “**associate**” or a “**controlling shareholder**” shall have the same meaning as defined in Rule 1.01 of the Listing Rules.
- 1.2.9 references to a “**certified true copy**” or “**certified true copies**” shall mean a copy or copies certified as a true copy by a Director or the secretary of the Company or the counsel for the Company.
- 1.2.10 references to “**including**” shall mean including without limitation.
- 1.2.11 any statement qualified by the expression “**to the best knowledge of the Company**”, “**to the knowledge of the Company**”, or any similar expression shall be deemed to include an additional statement that it has been made after due and careful inquiry by the directors, supervisors or senior management of the relevant person.
- 1.2.12 reference to the singular includes a reference to the plural and *vice versa* and reference to any gender includes a reference to all other genders.

1.2.13 reference to any Recital, Clause or Schedule is to a recital, clause or schedule (as the case may be) of or to this Agreement.

1.2.14 All references to times and dates are references to Hong Kong times and Hong Kong dates, respectively.

1.3 **Recitals and Schedules:** The Recitals and Schedules form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement, and any reference to this Agreement shall include the Recitals and the Schedules.

1.4 **Headings:** Headings to Clauses and Schedules are for convenience only and have no legal effect.

## 2. CONDITIONS

2.1 **Conditions precedent:** The obligations of the Joint Sponsors under this Agreement are conditional on the following conditions being satisfied:

2.1.1 the Joint Sponsors receiving in form and substance reasonably satisfactory to them (i) the documents listed in Part A of Schedule 2 by not later than 9:00 p.m. on the day immediately prior to the Listing Document Date (except as otherwise stated therein) and (ii) the documents listed in Part B of Schedule 2 by not later than 9:00 p.m. on the Business Day immediately prior to the Listing Date, or such later time and/or date as the Joint Sponsors may agree;

2.1.2 the Scheme becoming unconditional and effective in accordance with their terms;

2.1.3 Admission having occurred and becoming effective on or before the Listing Date (or such later date as the Joint Sponsors may agree) and Admission not subsequently having been revoked prior to the commencement of trading of the H Shares on the Stock Exchange; and

2.1.4 all of the waivers or exemptions as stated in the Listing Document to be granted by the Stock Exchange or the SFC are granted and are not otherwise revoked, withdrawn, amended or invalidated.

2.2 **Procure fulfilment:** The Company undertakes to the Joint Sponsors to use its best efforts to procure the fulfilment of the Conditions on or before the relevant time or date specified therefor and, in particular, shall furnish such information, supply such documents, pay such fees, give such undertakings and do all acts and things as may be reasonably required by the Joint Sponsors, the Stock Exchange and the SFC for the purposes of or in connection with the Listing and the fulfilment of such Conditions.

2.3 **Conditions not satisfied:** Without prejudice to Clauses 2.4 and 6, if any of the Conditions has not been fulfilled in accordance with the terms hereof on or before the date or time specified therefor without any subsequent extension of time or waiver or modification in accordance with the terms hereof, this Agreement shall terminate with immediate effect and the provisions of Clause 7.1(g) shall apply.

- 2.4 **Extension:** The Joint Sponsors may, in their absolute discretion at any time, waive any or all of the conditions set out in Clause 2.1 or extend the deadline for the satisfaction of such conditions by such number of days or in such manner as they may determine.
- 2.5 **No waiver in certain circumstances:** The Joint Sponsors' consent to or knowledge of any amendments / supplements to the Listing Document will not (i) constitute a waiver of any of the Conditions; or (ii) result in any loss of their rights to terminate this Agreement. For the avoidance of doubt, the Joint Sponsors are independent of each other and any consent to, or knowledge of one Joint Sponsor of any amendments / supplements to the Listing Document will not (i) constitute a waiver of any of the Conditions; or (ii) result in any loss of the other Joint Sponsor's rights to terminate this Agreement.

### 3. APPOINTMENTS

- 3.1 **Joint Sponsors:** The Company hereby confirms and acknowledges its appointment, to the exclusion of all others, of the Joint Sponsors as the joint sponsors in respect of the Company's application for the Admission.
- 3.2 **Severall obligations:** Any transaction carried out by any of the appointees pursuant to Clauses 3.1 shall constitute a transaction carried out at the request of the Company and as its agent and not on account of or for any other such appointee or their respective Affiliates. None of the appointees pursuant to Clauses 3.1, shall be liable for any failure of any of the other appointees to perform their respective obligations and no such failure shall affect the right of any of the other appointees to enforce the terms of this Agreement. Notwithstanding the foregoing, each of the appointees under Clause 3.1 shall be entitled to enforce any or all of its rights under this Agreement either alone or jointly with the other appointee. If any appointee delegates any of its relevant rights, duties, powers and discretions in such manner and on such terms as it think fit to any one or more of its Affiliates so long as such Affiliates are permitted by applicable Laws to discharge the duties conferred upon them by such delegation, each of the appointee shall remain liable for all acts and omissions of any of its Affiliates to which it delegates relevant rights, duties, powers and discretions.
- 3.3 **Independence:** The Company acknowledges and agrees that the appointment of the Joint Sponsors as joint sponsors to the Introduction is independent of the appointment of the Financial Advisers to the Privatization.
- 3.4 **No fiduciary duties:** The Company acknowledges and agrees that each of the Joint Sponsors is acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the Listing and in no event do the parties intend that the Joint Sponsors act or be responsible as a fiduciary to the Company, its directors, management, shareholders in connection with any activity that the Joint Sponsors may undertake or have undertaken in furtherance of the Listing. In addition, each of the Joint Sponsors (save solely to the extent required by the Listing Rules) is not advising the Company as to any legal, Tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the Introduction, and each of the Joint

Sponsors shall have no responsibility or liability to the Company with respect thereto. Any review by each of the Joint Sponsors of the Company, the transactions contemplated by this Agreement or other matters relating to such transactions shall be performed solely for the benefit of the relevant Joint Sponsor and shall not be on behalf of the Company. The Company waives, to the full extent permitted by Laws, any claims it may have against each of the Joint Sponsors for any breach or alleged breach of fiduciary, advisory or similar duty arising in any way from the transactions contemplated by this Agreement or otherwise by the Introduction or any process or matters leading up to such transactions.

**3.5 No liability for the Relevant Documents:** None of the appointees pursuant to Clause 3.1 and the Indemnified Parties shall have any liability in respect of:

3.5.1 any omission of information from the Listing Document, the Scheme Document, and/or the Formal Notice or any information or statement of fact or opinion contained therein being untrue, incorrect or misleading, for which the Company and/or the Directors (as the case may be) are solely responsible, except for any written information provided by such appointees and the Indemnified Parties specifically and solely related to their names, logos and addresses for the inclusion in the Listing Document and the Scheme Document; and

3.5.2 any Loss to any person arising from any transaction carried out by it pursuant to this Agreement and the Mandate Letters, and, notwithstanding anything contained in this Agreement and the Mandate Letters, each Indemnified Party shall be entitled pursuant to the indemnities contained in Clause 6 to recover any Loss incurred or suffered as a result of or in connection with any of the foregoing matters.

**4. FEES AND EXPENSES**

4.1 In consideration of the Joint Sponsors agreeing to act as the joint sponsors of the Introduction, the Company shall pay to the Joint Sponsors such fees, expenses and costs and in such manner as set out in the Mandate Letters. The taxes in relation to such fees, expenses and costs shall be paid in such manner as set out in the Mandate Letters.

**5. REPRESENTATIONS AND WARRANTIES**

5.1 **Warranties:** The Company represents, warrants, agrees and undertakes with respect to each of the Warranties set out in Schedule 1 to the Joint Sponsors in the terms thereof as at the date of this Agreement, and the Company acknowledges that each of the Joint Sponsors is performing their respective duties and roles as joint sponsors to the Introduction in reliance upon the Warranties. Each Warranty shall be construed separately and independently and shall not be limited or restricted by reference to or inference from the terms of any other of the Warranties or any other term of this Agreement. Where a Warranty refers to a document that has not yet been published, or an event that has not yet occurred, it shall be deemed to refer to such document when it is published, or event when it occurs, as applicable.

5.2 **Warranties repeated:** The Warranties are given on and as at the date of this Agreement with respect to the facts and circumstances subsisting as at the date of this Agreement. In addition, the Warranties shall be deemed to be repeated at the time of:

5.2.1 the Listing Document Date;

5.2.2 immediately prior to the Court Meeting;

5.2.3 the Scheme Effective Date;

5.2.4 8:00 a.m. on the Listing Date; and

5.2.5 immediately prior to commencement of dealings in the H Shares on the Main Board of the Stock Exchange,

in each case with reference to the facts and circumstances then existing.

5.3 **Full force:** The Warranties shall remain in full force and effect notwithstanding completion of all matters and arrangements referred to in or contemplated by this Agreement. Notwithstanding that any of the Joint Sponsors has conducted investigation or inquiry on or may have knowledge with respect to the information given under the relevant Warranties, the rights of the Joint Sponsors under this Clause 5 shall not be prejudiced by such investigation and/or inquiry or knowledge. If an amendment or supplement to any of the Listing Document and the Formal Notice is announced, issued, published, distributed or otherwise made available after the date hereof pursuant to Clause 5.5 or otherwise, the Warranties relating to any such documents given pursuant to this Clause 5 shall be deemed to be repeated on the date of such amendment or supplement and when so repeated, the Warranties relating to any such documents shall be read and construed subject to the provisions of this Agreement as if the references therein to such documents means such documents when read together with such amendment or supplement.

5.4 **Undertakings:** The Company hereby undertakes not to and shall procure its Affiliates not to:

5.4.1 do or cause or (insofar as the same is reasonably within its ability) permit to be done or omit to do (and shall procure that no member of the Group shall do or cause or permit to be done or omit to do) any act or thing at any time on or prior to the Listing Date which renders any of the Warranties given or to be given by it untrue, incorrect, inaccurate or misleading;

5.4.2 do or omit to do anything which could materially and adversely affect:

(a) the Introduction;

(b) the implementation of the Scheme;

(c) the payment in full of the Cash Payment by HEG; and

(d) the implementation of the EB-to-CB Proposal; and

5.4.3 take any steps which, in the opinion of any Joint Sponsor, would be materially inconsistent with any expression of policy or intention or conditions set forth in the Listing Document, the Formal Notice, the Scheme Document and/or the EB-to-CB Proposal.

Except for the Listing Document, the Scheme Document, the EB-to-CB Proposal and the Formal Notice or except as otherwise provided pursuant to this Agreement and the Mandate Letters or except as required by the Laws or regulator(s), the Company undertakes that it shall not, without the prior written consent of the Joint Sponsors and the Financial Advisers, issue, publish, distribute or otherwise make available any document, announcement, material or information in connection with the Introduction and the Privatization (including any supplement or amendment thereto).

5.5 **Remedial action and announcements:** The Company shall notify the Joint Sponsors promptly if at any time, by reference to the facts and circumstances then subsisting, on or prior to the last to occur of the dates on which the Warranties given pursuant to the provisions of Clause 5.2, to the best knowledge of the Company after due and careful enquiry, (i) any event shall occur or any circumstance shall exist which renders or could render untrue or inaccurate or misleading in any respect any of the Warranties given by it or gives rise or could give rise to a claim under any of the indemnities as contained in and given by the Company pursuant to this Agreement, or (ii) any event shall occur or any circumstance shall exist which requires or could require the making of any change to any of the Listing Document, the Scheme Document and the Formal Notice so that any such documents would not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when any such documents were delivered, not misleading, or (iii) it shall become necessary or desirable for any other reason to amend or supplement any of the Listing Document, the Scheme Document and the Formal Notice, and, in each of the cases described in clauses (i) through (iii) above, the Company, at its own expense, shall promptly take such remedial action as may be reasonably required by the Joint Sponsors, including promptly preparing, announcing, issuing, publishing, distributing or otherwise making available, at the Company's expense, such amendments or supplements to any of the Listing Document, the Scheme Document and the Formal Notice as the Joint Sponsors may reasonably require.

5.6 **Notice of breach of Warranties:** If at any time, by reference to the facts and circumstances then subsisting, on or prior to the Listing Date, any matter or event comes to the attention of the Company as a result of which:

5.6.1 any of the Warranties, if repeated immediately after the occurrence of such matter or event, would be untrue, inaccurate, incorrect or misleading or any of the undertakings given by the Company is breached;

5.6.2 may give rise to a claim under any of the indemnities as contained in, or given pursuant to, this Agreement;

- 5.6.3 may render untrue or misleading any statement, whether of fact or opinion, contained in the Listing Document and/or the Formal Notice if the same were issued immediately after the occurrence of such matter or event; and
- 5.6.4 may result in the Scheme not being implemented in the manner as set forth in the Scheme Document,

the Company shall forthwith notify and consult the Joint Sponsors in writing.

If any matter or event referred to in this Clause 5.6 shall have occurred, nothing herein shall prejudice any rights that any Joint Sponsor may have in connection with the occurrence of such matter or event. With respect to the Joint Sponsors, if any matter or event referred to in this Clause 5.6 shall have occurred, the Joint Sponsors remain entitled to all rights accorded to them under Clause 7.

- 5.7 **Knowledge:** A reference in this Clause 5 or in Schedule 1 to the Company's knowledge, information, belief or awareness or any similar expression shall be deemed to include an additional statement that it has been made after due and careful enquiry and that the Company has used its best endeavors to ensure that all information given in the relevant Warranty is true, complete and accurate in all respects. Notwithstanding that any of the Joint Sponsors has knowledge or has conducted investigation or enquiry with respect to the information given under the relevant Warranty, the rights of the Joint Sponsors under this Clause 5 shall not be prejudiced by such knowledge, investigation and/or enquiry.
- 5.8 **Successors:** The obligations of the Company under this Agreement shall be binding on its successors in title.
- 5.9 **Release of obligations:** Any liability to the Joint Sponsors or any of them hereunder may in whole or in part be released, compounded or compromised and time or indulgence may be given by the Joint Sponsors or any of them as regards any person under such liability without prejudicing the rights of the Joint Sponsors or any of them against any other person under the same or a similar liability.
- 5.10 **Consideration:** The Company has entered into this Agreement, and agreed to give the representations, warranties and undertakings herein, in consideration of the Joint Sponsors agreeing to enter into this Agreement and perform their roles and duties in accordance with the terms set out herein.

## 6. INDEMNITIES

- 6.1 **Indemnity:** The Company undertakes to each of the Joint Sponsors, for itself and on trust for its other Indemnified Parties (as defined below), to indemnify, hold harmless and keep fully indemnified each of the Joint Sponsors and each of their respective Affiliates and any of their and their Affiliates' respective representatives, partners, directors, supervisors, officers, employees, assignees, successors and agents (collectively, the "**Indemnified Parties**" and individually, an "**Indemnified Party**") (on an after-Tax basis) against:



- (i) all actions, suits, claims (whether or not any such claim involves or results in any actions or proceedings), demands, investigations, judgment, awards and proceedings, joint or several, from time to time instituted, made or brought or threatened or alleged to be instituted, made, brought or threatened against or otherwise involve (together the “**Actions**”); and
- (ii) all losses, liabilities, damages, payments, expenses (including, without limitation, reasonable legal expenses and Taxes (including, without limitation, stamp duty and any penalties and/or interest arising in respect of any Taxes)), costs and charges (including, without limitation, all payments, expenses, costs or charges suffered, made or incurred arising out of, in relation to or in connection with the investigation, dispute, defense or settlement of or response to any such Actions or the enforcement of any such settlement or any judgment obtained in respect of any such Actions) (together, the “**Losses**”) which may be made or incurred or suffered by,

an Indemnified Party (with such amount of indemnity to be paid to the relevant Joint Sponsor to whom the Indemnified Party is related to cover all the Actions against and Losses suffered, made or incurred by such Indemnified Party) arising out of, in relation to or in connection with the Introduction, or the Admission, including, without limitation:

- 6.1.1 the performance by any of the Joint Sponsors of their respective obligations or roles under this Agreement, the Mandate Letters, the Listing Document or the Formal Notice or otherwise in connection with the Introduction;
- 6.1.2 the issue, publication, distribution, use or making available of any of the Listing Document, the Formal Notice and/or any notices, announcements, advertisements, communications, documents or any listing materials whatsoever arising out of, in relation to or in connection with the Introduction (whether or not approved by the Joint Sponsors), and, in each case, any supplement or amendment thereto;
- 6.1.3 the issue of H Shares by the Company under the Listing Document;
- 6.1.4 the act or omission of the Company in relation to the Introduction;
- 6.1.5 the execution, delivery or performance of this Agreement and the Mandate Letters by the Company;
- 6.1.6 any estimate, forecast, statement or expression of opinion, intention, expectation or any other information contained in any of the Listing Document, the Formal Notice and/or any notices, announcements, advertisements, communications, documents or any listing materials whatsoever arising out of, in relation to or in connection with the Company, the Introduction (whether or not approved by the Joint Sponsors), or in each case, any supplement or amendment thereto, being or alleged to be untrue, incomplete, inaccurate or misleading in any material respect or based on unreasonable assumptions, or omitting or being alleged to have omitted to have taken account of a material fact necessary in order to make it not misleading;

- 6.1.7 any breach or alleged breach on the part of the Company of any of the provisions of the Articles of Association or this Agreement or the Mandate Letters or an action or omission of the Company or any of its respective subsidiaries, directors, supervisors officers or employees (as the case may be) resulting in a breach of any of the provisions of this Agreement or the Mandate Letters;
- 6.1.8 any of the Warranties given by the Company being untrue, incorrect, inaccurate, misleading or having been breached in any respect or being alleged to be untrue, incorrect, inaccurate, misleading or alleged to have been breached in any respect;
- 6.1.9 any breach or alleged breach of the Laws of any country or territory resulting from the distribution of any of the Listing Document, the Formal Notice and/or any notices, announcements, advertisements, communications, documents or listing material whatsoever arising out of, in relation to or in connection with the Company, the Introduction, (whether or not approved by the Joint Sponsors);
- 6.1.10 any failure or alleged failure by any of the Company, the Controlling Shareholder, the Directors and Supervisors to comply with their respective obligations and duties under the Listing Rules, the Takeovers Code, the Articles of Association or under Laws;
- 6.1.11 the breach or alleged breach by any member of the Group of the Listing Rules, the Takeovers Code or Laws;
- 6.1.12 the Introduction and the Privatization failing or being alleged to fail to comply with the requirements of the Stock Market Listing Rules, the Listing Rules, the Takeovers Code or any Laws of any applicable jurisdiction, or any condition or term of any Approvals in connection with the Introduction and the Privatization;
- 6.1.13 any Actions, investigation, governmental or regulatory investigation or proceeding being instigated against the Company or any of the Directors which is or will be adverse to, or affect, the business or financial or trading position or prospects of the Group taken as a whole;
- 6.1.14 any investigation or proceeding by or before any Authority or any agency or body, commercial or otherwise having commenced or been threatened against the Company, or the settlement of any such investigation or proceeding;
- 6.1.15 any breach by the Company or the Controlling Shareholder of the terms and conditions of the Scheme or the Introduction; or
- 6.1.16 any other matter arising in connection with the Scheme or the Introduction.

The indemnity provided for in this Clauses 6.1 shall not apply for any loss or damage arising out of, in relation to or in connection with the performance by the Joint Sponsors of their liabilities and roles in Clause 6.1.1 and finally judicially determined by a court of competent jurisdiction or a properly constituted arbitral panel (as the case may be) to have

been caused primarily by the gross negligence, wilful default or fraud of the Indemnified Party.

- 6.2 **No claims against Indemnified Parties:** No Action shall be brought against any Indemnified Party by, and no Indemnified Party shall be liable to, the Company to recover any Loss which the Company may suffer or incur by reason of or in any way arising out of the carrying out by any of the Indemnified Parties of any act in connection with the transactions contemplated herein and in the Listing Document, the performance by the Joint Sponsors of their obligations hereunder or otherwise in connection with the offer, issue or delivery of the H Shares or the preparation or despatch of the Listing Document, other than for direct actual damages resulting from the gross negligence, wilful misconduct or fraud of such indemnified party as determined by a final and no-appealable judgment of a court of competent jurisdiction or a properly constituted arbitral panel (as the case may be), insofar as none of such damages arise out of or is based upon any untrue statement or alleged untrue statement of a fact contained in the Listing Document or arises out of or is based upon any omission or alleged omission to state a fact in the Listing Document.
- 6.3 **Notice of claims:** If the Company becomes aware of any claim which may give rise to a liability under the indemnity provided under this Clause 6, it shall, subject to any restrictions imposed by any Laws or obligation of confidentiality, promptly give notice thereof to the Joint Sponsors, in writing with reasonable details thereof.
- 6.4 **Conduct of claims:** If any Action is instituted in respect of which the indemnity provided for in this Clause 6 may apply, such Indemnified Party shall, subject to any restrictions imposed by any Laws or obligation of confidentiality, notify the Company of the institution of such Action, provided, however, that the omission to so notify the Company shall not relieve the Company from any liability which it may have to any Indemnified Party under this Clause 6 or otherwise. The Company may participate at its expense in the defense of such Actions including appointing counsel at its expense to act for it in such Actions; provided, however, except with the consent of the Joint Sponsors, (on behalf of any Indemnified Parties), that counsel to the Company shall not also be counsel to the Indemnified Parties. Unless the Joint Sponsors, (on behalf of any Indemnified Parties) consent to counsel to the Company acting as counsel to such Indemnified Parties in such Action, the Joint Sponsors, (on behalf of such Indemnified Parties) shall have the right to appoint their own separate counsel (in addition to any local counsel) in such Action. The reasonable fees and expenses of separate counsel (in addition to local counsel) to any Indemnified Parties shall be borne by the Company and paid as incurred.
- 6.5 **Settlement of claims:** The Company shall not, without the prior written consent of the Indemnified Parties, settle or compromise or consent to the entry of any judgment with respect to any Action, commenced or threatened, or any claim whatsoever in respect of which indemnification could be sought under this Clause 6 (whether or not the Indemnified Parties are actual or potential parties thereto) unless such settlement, compromise or consent to the entry of judgment includes and must include an unconditional release of such Indemnified Party, in form and substance satisfactory to such Indemnified Party, from all liability on claims that are the subject matter of such Action and does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of

such Indemnified Party, in which case the Company shall give the Indemnified Persons reasonable prior written notice of such settlement, compromise or consent to the entry of judgment. Any settlement or compromise by any Indemnified Party in relation to any claim shall be without prejudice to, and without (other than any obligations imposed on it by Laws) any accompanying obligation or duty to mitigate the same in relation to, any claim, action or demand it may have or make against the Company under this Agreement. The Indemnified Parties are not required to obtain consent from the Company with respect to such settlement or compromise. The rights of the Indemnified Parties herein are in addition to any rights that each Indemnified Party may have under Laws or otherwise and the obligations of the Company herein shall be in addition to any liability which the Company may otherwise have. The Company shall be liable for any settlement or compromise by any Indemnified Party of, or any judgment consented to by any Indemnified Party with respect to any pending or threatened Action, effected with the prior consent of the Company, which consent shall not be unreasonably withheld or delayed and the Company agrees to indemnify and hold harmless the Indemnified Party from and against any loss or liability by reason of such settlement, or compromise or consent judgement.

- 6.6 **Arrangements with advisers:** If the Company enters into any agreement or arrangement with any advisor for the purpose of or in connection with the Introduction, the terms of which provide that the liability of the advisor to the Company or any other person is excluded or limited in any manner, and any of the Indemnified Parties may have joint and/or several liability with such advisor to the Company or to any other person arising out of the performance of its duties under this Agreement, the Company shall:
- 6.6.1 not be entitled to recover any amount from any Indemnified Party which, in the absence of such exclusion or limitation, the Company would have been entitled to recover;
  - 6.6.2 indemnify the Indemnified Parties in respect of any increased liability to any third party which would not have arisen in the absence of such exclusion or limitation; and
  - 6.6.3 take such other action as the Indemnified Parties may reasonably require to ensure that the Indemnified Parties are not prejudiced as a consequence of such agreement or arrangement.
- 6.7 **Costs:** For the avoidance of doubt, the indemnity under this Clause 6 shall cover all costs, charges and expenses which any Indemnified Party may suffer or incur or pay in disputing, settling or compromising, or enforcing any settlement, compromise or judgment obtained with respect to, any Action to which the indemnity may relate and in establishing its right to indemnification under this Clause 6.
- 6.8 **Payment on demand:** All amounts subject to indemnity under this Clause 6 shall be paid by the Company as and when they are incurred within 30 Business Days of a written notice demanding payment being given to the Company by or on behalf of an Indemnified Party.

- 6.9 **Payment free from counterclaims/set-offs:** All payments payable by the Company under this Clause 6 shall be made gross, free of any right of counterclaim or set off and without deduction or withholding of any kind, other than any deduction or withholding required by law. If the Company makes a deduction under this Clause 6, the sum due from the Company shall be increased to the extent necessary to ensure that, after the making of any deduction or withholding, the Company which is entitled to such payment receives a sum equal to the sum it would have received had no deduction or withholding been made.
- 6.10 **Taxation:** If a payment under this Clause 6 will be or has been subject to Taxation, the Company shall pay the relevant Indemnified Party on demand the amount (after taking into account any Taxation payable in respect of the amount and treating for these purposes as payable any Taxation that would be payable but for a relief, clearance, deduction or credit) that will ensure that the relevant Indemnified Party receives and retains a net sum equal to the sum it would have received had the payment not been subject to Taxation.
- 6.11 **Several liabilities:** Liabilities of the Joint Sponsors, under this Agreement shall be several (not joint nor joint and several). None of the Joint Sponsors, shall be liable for any failure of any of the other Joint Sponsor, (as the case may be) to perform its respective obligations and no such failure shall affect the right of the other Joint Sponsor, to enforce this Clause 6.
- 6.12 **No restrictions on other claims:** The provisions of the indemnities under this Clause 6 are not affected by any other terms set out in this Agreement or the Mandate Letters and do not restrict the rights of the Indemnified Parties to claim damages on any other basis.
- 6.13 **Full force:** This Clause 6 supersedes the indemnification provisions of the Mandate Letters and shall remain in full force and effect notwithstanding the completion of the Introduction, in accordance with the terms of this Agreement or the Mandate Letters or the rescission or termination of this Agreement or the Mandate Letters.
- 6.14 **Rights of Indemnified Parties:** Each of the Indemnified Parties that is not a party to this Agreement shall have the right under the Contracts (Rights of Third Parties) Ordinance (which shall apply to this Agreement only to the extent provided in this Clause 6.14) to enforce his or its rights under this Clause 6. For the avoidance of doubt, the relevant Indemnified Parties are not required to obtain consent, written or otherwise, of the Joint Sponsors before such person may bring proceedings to enforce the terms of this Clause 6.

## 7. TERMINATION

- 7.1 **Termination Events:** The Joint Sponsors may in their absolute discretion, after prior consultation with the Company, by giving a written notice to the Company, terminate this Agreement with immediate effect if prior to the Scheme becoming effective which is expected to be 18 December 2020 in Bermuda time:
- (a) any relevant government, governmental, quasi-governmental, statutory or regulatory body, court or agency having granted any order or made any decision that would make the Introduction or the Privatisation Proposal (as defined in the Scheme Document) void, unenforceable or illegal, or that would restrict or prohibit the implementation of, or impose any additional

material conditions or obligations with respect to, the Introduction or the Privatisation Proposal (other than such order(s) or decision(s) that would not have a material adverse effect on the legal ability of the Company to proceed with the Introduction or the Privatisation Proposal); or

- (b) any event having occurred which would make the Introduction, the Privatisation Proposal or the cancellation of the Scheme Shares void, unenforceable or illegal or which would prohibit the implementation of the Introduction or the Privatisation Proposal or impose any additional material conditions or obligations with respect to the Introduction, the Privatisation Proposal or any part thereof or on the cancellation of the Scheme Shares (other than such event(s) that would not have a material adverse effect on the legal ability of the Company to proceed with the Introduction or the Privatisation Proposal); or
- (c) any material adverse change to the business, financial, trading position or listing status of the Group as a whole having occurred, provided that, for the purpose of this sub-paragraph (c), material adverse change does not include any material adverse change (i) which do not have a material and significantly disproportionate impact on the business, financial or trading position of the Group as a whole; and (ii) arising or resulting directly from COVID-19 or any change in the industry practices or policies in the material markets in which the Group operates and which practices or policies are of general application to the industry in which the Group is engaged in; or
- (d) save in connection with the implementation of the Privatisation Proposal, the listing of the shares of HEG on the Stock Exchange having been withdrawn, or any indication having been received from the SFC and/or the Stock Exchange, to the effect that the listing of the shares of HEG on the Stock Exchange is or is likely to be withdrawn; or
- (e) any breach of any of the warranties or undertakings given by the Company under this Agreement or a material breach of any of the other obligations imposed upon the Company under this Agreement, the effect of which, in the sole opinion of the Joint Sponsors, makes or will make or is likely to make it inadvisable, inexpedient, impracticable, impossible or illegal to proceed with the Introduction or would materially and significantly prejudice the success of dealings in the H Shares in the market; or
- (f) any statement or other information contained in the Listing Document, the Formal Notice and any notices, announcements, advertisements, communications, documents or any listing materials whatsoever arising out of, in relation to or in connection with the Introduction was at their respective dates or has become or been discovered to be untrue, incorrect, inaccurate or misleading in any material respect, or that any matter has arisen or has been discovered which would have constitutes a material

omission from the Listing Document, which, makes it or will likely make it impracticable or inadvisable to proceed with the Introduction; or

- (g) any event having occurred which could result in the termination of the facility agreement dated July 31, 2020 between Haier Electronics Group Co., Ltd. and DBS Bank Ltd., Hong Kong Branch or the reduction or cancellation of the commitment therein, provided however, if alternative facility arrangements can be arranged before the Scheme becomes effective, Joint Sponsors' termination right under this sub-paragraph (g) shall not be exercised.

7.2 **Effect of termination:** Upon termination of this Agreement pursuant to this Clause 7, but subject to Clause 2.3, each of the parties hereto shall cease to have any rights or obligations under this Agreement except that the Surviving Provisions and any rights or obligations that may have accrued under this Agreement prior to such termination shall survive such termination.

## 8. NON-ISSUE AND NON-DISPOSAL UNDERTAKINGS

8.1 **Lock-up on the Company:** The Company hereby undertakes to each of the Joint Sponsors that, save as disclosed in the Listing Document (including any issue of H Shares upon the conversion of the HSH Convertible Bonds), at any time from the date of this Agreement until the expiry of six months from the Listing Date (the “**First Six-Month Period**”), the Company shall not, and shall procure that each other member of the Group shall not, without the prior written consent of the Joint Sponsors and unless in compliance with the requirements of the Listing Rules:

8.1.1 offer, allot, issue, sell, accept subscription for, contract or agree to allot, issue or sell, assign, grant or sell any option, warrant, right or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, or otherwise transfer or dispose of or create an Encumbrance over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in any H Shares or other shares or equity securities of the Company, or any interests in any of the foregoing (including, but not limited to, any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive, or any warrants or other rights to purchase, any shares or other equity securities of the Company) or deposit any H Shares or other shares or equity securities of the Company with a depository in connection with the issue of depository receipts; or

8.1.2 enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of subscription or ownership of any H Shares or other shares or equity securities of the Company or any interest in any of the foregoing (including any securities of which are convertible into or exchangeable or exercisable for, or represent the right to receive, or any warrants

or other rights to purchase, any H Shares or other shares or equity securities of the Company);

8.1.3 enter into any transaction with the same economic effect as any transaction specified in paragraph 8.1.1 or 8.1.2 above; or

8.1.4 offer to or agree to or announce any intention to effect any transaction specified in paragraph 8.1.1 or 8.1.2 above,

in each case, whether any of the transactions specified in paragraph 8.1.1, 8.1.2 or 8.1.3 above is to be settled by delivery of H Shares or such other equity securities of the Company, or in cash or otherwise (whether or not the issue of the H Shares or such other equity securities will be completed within the aforesaid period). In the event that, during the period of six months commencing on the date on which the First Six-Month Period expires (the “**Second Six-Month Period**”), the Company enters into any of the transactions specified in paragraph 8.1.1, 8.1.2 or 8.1.3 above or offers to or agrees to or announces any intention to effect any such transaction, the Company shall take all reasonable steps to ensure that such transaction, agreement or, as the case may be, announcement will not create a disorderly or false market in the securities of the Company.

8.2 **Maintenance of public float:** The Company agrees and undertakes that it shall not effect any purchase of H Shares, or agree to do so, which may reduce the holdings of H Shares held by the public (as defined in Rule 8.24 of the Listing Rules) below 15% on or before the date falling one year after the Listing Date, without first having obtained the prior written consent of the Joint Sponsors.

8.3 **Full force:** The undertakings in this Clause 8 shall remain in full force and effect notwithstanding completion of the Introduction and the matters and arrangements referred to in or contemplated by this Agreement.

## 9. FURTHER UNDERTAKINGS

9.1 Except for the Listing Document, the Scheme Document, the EB-to-CB Proposal and the Formal Notice, and except as otherwise provided in this Agreement or except as required by Laws or Authorities, the Company undertakes that it shall not, without the prior written approval of the Joint Sponsors, issue, publish, distribute or otherwise make available any document (including but not limited to any listing document), announcement, material or information in connection with the Introduction and the Privatization (including any amendment or supplement thereto).

9.2 Without prejudice to the foregoing obligations, the Company undertakes to each of the Joint Sponsors that it will do or procure to be done all other acts and things as may be reasonably required to be done by the Company or any member of the Group to give effect to the Introduction and the Privatization in accordance with the terms thereof.

9.3 The Company shall comply with the terms and conditions of the Introduction and the Privatization, all obligations imposed on the Company by the Companies Ordinance, the Companies (WUMP) Ordinance, the SFO, the Listing Rules, the Takeovers Code and the



Stock Market Listing Rules, and any relevant legislation or regulation, and all requirements of the Stock Exchange or any Authority in respect of or by reason of the matters contemplated by this Agreement and otherwise in connection with the Introduction and the Privatization including, but without limitation:

- 9.3.1 maintain a listing for and will refrain from taking any action that could jeopardize the listing status of, the Shares on the Main Board, and comply with the Listing Rules and all requirements of the Stock Exchange and the SFC, for at least one year after all of the Conditions have been fulfilled (or waived) except following a withdrawal of such listing which has been approved by the relevant shareholders of the Company in accordance with the Listing Rules or following an offer (within the meaning of the Takeovers Code) for the Company becoming unconditional;
- 9.3.2 delivering to the Stock Exchange as soon as practicable the declaration in the form set out in Appendix 5, Form F of the Listing Rules;
- 9.3.3 making available for inspection at the offices of Clifford Chance, 27/F, Jardine House, One Connaught Place, Central, Hong Kong from November 16, 2020 to November 30, 2020 (both dates inclusive) of copies of the documents referred to in the section headed “Documents Available for Inspection” in Appendix VIII to the Listing Document;
- 9.3.4 doing all such things as are necessary to ensure that Admission is obtained and not cancelled or revoked, including obtaining all necessary Approvals from and making all necessary filings with the Registrar of Companies in Hong Kong, the Stock Exchange, the SFC, the CSRC, the Supreme Court of Bermuda and other Authorities, as applicable;
- 9.3.5 if any material adverse change to the business, financial or trading position of the Group as a whole having occurred between Scheme becoming effective and 8:00 a.m. on the Listing Date, informing the Joint Sponsors and relevant Authorities of such material adverse changes, provided that, such undertaking shall not prejudice the Joint Sponsors’ right to inform the relevant Authorities of the same;
- 9.3.6 procuring that save as disclosed in the Scheme Document, no connected person (as defined in the Listing Rules) of the Company and that the relevant connected person to procure that none of their respective associates will itself (or through a company controlled by it), is entitled to receive any H Shares in the Privatization, either in its own name or through nominees, and if the Company shall become aware of any such entitlement of any of its connected person, controlled company or nominee, it shall forthwith notify the Joint Sponsors;
- 9.3.7 procuring that the audited accounts of the Company for its financial year ended December 31, 2020 will be prepared on a basis consistent with the accounting policies adopted for the purposes of the financial statements contained in the Accountants’ Report set out in Appendix I to the Listing Document;

- 9.3.8 continuing to (a) make and keep accurate books and records and (b) maintaining internal accounting controls (or implement additional internal accounting control measures) which provide assurance that the Company will satisfy its ongoing financial reporting obligations under the Listing Rules;
- 9.3.9 comply with the provisions of Chapter 13 of the Listing Rules and the provisions of the Hong Kong Codes on Takeovers and Mergers and Share Repurchases to the extent applicable;
- 9.3.10 complying with the Listing Rules, Part XIVA of the SFO or other requirements to announce and disseminate to the public any information required by the Stock Exchange, the SFC or any other Authority to be announced and disseminated to the public, provided that no such announcement which may have a material adverse impact on the Introduction or the rights, obligations or liabilities of the Joint Sponsors under this Agreement and the Mandate Letters or may otherwise have a material adverse impact on the reputation of the Joint Sponsors shall be issued by the Company without having been submitted to the Joint Sponsors for their review not less than three Business Days prior to such issuance or such shorter period of time as is necessary for the Company to avoid violation of any law or regulation applicable to it;
- 9.3.11 complying with the Listing Rules or other requirements in relation to supplemental listing documents that may have to be issued in respect of the Introduction;
- 9.3.12 providing to the Joint Sponsors and the Financial Advisers any such other resolutions, consents, authorities, documents, opinions and certificates which are relevant in the context of the Introduction and the Privatization owing to circumstances arising or events occurring after the date of this Agreement but before 8:00 a.m. on the Listing Date and as the Joint Sponsors and the Financial Advisers may reasonably require;
- 9.3.13 furnishing to the Joint Sponsors copies of the amendment or supplement to the Listing Document, if any;
- 9.3.14 using its reasonable effort to procure Haier Group to fulfil its undertakings to the Stock Exchange;
- 9.3.15 at all times adopting and upholding a securities dealing code on terms no less exacting than those set out in the “Model Code for Securities Transactions by Directors of Listed Issuers” in Appendix 10 to the Listing Rules and use its best endeavours to procure that the Directors uphold, comply and act in accordance with the provisions of the same;
- 9.3.16 so far as it is able and it remains lawful and proper for it to do so, complying with all the undertakings and commitments made by it or the Directors in the Listing Document; and

- 9.3.17 following the Listing, ensuring that it has sufficient foreign currency to meet payment of any dividends which may be declared in respect of the H Shares.
- 9.4 The Company hereby undertakes that it will not, and procure that no material subsidiaries of the Group will:
- 9.4.1 at any time after the date of this Agreement up to and including the date on which all of the Conditions are fulfilled or waived in accordance with this Agreement, do or omit to do anything which causes or can reasonably be expected to cause any of the Warranties to be untrue, inaccurate or misleading in any respect;
  - 9.4.2 on or prior to the Listing Date, enter into any commitment or arrangement which, in the reasonable opinion of the Joint Sponsors, will or may have an adverse effect on the Privatization and the Listing;
  - 9.4.3 on or prior to the Listing Date, take any steps which, in the reasonable opinion of the Joint Sponsors, are or will or may be materially inconsistent with any statement or expression, whether of fact, policy, expectation or intention, in the Listing Document, the Scheme Document and the EB-to-CB Proposal;
  - 9.4.4 at any time after the date of this Agreement up to and including the Listing Date, amend or agree to amend any constitutional document of the Company, including, without limitation, the Articles of Association and/or the bye-laws; or
  - 9.4.5 amend any of the terms of the appointments of the H Share Registrar without the prior written consent of the Joint Sponsors.
- 9.5 The Company undertakes to the Joint Sponsors to seek and obtain continuing compliance advice for the Company and its Directors as required by the Listing Rules and as stipulated or contemplated under the Compliance Advisor Agreement.
- 9.6 The Company hereby undertakes that it will not (and will procure that no other member of the Group will) until five months after the Listing Date, without consent from the Joint Sponsors, enter into any contract or commitment of an unusual nature or not in its ordinary and usual course of business which could materially and adversely affect the business or affairs of the Group as a whole.
- 9.7 The Company shall promptly provide full particulars thereof to the Joint Sponsors if, at any time up to or on the date falling five months after the Listing Date, there comes to the Company's attention that, there is a significant change which affects or is capable of affecting any information contained in the Listing Document, the Scheme Document, the EB-to-CB Proposal and/or the Formal Notice; or a significant new matter arises, the inclusion of information in respect of which would have been required in the Listing Document, the Scheme Document, the EB-to-CB Proposal and/or the Formal Notice had it arisen before any of them was issued, and, in connection therewith, further:
- 9.7.1 inform the Stock Exchange and/or the SFC of such change or matter if so required by the Joint Sponsors and the Financial Advisers;

- 9.7.2 at its expense, promptly prepare documentation containing details of such change or matter if so required by the Stock Exchange, the SFC, the Joint Sponsors or the Financial Advisers and in a form approved by the Joint Sponsors or the Financial Advisers, deliver such documentation through the Joint Sponsors or the Financial Advisers to the Stock Exchange or the SFC for approval and publish such documentation in such manner as the Stock Exchange, the SFC, the Joint Sponsors or the Financial Advisers may reasonably require;
- 9.7.3 at its expense, make all necessary announcements to the Stock Exchange and the press to avoid a false market being created in the H Shares; and
- 9.7.4 not issue, publish, distribute or make available publicly any announcement, circular, document or other communication relating to any such change or matter without the prior written consent of the Joint Sponsors and the Financial Advisers,

and for the purposes of this Clause 9.7, “**significant**” means significant for the purpose of making an informed assessment of the matters mentioned in Rule 11.07 of the Listing Rules.

- 9.8 The Company shall not, and shall procure that the Directors, the Supervisors and the employees of the Company shall not, and shall use its reasonable efforts to cause the Company and its subsidiaries to not, provide information concerning the Company and the Introduction which is not already included and is not reasonably expected to be included in the Listing Document, the EB-to-CB Proposal or the Scheme Document or is otherwise publicly available to any investment research analyst (other than the provision of information agreed upon by the Joint Sponsors and the Financial Advisers for the purpose of a transaction as contemplated under the Mandate Letters) during the period from the Listing Date until 40 days thereafter.
- 9.9 The Company undertakes to each of the Joint Sponsors that (a) it will not and it will procure that the other members of the Group will not, in connection with the Listing, finance or facilitate, directly or indirectly, activities or business with, or for the benefit of, or lend, contribute or otherwise make available any funds to, any persons or countries that are subject to or targeted by sanctions under any Sanctions Laws or otherwise enter into any transaction if doing so would cause any Relevant Person to violate or become a Sanctioned Target under any Sanctions Laws, or in any other manner that will result in a violation by any person (including any person or entity participating in the Listing, whether as sponsor, advisor, Scheme Shareholder or otherwise), solely by reason of participating in the Listing, of any Sanctions Laws; (b) after the Listing, it will make timely disclosures on the Stock Exchange’s website in accordance with the requirements of the Listing Rules, the Stock Exchange or the SFC if it believes that any of its or its Subsidiaries’ business transactions would put any Relevant Person at appreciable risk of being sanctioned under any Sanctions Laws and report its efforts on monitoring its business exposure to sanctions risks; (c) the Group will have in place adequate sanctions compliance policies and screening measures designed to ensure compliance with applicable Sanctions Laws; and (d) prior to Listing, if becomes aware of any non-compliance with any Sanctions Laws by the Company or any

other member of the Group, it will report the matter to the Joint Sponsors in a timely manner.

- 9.10 The Company undertakes to provide all such information known to it, or which ought on reasonable inquiry to be known to it, relating to the Group or itself or otherwise as may be required by the Joint Sponsors and the Financial Advisers in connection with the Introduction and the Privatization for the purposes of complying with any requirements of Laws, the Listing Rules or the Takeovers Code, or of the Stock Exchange, the SFC, the CSRC, the Supreme Court of Bermuda, the Shanghai Stock Exchange the Frankfurt Stock Exchange or the China Europe International Exchange.
- 9.11 The undertakings in this Clause 9 shall remain in full force and effect notwithstanding the completion of the Introduction and the Privatization and the matters and arrangements referred to or contemplated in this Agreement.

## 10. ANNOUNCEMENTS

- 10.1 **Restrictions on announcements:** No announcement concerning this Agreement, any matter contemplated herein or any ancillary matter hereto shall be made or dispatched by the Company (or by any of their respective directors, officers, employees, consultants, advisers or agents) during the period of six months from the date of this Agreement without the prior written approval of the Joint Sponsors and the Financial Advisers except in the event and to the extent that any such announcement is required by the Listing Rules, the Takeovers Code, applicable Laws or required by any securities exchange or regulatory or governmental body to which such party is subject or submits, wherever situated, including, without limitation, the Stock Exchange and the SFC, whether or not the requirement has the force of law and any such announcement so made by any of the parties shall be made only after consultation with the Joint Sponsors and the Financial Advisers, and after the Joint Sponsors and the Financial Advisers have had a reasonable opportunity to review and comment on the final draft and their respective comments (if any) have been fully considered by the issuers thereof.
- 10.2 **Full force:** The restriction contained in this Clause 10 shall remain in full force and effect notwithstanding the completion of the Introduction and the Privatization and the matters and arrangements referred to or contemplated in this Agreement. The Company shall procure compliance by the Group and its Affiliates with the provisions of this Clause 10.

## 11. NOTICES

- 11.1 **Language:** All notices or other communication delivered hereunder shall be in writing except as otherwise provided in this Agreement and shall be in the English language.
- 11.2 **Time of notice:** Any such notice shall be served either personally or by sending it by express mail or by facsimile machine. Any notice shall be deemed to have been served as follows:

11.2.1 if sent by personal delivery, upon delivery at the address of the relevant party; or

11.2.2 if sent by post, two days (if posted within Hong Kong) or five days (if posted outside of Hong Kong) after the date of posting; or

11.2.3 if sent by facsimile, when despatched with confirmed receipt as evidenced by the transmission report generated at the end of the transmission of such facsimile by the facsimile machine used for such transmission.

Any notice received or deemed to be received on a day which is not a Business Day shall be deemed to be received on the next Business Day.

11.3 **Details of contact:** The relevant address, email and facsimile number of each of the parties hereto for the purpose of this Agreement, subject to Clause 11.4, are as follows:

If to the Company

Address : Room 1901, 19/F, Lee Garden One  
33 Hysan Avenue, Causeway Bay  
Hong Kong

Haier Industrial Park  
Laoshan District, Qingdao  
Shandong Province, PRC

Fax : 0532-88931689  
For the attention of : Board of Directors

If to CICC

Address : 29/F One International Finance Centre  
1 Harbour View Street, Central  
Hong Kong

Email : IB\_Project\_128@cicc.com.cn  
Fax : +852 2872 2101  
For the attention of : Project 128

If to JPMFE

Address : 28/F Chater House  
8 Connaught Road Central  
Hong Kong  
Email : raymond.wc.lau@jpmorgan.com  
Fax : +852 3018 7478  
For the attention of : Raymond Lau

11.4 **Change of contact details:** A party may notify the other parties of a change to its relevant addressee, address, email or facsimile number for the purposes of Clause 11.3, provided that such notification shall only be effective on:

11.4.1 the date specified in the notification as the date on which the change is to take place;  
or

11.4.2 if no date is specified or the date specified is less than two Business Days after the date on which notice is given, the date falling two Business Days after notice of any such change has been given.

## 12. GOVERNING LAW; DISPUTE RESOLUTION; WAIVER OF IMMUNITY

- 12.1 **Governing law:** This Agreement, the arbitration agreement in this Clause 12, shall be governed by and construed in accordance with the laws of Hong Kong.
- 12.2 **Arbitration:** Subject to Clause 12.3 below, each party to this Agreement agrees, on behalf of itself and as agent for its respective affiliates, that any dispute, controversy or claim arising out of or relating to this Agreement or its subject matter, including its existence, validity, invalidity, termination or enforceability or any non-contractual obligation arising out of or in connection with it, shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (the “HKIAC”) in accordance with the HKIAC Administered Arbitration Rules (the “Rules”) in force when the notice of arbitration is submitted in accordance with the Rules. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be three. The arbitration proceedings shall be conducted in English. The rights and obligations of the parties to submit disputes to arbitration pursuant to this Clause shall survive the termination or cancellation of this Agreement or the completion of the Listing and the matters and arrangements referred to or contemplated in this Agreement. Any award of the tribunal shall be binding on the parties from the day it is made. Nothing in this Clause shall be construed as preventing a party from seeking conservatory or interim relief from any court of competent jurisdiction.
- 12.3 **Third party court or other proceedings:** Notwithstanding Clause 12.2 above, each of the Joint Sponsors and the Financial Advisers shall have the right in circumstances in which they become or are joined as a defendant or third party in any proceedings, to pursue claims against the Company in those proceedings (whether by way of a claim for an indemnity, contribution or otherwise).
- 12.4 **Service of documents:** Without prejudice to any other mode of service allowed under any relevant law or the Rules, each of the parties hereto irrevocably agrees that any writ, summons, or other notice of legal process or any documents relating to any arbitration or other proceedings pursuant to Clauses 12.2 or 12.3 above shall be sufficiently and effectively served on it if delivered in accordance with Clause 11.
- 12.5 **Waiver of immunity:** To the extent that in any proceedings in any jurisdiction (including arbitration proceedings), any member of the Group has or can claim for itself or its assets, properties or revenues any immunity (on the grounds of sovereignty or crown status or otherwise) from any action, suit, proceeding or other legal process (including arbitration proceedings), from set-off or counterclaim, from the jurisdiction of any court, from service of process, from attachment to or in aid of execution of any judgment, decision, determination, order or award including any arbitral award, or from other action, suit or proceeding for the giving of any relief or for the enforcement of any judgement, decision, determination, order or award including any arbitral award or to the extent that in any such proceedings there may be attributed to itself or its assets, properties or revenues any such

immunity (whether or not claimed), the Company hereby irrevocably waives and agrees not to plead or claim any such immunity in relation to any such proceedings.

### 13. CONFIDENTIALITY

13.1 **Strict Confidentiality:** Subject to Clause 13.2, each party shall, and shall procure that their respective directors, supervisors, officers and agents will, treat as strictly confidential all information received or obtained as a result of entering into or performing this Agreement which relates to:

13.1.1 the provisions of this Agreement;

13.1.2 the negotiations relating to this Agreement;

13.1.3 the subject matter of this Agreement; or

13.1.4 the other parties.

13.2 **Restrictions on Confidentiality:** Any party may disclose, or permit its directors, supervisors, officers and agents to disclose, information which would otherwise be confidential, if and to the extent:

13.2.1 required by Laws (including, without limitation, the requirement to disclose the material contracts entered into by the Company pursuant to the Listing Rules);

13.2.2 required by any Authority, wherever situated, including, without limitation, the Stock Exchange, the SFC, the Registrar of Companies in Hong Kong, the CSRC, the Supreme Court of Bermuda, the Shanghai Stock Exchange, the Frankfurt Stock Exchange and the China Europe International Exchange whether or not the requirement for information has the force of law;

13.2.3 disclosed to the professional advisors and auditors of such party, subject to duties of confidentiality;

13.2.4 the information is contained in the Listing Document, the EB-to-CB Proposal or Scheme Document or has come into the public domain through no fault of such party; or

13.2.5 the other parties have given prior written approval to the disclosure, such approval not to be unreasonably withheld or delayed.

13.3 **Full force:** The restrictions contained in this Clause 13 shall continue to apply notwithstanding termination of this Agreement and after completion of the Introduction and the Privatization without limit in time.



## 14. MISCELLANEOUS

- 14.1 **Time:** Any time, date or period specified in this Agreement may be extended by agreement among the Company and the Joint Sponsors and each of the other parties confirms that it shall be bound accordingly. Subject to the above, time shall be of the essence of this Agreement.
- 14.2 **Illegality, invalidity or unenforceability:** If, at any time, any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the Laws of any jurisdiction, neither the legality, validity or enforceability in that jurisdiction of any other provisions hereof nor the legality, validity or enforceability of that or any other provision(s) hereof under the Laws of any other jurisdiction shall in any way be affected or impaired thereby.
- 14.3 **Assignment:** No party hereto shall assign or transfer all or any part of any benefit of, or interest or right in, this Agreement, or any benefit, interest, right or obligation arising under this Agreement without the consent of the other parties hereto, provided that the Joint Sponsors and the Financial Advisers may at any time assign to any of their respective Affiliates, any person who has the benefit of the indemnities in Clause 6 and any of their respective successor the benefits of and interests and rights in or arising under this Agreement. Obligations under this Agreement shall not be assignable.
- 14.4 **Release or compromise:** Each party may release, compound or compromise, in whole or in part, the liability of, the other parties (or any of them) or grant time or other indulgence to the other parties (or any of them) without releasing or reducing the liability of the other parties (or any of them) or any other party hereto, and without prejudicing the rights of the parties hereto against any other person under the same or a similar liability.
- 14.5 **Exercise of rights:** No delay or omission on the part of any party hereto in exercising any right, power or remedy under this Agreement shall impair such right, power or remedy or operate as a waiver thereof. The single or partial exercise of any right, power or remedy under this Agreement shall not preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The rights, power and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers and remedies (whether provided by Laws or otherwise).
- 14.6 **No partnership:** Nothing in this Agreement shall be deemed to give rise to a partnership or joint venture, nor establish a fiduciary or similar relationship, between the parties hereto.
- 14.7 **Entire agreement:** Each party acknowledges that:
- 14.7.1 this Agreement supersedes and extinguishes any prior drafts, agreements, undertakings, understanding, representations, warranties and arrangements of any nature whatsoever, whether or not in writing, between the parties in relation to the matters dealt with herein (save for the Mandate Letters, the provisions of which shall continue to be in full force and effect, other than as specified herein) and (together with the Mandate Letters) represents the entire understanding between the parties in relation thereto (“**Pre-contractual Statements**”);

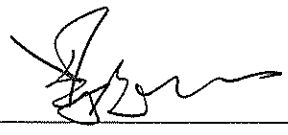
- 14.7.2 in entering into this Agreement on the terms set out in this Agreement it is not relying upon any Pre-contractual Statement which is not expressly set out herein or the documents referred to herein; and
- 14.7.3 no party shall have any right of action (except in the case of fraud) against any other party to this Agreement arising out of or in connection with any Pre-contractual Statement except to the extent that such Pre-contractual Statement is repeated in this Agreement or the documents referred to herein.
- 14.8 **Amendment and variations:** This Agreement may only be amended or supplemented in writing signed by or on behalf of each of the parties hereto.
- 14.9 **Counterparts:** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement by email attachment or telecopy shall be an effective mode of delivery. In relation to each counterpart, upon confirmation by or on behalf of a party that such party authorizes the attachment of its counterpart signature page to the final text of this Agreement, such counterpart signature page shall take effect, together with such final text, as a complete authoritative counterpart.
- 14.10 **Judgment Currency Indemnity:** In respect of any judgment or order or award given or made for any amount due under this Agreement to any of the Indemnified Parties that is expressed and paid in a currency (the “**judgment currency**”) other than Hong Kong dollars, the Company will indemnify such Indemnified Party against any loss incurred by such Indemnified Party as a result of any variation as between (A) the rate of exchange at which the Hong Kong dollar amount is converted into the judgment currency for the purpose of such judgment or order and (B) the rate of exchange at which such Indemnified Party is able to purchase Hong Kong dollars with the amount of the judgment currency actually received by such Indemnified Party. The foregoing indemnity shall constitute a separate and independent obligation of each of the Company and shall continue in full force and effect notwithstanding any such judgment or order as aforesaid. The term “**rate of exchange**” shall include any premiums and costs of exchange payable in connection with the purchase of or conversion into Hong Kong dollars.
- 14.11 **Contracts (Rights of Third Parties) Ordinance:** A person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Ordinance to enforce any terms of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Ordinance.
- 14.12 **Language:** This Agreement is prepared and executed in English only. For the avoidance of doubt, in the event that there are any inconsistencies between this Agreement and any translation, the English language version shall prevail.
- 14.13 **Further Assurance:** Each party shall from time to time, on being required to do so by the other parties now or at any time in the futures do or procure the doing of such acts and/or

execute or procure the execution of such documents as the other parties may require to give full effect to this Agreement and to give the other parties the full benefit of the rights, powers and remedies conferred upon them or any of them in this Agreement.

14.14 **Survival:** The provisions in this Clause 14 shall remain in full force and effect notwithstanding the completion of the Introduction and the matters and arrangements referred to or contemplated in this Agreement or the termination of this Agreement.

IN WITNESS WHEREOF this Agreement has been entered into the day and year first above written.

SIGNED by )  
for and on behalf of )  
HAIER SMART HOME CO., LTD. )  
(海爾智家股份有限公司) )



A handwritten signature in black ink, appearing to be a stylized name, is written above a horizontal line.

IN WITNESS WHEREOF this Agreement has been entered into the day and year first above written.

**SIGNED** by Raymond Pak )  
for and on behalf of )  
**CHINA INTERNATIONAL CAPITAL** )  
**CORPORATION HONG KONG** )  
**SECURITIES LIMITED** )

*Raymond Pak*

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IN WITNESS WHEREOF this Agreement has been entered into the day and year first above written.

**SIGNED** by Raymond Lau  
for and on behalf of  
**J.P. MORGAN SECURITIES (FAR  
EAST) LIMITED**

)  
)  
)  
)



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## SCHEDULE 1

### WARRANTIES

The Company represents, warrants and undertakes to the Joint Sponsors as follows:

- (i) the Listing Document does not and will not, as of the Listing Document date and the Listing Date, contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that the representations and warranties set forth in this paragraph does not apply to statements or omissions in the Listing Document made in reliance upon information furnished to the Company by or on behalf of any of the Joint Sponsors expressly and specifically for use therein, which is limited to the marketing name, legal name, logo and address of each of the Joint Sponsors;
- (ii) all expressions of opinion or intention, forward-looking statements, forecasts and estimates (including the statements regarding the sufficiency of working capital, estimated capital expenditures, projected cash flows and working capital, accounting policies and estimates which the Company believes are the most important in the portrayal of the Group's financial condition and results of operations (the "**Critical Accounting Policies**"), indebtedness, prospects, dividends, and material contracts) included in the Listing Document (A) have been made after due, careful and proper consideration, (B) are, in all material aspects, based on reasonable grounds and assumptions, (C) are truly and honestly held by the Directors and are fairly based, and (D) there are no other facts known or which could, upon reasonable inquiry, have been known to the Directors the omission of which would make any such statement or expression misleading;
- (iii) the Listing Document contains (A) all information and particulars required to comply with the Listing Rules and all other rules and regulations of the Stock Exchange, the Takeovers Code and all applicable Laws, so far as applicable to the Listing Document or the listing of the H Shares on the Stock Exchange (unless any such requirement has been waived or exempted by the relevant Authority), and (B) all such information as investors and their professional advisors would reasonably require, and reasonably expect to find therein, for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Company and the Subsidiaries, taken as a whole, and the rights attaching to the H Shares;
- (iv) all public notices, announcements and advertisements in connection with the Introduction and the Privatization (including the Formal Notice) and all filings and submissions provided by or on behalf of the Company to the Stock Exchange and the SFC have complied with all Laws to the extent applicable;
- (v) since the date of the latest audited consolidated financial statements included in the Listing Document (the "**Latest Audited Balance Sheet Date**") , there has not been, except as otherwise disclosed in the Listing Document, (A) any change in the capital stock, consolidated total assets or total liabilities, decrease in shareholders' equity, or

increase in short-term debt or long-term debt of the Company compared with amounts shown in the Company's latest audited consolidated balance sheet included in the Listing Document, except any changes that would not be reasonably expected, individually or in aggregate, to have a Material Adverse Effect, or (B) any development involving any Material Adverse Effect;

- (vi) saved as disclosed in the Listing Document, since the Latest Audited Balance Sheet Date, none of the Company and the Subsidiaries has (A) purchased or reduced any of its share capital (or, as the case may be, its registered capital), or declared, paid or otherwise made any dividend or distribution of any kind on its share capital (or, as the case may be, its registered capital); or (B) acquired, sold, transferred or otherwise disposed of any material assets of whatsoever nature except in each case in the ordinary course of business;
- (vii) each of the Company and the Subsidiaries has been duly incorporated or established and is validly existing and in good standing under the Laws of Hong Kong, the PRC, the United States or other jurisdiction of organisation, as the case may be, with legal right, power and authority (corporate and other) to own, use, lease and operate its properties and conduct its business in the manner presently conducted and as described in the Listing Document, and has been duly qualified to transact business and is in good standing (where applicable) under the Laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except where failure to be so qualified would not, individually or in the aggregate, have a Material Adverse Effect; the articles of association, the business license and other constituent documents of each of the Company and the Subsidiaries comply with the requirements of the Laws of Hong Kong, the PRC, the United States or other jurisdiction of organisation, as the case may be, and are in full force and effect; each of the Subsidiaries that is a PRC entity has timely completed each annual report filing with the applicable PRC Authorities without being found to have any material deficiency or material default under applicable PRC Laws, except where the failure to timely complete the annual filings would not, individually or in the aggregate, have a Material Adverse Effect; and the Company has been duly registered as a non-Hong Kong company under Part 16 of the Companies Ordinance and the Articles of Association and other constituent or constitutive documents of the Company comply with the Laws of Hong Kong (including the Listing Rules);
- (viii) except as disclosed in the Listing Document: (A) each of the Company and the Subsidiaries has valid title to all properties and assets that it purports to own, in each case free and clear of all Encumbrances and defects, except such as would not, individually or in the aggregate, materially and adversely affect the value of such property or asset, or would not, individually or in the aggregate, materially interfere with the use made and proposed to be made of such property or asset by the Company or the relevant member of the Group, as applicable; (B) each real property, building and unit held under lease by the Company or any Subsidiary that is material to the Company's or the Subsidiary's business is held by it under a legal and enforceable agreement, with such exceptions that would not, individually or in the aggregate, materially interfere with the use made or proposed to be made of such property or asset by the Company or the relevant member



of the Group, as applicable; and (C) no other real properties are necessary in order for the Company or the Subsidiaries to carry on the businesses of the Company or the Subsidiaries in the manner described in the Listing Document other than those properties the absence of which would not, individually or in the aggregate, have a Material Adverse Effect;

- (ix) the Company has the authorised and issued capital as set forth under the captions “History and Corporate Structure” and “Share Capital” in the Listing Document, and all of the issued shares of the Company (A) have been duly authorised, registered and validly issued, (B) are fully paid and non-assessable, (C) were not issued in violation of any pre-emptive or similar rights, (D) are owned by existing shareholders identified and in amounts specified. Save for the Scheme Shareholders and the holder of the Convertible Bonds, no holder of outstanding shares of the Company is and, at each of (i) the date of this Agreement, (ii) the Listing Document Date and (iii) the Listing Date, will be entitled to any pre-emptive or other similar rights to acquire the H Shares or any other securities of the Company; and there are no outstanding securities convertible into or exchangeable for, or warrants, rights or options to purchase from the Company, or obligations of the Company to issue, the H Shares or any other class of shares of the Company;
- (x) each principal subsidiary as identified in Note 1 to the Accountants' Report set forth in Appendix I to the Listing Document is a legal person with limited liability, and the liability of the Company in respect of equity interests directly or indirectly held by it in such principal subsidiary is limited to its capital contribution therein; other than matters which would not, individually or in the aggregate, have a Material Adverse Effect, all the issued shares of capital stock of or ownership interests in each Subsidiary have been duly authorised, registered and validly issued and are fully paid and non-assessable, and are owned by the Company either directly, or indirectly through Subsidiaries, free and clear of all Encumbrances; none of the issued shares of capital stock of or ownership interests in any Subsidiary was issued, or subscribed to, in violation of the pre-emptive or similar rights of any shareholder of such Subsidiary, as applicable, except as would not, individually or in the aggregate, have a Material Adverse Effect; and there are no outstanding rights, warrants or options to acquire, or instruments convertible into or exchangeable for, any shares of capital stock of, or direct interest in any Subsidiary, except as disclosed in the Listing Document;
- (xi) the H Shares to be issued by the Company have been duly authorised and, when issued to the Scheme Shareholders pursuant to the Scheme Document, will be validly issued and non-assessable and free and clear of all Encumbrances;
- (xii) the H Shares are freely transferable by the Company to or for the account of the Scheme Shareholders; no holder of H Shares after the completion of the Introduction and the Privatization will be subject to personal liability in respect of the Company's liabilities or obligations by reason of being such a holder; the certificates for the H Shares are in proper form to be legal and valid under the Laws of the PRC; and except as disclosed in the Listing Document, there are no limitations on the rights of the holders of the H Shares to hold, vote or transfer their H Shares, pursuant to the Laws of the PRC, Hong Kong or the Articles of Association and the memorandum of association or other constituent or

constitutive document of the Company;

- (xiii) this Agreement has been duly authorised, executed, and delivered by the Company and constitutes a valid and legally binding agreement of the Company, enforceable in accordance with its terms, subject, as to enforceability, to bankruptcy, insolvency, fraudulent transfer, reorganisation, moratorium and similar Laws of general applicability relating to or affecting creditors' rights and to general equity principles;
- (xiv) the execution and delivery of this Agreement, the issuance of the H Shares, the consummation of the Privatization and the Introduction, and the fulfilment of the terms hereof, do not and will not (A) conflict with, or result in a breach or violation of, any of the terms or provisions of, or constitute a default under, any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company or any Subsidiary is a party, by which the Company or any Subsidiary is bound or to which any of the property or assets of the Company or any Subsidiary is subject, (B) violate any provision of the articles of association or other constituent documents or the business licenses of the Company or any Subsidiary, (C) violate any applicable Law, except in (A) and (C), where such conflict, violation or default would not, individually or in aggregate, have a Material Adverse Effect;
- (xv) approval in principle has been obtained for the listing of, and permission to deal in, the H Shares on the Main Board of the Stock Exchange from the listing committee of the Stock Exchange and such approval has not been revoked;
- (xvi) except for the final approval from the Stock Exchange for the listing of and permission to deal in the H Shares on the Main Board of the Stock Exchange, the written confirmation from the SFC that it has no comment on the Scheme Document and the outstanding Governmental Authorizations as set out in the Scheme Document, all licenses, consents, franchises, permits, authorizations, approvals, certificates, clearances, qualifications, orders and other concessions of and from, and all registrations, declarations, notifications and filings (each a "**Governmental Authorization**"), of or with any Authority having jurisdiction over the Company, any Subsidiary, required under any applicable Law in connection with (A) the Introduction, (B) the Privatization, (C) the issuance and offer of the H Shares, (D) the performance by the Company of its obligations hereunder and the consummation of the transactions contemplated in this Agreement and the Scheme Document and each of the agreements relating to the Introduction and the Privatization to which the Company is a party, all Governmental Authorizations required under applicable Law for the Company and the Subsidiaries to carry on their business and operations as described in the Listing Document have been obtained or made and are in full force and effect, except with such exception that would not, individually or in the aggregate, have a Material Adverse Effect, and to the Company's knowledge, neither the Company nor its Subsidiaries have received any notice of proceeding relating to the revocation, suspension or modification of any such Governmental Authorizations, except those revocation, suspension or modification which would not, individually or in the aggregate, have a Material Adverse Effect; and each of the Company or the Subsidiaries is in compliance with the provisions of all such

Governmental Authorizations in all material respects;

- (xvii) none of the Company and the Subsidiaries is (A) in violation of its articles of association or other constituent documents or its business licenses, (B) in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any license, indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which the Company or any Subsidiary is a party by which the Company or any Subsidiary is bound or to which any of its or their respective property or assets is bound except in (B) where such violation or default would not, individually or in aggregate, have a Material Adverse Effect;
- (xviii) the Company and the Subsidiaries and their respective properties, assets, facilities and operations are in compliance with, and each of the Company and the Subsidiaries holds all Governmental Authorizations required under Environmental Laws (as defined below) that are material to the Company and the Subsidiaries, taken as a whole, except where noncompliance or failure to hold such Governmental Authorizations would not, individually or in the aggregate, have a Material Adverse Effect; there are no past, present or to the best knowledge of the Company, reasonably anticipated future events, conditions, circumstances, activities, practices, actions, omissions or plans that could give rise to any material costs or liabilities to the Company or any Subsidiary under, or to interfere with or prevent compliance by the Company or any Subsidiary with, Environmental Laws, except where the lack of which individually or in the aggregate is not material to the Company and the Subsidiaries, taken as a whole; as used herein, “**Environmental Law**” means any Law relating to the distribution, processing, generation, treatment, storage, disposal, transportation, other handling or release or threatened release of Hazardous Materials, and “**Hazardous Materials**” means any material (including pollutants, contaminants, hazardous or toxic substances or wastes) that is regulated by or may give rise to liability under any Environmental Law;
- (xix) each of the Company and the Subsidiaries (A) is in compliance with any and all applicable Laws relating to the testing, research, development, manufacture, packaging, processing, use, distribution, labelling, storage or disposal of their respective products, Laws relating to product safety, and the Laws and policies of the relevant Authorities in relation to environmental protection, in jurisdictions where the Company’s or the Subsidiary’s testing, research, development, manufacture, packaging, processing, use, distribution, labelling, storage or disposal activities take place, including all relevant Laws described or referred to in the Listing Document under the caption “Regulatory Environment” (“**Applicable Laws**”), and (C) have not received notice of any actual or potential liability under or violation of any Applicable Laws, except, in respect of clauses (A), (B) and (C), where such non-compliance with Applicable Laws, failure to receive required permits, licenses or other approvals, or liability or violation would not, individually or in the aggregate, have a Material Adverse Effect;
- (xx) each of the Company and the Subsidiaries has complied with and is complying with, in all material aspects, the applicable securities Laws and listing rules related to or in connection with the Company’s listing on the Shanghai Stock Exchange, the Frankfurt Stock Exchange and the China Europe International Exchange;

- (xxi) neither the Company nor its Subsidiary in India has received any written notification by Indian Authorities of any restrictions the revised Indian investment laws may have on the Group's operations in India;
- (xxii) the statutory books, books of account and other records of whatsoever kind of the Company and the Subsidiaries are up-to-date and contain complete and accurate records required by Laws to be dealt with in such books and no notice or allegation that any is incorrect or should be rectified has been received, except such notice which would not, individually or in the aggregate, have a Material Adverse Effect;
- (xxiii) none of the Company, the Subsidiaries and the Affiliates of the foregoing is a party to any agreement, arrangement or concerted practice or is carrying on any practice that in whole or in part contravenes or is invalidated by any anti-trust, anti-monopoly, competition, fair trading, consumer protection or similar Laws in Hong Kong, the PRC, the United States and any other jurisdiction where the Company or any Subsidiary has property or assets or carries on business or in respect of which any Governmental Authorization is required pursuant to such Laws (whether or not the same has in fact been made);
- (xxiv) none of the Company, the Subsidiaries, their respective directors, supervisors and officers, nor to the best knowledge of the Company, any employees or other person acting on behalf the Company or any of the Subsidiaries (in each case, a "**Relevant Member**") has, made or authorized (A) the payment of any money or the giving of anything of value to any official, employee or any other person acting in an official capacity for any Government Entity (as defined below), including personnel of governments, to any political party or official thereof or to any candidate for public office (each a "**Government Official**") or to any person, where either the payment, the contribution or the gift, or the purpose thereof, was, is, or would be prohibited under any applicable Laws of Relevant Jurisdictions, or (B) any bribe, rebate, payoff, influence payment, kickback or other unlawful payment in connection with the business activities of the Company or any Subsidiary, as applicable; without prejudice to the foregoing, none of the Relevant Members has violated or is in violation of the Foreign Corrupt Practices Act of 1977, as amended, any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the United Kingdom Bribery Act 2010, as amended, and the rules and regulations thereunder or any other applicable anti-bribery or anti-corruption Laws where the Company or any of the Subsidiaries conducts business; and the Company and the Subsidiaries have conducted their businesses in compliance with applicable anti-bribery and anti-corruption laws and have instituted and maintain and will continue to maintain policies and procedures designed to promote and achieve compliance with such laws; as used herein, "**Government Entity**" means any government or any department, agency or instrumentality thereof, including any entity or enterprise owned or controlled by a government, or a public international organisation;
- (xxv) the operations of the Company and the Subsidiaries are and have been conducted in all material respects in compliance with applicable financial recordkeeping and reporting requirements of any applicable Laws relating to money laundering in all jurisdictions

where the Company or any of the Subsidiaries conducts business, including all Hong Kong, PRC and U.S. anti-money laundering laws (including but not limited to the United States Currency and Foreign Transactions Reporting Act of 1970, as amended), the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental or regulatory agency (collectively, the “**Anti-Money Laundering Laws**”), and no action, suit or proceeding by or before any Authority involving the Company, any of the Subsidiaries or the businesses of the Company or such Subsidiary with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened;

- (xxvi) (a) none of the Relevant Members has been convicted, charged, summoned, fined, penalized or otherwise notified of any legal proceedings against them over any offenses, violations or breaches of Sanctions Laws since January 1, 2015; (b) no Relevant Member has, since January 1, 2015 knowingly engaged in or is presently knowingly engaged in any prohibited or sanctionable activity under applicable Sanctions Laws or had any other material dealings or transactions directly or indirectly with any person, or in any country or territory, that at the time of the dealing or transaction was or still is the target of Sanctions Laws or any entity owned or controlled by any such person, except as disclosed in the Listing Document; and (c) (A) no Relevant Member is an individual or entity that is, or is owned or controlled by a person that is, targeted by or subject to any Sanctions Laws; (B) no Relevant Member (x) is located, organized or resident in a Sanctioned Country, (y) except as disclosed in the Listing Document, currently transacts with any country, person, or entity that is a Sanctioned Target, or, (z) is engaged in any activities sanctionable under the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, the Iran Sanctions Act, the Iran Threat Reduction and Syria Human Rights Act, or any executive order implementing these laws; and (C) none of the issuance of the H Shares, the execution, delivery and performance of this Agreement, the consummation of any other transaction contemplated in the Listing Document, hereby and thereby, or the provision of services contemplated by this Agreement to the Company will result in a violation (including by any person or entity participating in the offer of the H Shares, whether as sponsor, advisor, Scheme Shareholder or otherwise) of any of the Sanctions Laws;
- (xxvii) all material contracts to which the Company or any Subsidiary is a party that are required to be disclosed in the Listing Document (collectively, the “**Material Contracts**”) have been so disclosed or filed, in their entirety, without omission or redaction unless a certificate of exemption has been granted by the SFC; none of the Material Contracts will, without the written consent of the Joint Sponsors, be entered into, nor will the terms of any Material Contracts be changed prior to or on the Listing Date; and with respect to any Material Contract, none of the Company, the Subsidiaries and any other party to such Material Contract has sent or received any communication regarding termination of, or intention not to renew, such Material Contract, and to the best knowledge of the Company, no such termination or non-renewal has been threatened by the Company, any Subsidiary or any other party to such Material Contract;
- (xxviii) each of the Company and the Subsidiaries has valid and enforceable agreements with its distributors, partners, suppliers and customers in full force and effect in connection with

the business described in the Listing Document, such as distribution agreements, partnership agreements, concession agreements and supply agreement, as applicable, except to the extent any inability to enforce the terms of such agreements by the Company or the Subsidiaries would not, individually or in the aggregate, have a Material Adverse Effect; none of the members of the Group has material disputes with its distributors, partners, suppliers and customers;

- (xxix) under the current laws and regulations of the PRC or Hong Kong (as the case may be), except as disclosed in the Listing Document, all dividends and other distributions declared and payable on the H Shares to the shareholders of the Company are not subject to, and may be paid free and clear of and without deduction for or on account of, any withholding or other Taxes imposed, assessed or levied by or under the Laws of Hong Kong or the PRC (as the case may be);
- (xxx) no Subsidiary is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on the shares, capital stock or other equity interests of or in such Subsidiary, from repaying to the Company any loans or advances to such Subsidiary from the Company, or from transferring any of the properties or assets of such Subsidiary to the Company or to any other Subsidiary;
- (xxxii) except as disclosed in the Listing Document, there are no outstanding guarantee or contingent payment obligation of the Company or any Subsidiary in respect of indebtedness of third parties, except to the extent that the existence of any such guarantee or obligation would not, individually or in the aggregate, be material to the Company and the Subsidiaries, taken as a whole;
- (xxxiii) all information supplied or disclosed in writing or orally by or on behalf of the Company (including its Directors, Supervisors, officers or employees and Subsidiaries) to the Stock Exchange, the SFC, the CSRC and the Joint Sponsors for the purposes of the listing of the H Shares on the Stock Exchange was, when given, and save as subsequently disclosed in the Listing Document or otherwise notified to the Stock Exchange, the SFC, the CSRC and the Joint Sponsors, as applicable, remains true, complete and accurate in all material respects;
- (xxxiv) (A) no material information was withheld from Euromonitor International (Shanghai) Co., Ltd. (“**Euromonitor**”) for the purposes of their preparation of their research report dated on or around November 16, 2020 (the “**Euromonitor Report**”), commissioned by the Company, regarding home appliance markets and certain sub-segments thereof and in connection with the Introduction and the Privatization; (B) all information given to Euromonitor for such purposes was given in good faith and there is no other material information or documents which have not been provided, the result of which would make the information and documents so received, in the light of the circumstances under which they were provided, misleading;
- (xxxv) no material information was withheld from the Joint Sponsors for the purposes of their review of the estimate or forecast of profits, capital expenditures or cash flows of the Company or their review of the Company’s financial reporting procedures;

- (xxxv) no material information was withheld from the Internal Control Consultant, for the purposes of its review of the internal controls of the Company and the Subsidiaries and its preparation of its reports to the Company, and all information given to the Internal Control Consultant for such purposes was given in good faith and the factual contents of such report regarding the Company and the Subsidiaries are true, complete and accurate in all material respects and no material fact or matter has been omitted, the result of which would make the contents of such report misleading;
- (xxxvi) the Internal Control Consultant is independent of the Company (as determined by reference to Rule 3A.07 of the Listing Rules) and is able to form and report on its views free of any conflict of interest;
- (xxxvii) none of the Company, its Affiliates, any of their respective directors, officers, agents or employees, or any person acting on behalf of any of them, has actively engaged in, directly or indirectly, any act or course of conduct (A) which creates a false or misleading impression as to the market in or the value of the H Shares and any associated securities and (B) the purpose of which is to create actual, or apparent, active trading in or to raise the price of the H Shares; for the avoidance of doubt, it is acknowledged and agreed by the parties hereto that the valuation reports on the value of the H Shares and the pro forma financial information as attached to the Scheme Document and/or the announcement issued pursuant to Rule 3.5 of the Takeovers Code in relation to the Privatization do not constitute a breach of this representation;
- (xxxviii) none of the members of the Group and their respective directors, supervisors and officers, and to the best knowledge of the Company, their respective employees, agents or Affiliates nor any person acting on behalf of any of them, (a) has taken or facilitated or will take or facilitate, directly or indirectly, any action which is designed to or which has constituted or which might reasonably be expected to cause or result in manipulation of the price of any security of the Company to facilitate the sale or resale of any security of the Company or otherwise or (b) has taken or will take, directly or indirectly, any action which would constitute a violation of the market misconduct provisions of Parts XIII and XIV of the SFO;
- (xxxix) there are (A) no legal, arbitral or governmental proceedings, investigations or inquires pending or, to the best of the Company's knowledge after due inquiry, threatened or contemplated by any Authority, to which the Company or any Subsidiary, or any of their respective, directors, or officers, is or may be a party or to which any of the property, assets or products of the Company or any Subsidiary, or any of their respective directors, or officers, is or may be subject, (B) no law, statute, rule or regulation that has been enacted, adopted or issued and (C) no judgment, decree or order of any Authority, which, in any of clause (A), (B) or (C), would, individually or in the aggregate, have a Material Adverse Effect;
- (xl) it is not necessary in connection with the issuance, offer and delivery of the H Shares in the manner contemplated by this Agreement and the Scheme Document, to register the H Shares of the Company under the United States Securities Act of 1933, as amended;

- (xli) save as contemplated by the Scheme and the Convertible Bonds, neither the Company nor any Subsidiary has entered into any contractual arrangement relating to the offer, distribution or delivery of any H Shares other than this Agreement;
- (xlii) (A) the consolidated historical financial statements (and the notes thereto) of the Company and the Subsidiaries included in the Listing Document present a true and fair view of the financial condition, results of operations, cash flows, comprehensive income and changes in shareholders' equity of the Company and its consolidated Subsidiaries as of the dates and for the periods indicated, and have been prepared in conformity with IFRS and have been prepared in conformity with IFRS applied on a consistent basis throughout the periods involved; (B) the unaudited interim financial statements for the nine months ended September 30, 2020 of the Company and the Subsidiaries included in the Listing Document present a fair view of the financial condition, results of operations, cash flows, comprehensive income and changes in shareholders' equity of the Company and its consolidated Subsidiaries as of the dates and for the periods indicated, and have been prepared in conformity with IFRS and have been prepared in conformity with IFRS applied on a consistent basis throughout the periods involved; (C) the summary and selected audited financial data (including any financial ratios) included in the Listing Document present accurately and fairly the information shown therein; (D) the pro forma net tangible assets (and the notes thereto) included in the Listing Document have been prepared in accordance with the applicable requirements of the Listing Rules, the assumptions used in the preparation of such pro forma net tangible assets are reasonable, the pro forma adjustments used therein are appropriate to give effect to the transactions or circumstances described therein, and the pro forma adjustments have been properly applied to the historical amounts in the compilation of the pro forma net tangible assets; (E) except as disclosed in the Listing Document, no other financial statements (historical or pro forma) of the Company or the Subsidiaries are required by any Listing Rules to be included in the Listing Document;
- (xliii) HLB Hodgson Impey Cheng Limited who has reported on the financial information of the Company as set out in the Accountant's Report in Appendices I and II to the Listing Document, is an independent public accountant with respect to the Company as defined by the Hong Kong Institute of Certified Public Accountants and the rules and regulations thereunder;
- (xliv) the Company has given to the Reporting Accountant all information that was reasonably requested by the Reporting Accountant and no material information was withheld from the Reporting Accountant for the purposes of their preparation of the Accountant's Reports contained in the Listing Document; and all information given to the Reporting Accountant for such purposes was given in good faith after due and careful consideration and the factual contents of the Accountant's Reports are true, accurate, complete in all material respects;
- (xlv) all operating data and information relating to the Company disclosed in the Listing Document, including the total number of distributors by region and type, production volume, average selling prices, production capacities of the Company and the Subsidiaries as a whole and separately, has been provided by the Company and the



Subsidiaries and calculated using methods and procedures which incorporate adequate safeguards to ensure that the information is, in all material respects, true, complete and accurate and presents fairly the information shown therein; statistical and market-related data and information included in the Listing Document that have come from a source other than the Company are based on or derived from sources which the Company reasonably believes in good faith to be reliable and accurate and represent fairly such source; and the Company has obtained the consent to the use of such data from such sources to the extent required;

- (xlvi) each of the Company and the Subsidiaries has established procedures which provide a reasonable basis for the directors to make proper assessments as to the financial position and prospects of the Company and the Subsidiaries, and each of the Company and the Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (A) transactions are executed in accordance with management's general or specific authorizations, (B) transactions are recorded as necessary to permit preparation of returns and reports to regulatory bodies as and when required by them and financial statements (and the notes thereto) in conformity with IFRS, other relevant generally accepted accounting principles or applicable accounting requirements and maintain accountability for assets, (C) access to assets is permitted only in accordance with management's general or specific authorization, (D) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate actions are taken with respect to any differences, (E) each of the Company and the Subsidiaries has made and kept books, records and accounts which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of such entity and provide a sufficient basis for the preparation of the Company's consolidated financial statements and notes thereto in accordance with IFRS, other relevant generally accepted accounting principles or applicable accounting requirements and (F) the Directors are able to make a proper assessment of the financial position, results of operations and prospects of the Group taken as a whole, and; such internal accounting and financial reporting controls are effective to perform the functions for which they were established and documented properly and the implementation of such internal accounting and financial reporting controls are monitored by the responsible persons; and the Company's current management information and accounting control system has been in operation for at least three years during which none of the Company and to the Company's knowledge, the Subsidiaries has experienced any material difficulties with regard to (A) through (F) above; the Company is not aware of (A) any material weaknesses or significant deficiencies in the Company's internal controls over accounting and financial reporting or (B) change in the Company's internal controls over accounting and financial reporting or other factors that have materially and adversely affected, the Company's internal controls over accounting and financial reporting;
- (xlvii) the Group has established and maintains and evaluates disclosure and corporate governance controls and procedures to ensure that (a) material information relating to the Group is made known in a timely manner to the Board and Company's management by others within those entities and (b) the Company and the Board comply in a timely manner with the requirements of the Listing Rules, the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs, the SFO, the Companies Ordinance and the

Companies (WUMP) Ordinance and any other Laws, including, without limitation, the requirements of the Listing Rules and the SFO on disclosure of inside information and notifiable, connected and other transactions required to be disclosed, and such disclosure and corporate governance controls and procedures are effective to perform the functions for which they were established and documented properly and the implementation of such disclosure and corporate governance controls and procedures policies are monitored by the responsible persons. For the purposes of this paragraph, the term “disclosure and corporate governance controls and procedures” means controls and other procedures that are designed to ensure that information required to be disclosed by the Company, including, without limitation, information in reports that it files or submits under any Laws, inside information and information on notifiable, connected and other transactions required to be disclosed, is recorded, processed, summarized and reported, in a timely manner and in any event within the time period required by Laws;

- (xlvi) The Directors, Supervisors and senior management of the Company collectively have the experience, qualifications, competence and integrity to manage the Company’s business and comply with the Listing Rules, and individually have the experience, qualifications, competence and integrity to perform their individual roles, including an understanding of the nature of their obligations and those of the Company as a company listed on the Main Board of the Stock Exchange under the Listing Rules and other legal or regulatory requirements relevant to their roles;
- (xlviii) The Directors, Supervisors and senior management of the Company collectively have the experience, qualifications, competence and integrity to manage the Company’s business and comply with the Listing Rules, and individually have the experience, qualifications, competence and integrity to perform their individual roles, including an understanding of the nature of their obligations and those of the Company as a company listed on the Main Board of the Stock Exchange under the Listing Rules and other legal or regulatory requirements relevant to their roles;
- (xlix) In connection with the internal control report prepared by the Internal Control Consultant and dated on or around November 16, 2020 (the “Internal Control Report”), no material information was withheld from the Internal Control Consultant, for the purposes of its review of the internal controls of the Company and the Subsidiaries and its preparation of the Internal Control Report to the Company, and all information given to the Internal Control Consultant for such purposes was given in good faith and the factual contents of the Internal Control Report regarding the Company and the Subsidiaries are true, complete and accurate in all material respects and no material fact or matter has been omitted, the result of which would make the contents of the Internal Control Report misleading;
- (l) Any issues identified and as disclosed in the Internal Control Report prepared by the Internal Control Consultant have been or are being rectified or improved to a sufficient standard or level for the operation and maintenance of efficient systems of internal accounting and financial reporting controls and disclosure and corporate governance controls and procedures that are effective to perform the functions for which they were established and to allow compliance by the Company and the Board with all Laws, and no such issues have materially and adversely affected, or could reasonably be expected to materially and adversely affect, such controls and procedures or such ability to comply with all Laws;
- (li) each of the Company and the Subsidiaries owns, or have obtained licenses for, or other rights to use, all material Intellectual Property as being owned or licensed or used by them in connection with the business described in the Listing Document as being currently operated by them, except such as would not, individually or in the aggregate,

have a Material Adverse Effect; to the Company's knowledge, none of the Company and the Subsidiaries has received any notice or claim of infringement of or conflict with asserted rights of others with respect to any of the foregoing which, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in a Material Adverse Effect; and in conducting its business activities, none of the Company and the Subsidiaries has infringed any Intellectual Property already registered by a third party in Hong Kong, the PRC, the United States or any other jurisdiction other than such infringements, which would not individually or in the aggregate, have a Material Adverse Effect;

- (lii) all the computer systems, communications systems, software and hardware (collectively “**Information Technology**”) owned, used, licensed by or to the Company and the Subsidiaries comprise all the material information technology systems and related rights reasonably necessary to the operation of the business of the Company and the Subsidiaries; and all Information Technology which is material to the business of the Company and the Subsidiaries is either legally and beneficially owned by the Company or the Subsidiaries or lawfully used under valid licenses granted by the registered proprietor(s) or beneficial owner(s) thereof or may be obtained or licensed under reasonable commercial terms;
- (liii) each of the Company and the Subsidiaries has complied with all applicable data protection Laws, guidelines and industry standards, except to the extent any such non-compliance would not, individually or in the aggregate, have a Material Adverse Effect;
- (liv) except as disclosed in the Listing Document, neither the Company nor any Subsidiary has any material obligation to provide housing, severance, pension, retirement, death or disability benefits or other actual or contingent employee benefits to any of the present or past employees or to any other person; except as disclosed in the Listing Document, and none of the Company and the Subsidiaries has any financial obligation to the PRC government or any social security fund or other fund maintained by the PRC government in connection with the Introduction;
- (lv) except as disclosed in the Listing Document, the Company and the Subsidiaries and their respective operations are in compliance with Labour Laws (as defined below), except for such noncompliance which would not, individually or in the aggregate, have a Material Adverse Effect; as used herein, “Labour Law” means any Law relating to the employment, temporary employment, labour dispatch, social insurance, housing provident fund and work-related injuries;
- (lvi) no material labour dispute, work stoppage, slow down or other conflict with the employees of the Company or any Subsidiary exists, or, to the best of the Company’s knowledge after due inquiry, is threatened;
- (lvii) each of the Company and the Subsidiaries is insured by insurers of established reputation against such material losses and risks and in such amounts as are prudent and customary in the markets and businesses in which they are engaged; none of the Company and the Subsidiaries has been refused any insurance coverage sought or applied for, except for

such insurance coverage which would not, individually or in the aggregate, have a Material Adverse Effect; and none of the Company and the Subsidiaries has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect;

- (lviii) under the Laws of the Relevant Jurisdictions where the Company or any of the Subsidiaries conducts business, none of the Company, the Subsidiaries, nor any of their respective properties, assets or revenues, is entitled to any right of immunity on the grounds of sovereignty or crown status or otherwise from any legal action, suit or proceeding, from set-off or counterclaim, from the jurisdiction of any court or arbitral tribunal, from service of process, from attachment to or in aid of execution of judgment, arbitral award or from other legal process or proceeding for the giving of any relief or for the enforcement of any judgment or arbitral award; and the irrevocable and unconditional waiver and agreement of the Company in Clause 12.5 hereof not to plead or claim any such immunity in any legal action, suit or proceeding based on this Agreement is valid and binding under the Laws of the Relevant Jurisdictions;
- (lix) the choice of law provisions set forth in this Agreement will be recognized by the courts of Hong Kong and the PRC; the Company can sue and be sued in its own name under the Laws of Hong Kong and the PRC; the agreement of the Company to resolve any dispute by arbitration at the Hong Kong International Arbitration Centre, the agreement to treat any decision and award of the Hong Kong International Arbitration Centre as final and binding on the parties to this Agreement, the agreement that each party to this Agreement shall have the option to defer any dispute arising out of or in relation to the obligations of the Company under the this Agreement to arbitration, and the agreement that this Agreement shall be governed by and construed in accordance with the Laws of Hong Kong are legal, valid and binding under the Laws of Hong Kong and the PRC and will be respected by the courts of Hong Kong and the PRC; service of process effected in the manner set forth in this Agreement will be effective, insofar as the Laws of Hong Kong and the PRC is concerned, to confer valid personal jurisdiction over the Company; and any judgment obtained in a Hong Kong Court arising out of or in relation to the obligations of the Company under this Agreement will be recognized and enforced in the courts of Hong Kong and the PRC;
- (lx) in respect of the connected transactions or continuing connected transactions (as defined in the Listing Rules) of the Company (the “**Connected Transactions**”): (A) there are no other Connected Transactions which are required by the Listing Rules to be disclosed but have not been so disclosed in the Listing Document; (B) the Connected Transactions disclosed in the Listing Document have been entered into and carried out in the ordinary course of business and on normal commercial terms and are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole; (C) the Company will comply with the terms of the Connected Transactions disclosed in the Listing Document; (D) each of the Connected Transactions and undertakings as disclosed in the Listing Document has been duly authorized, executed and delivered, constitutes a legal, valid and binding agreement or undertaking of the parties thereto, enforceable in accordance with its terms, and is in full force and effect; and (E) each of the Connected

Transactions disclosed in the Listing Document will be carried out by the Group in compliance with all Laws in all material respects;

- (lxi) none of the Directors, either alone or in conjunction with or on behalf of any other person, is interested in any business that competes or is likely to compete, directly or indirectly, with the business of the Group, nor is any of the Directors interested, directly or indirectly, in any assets which have since the date two years immediately preceding the date of the Listing Document been acquired or disposed of by or leased to the Group; none of the Directors, nor any of their respective associates (as the term is defined in the Listing Rules), is or will be interested in any agreement or arrangement with the Group which is subsisting at the date of the Listing Document and which is material in relation to the business of the Group;
- (lxii) no material indebtedness (actual or contingent) is outstanding between the Company or the Subsidiaries, on the one hand, and any director or officer of the Company or the Subsidiaries or any person connected with such director or officer (including his or her spouse, minor children or any company or undertaking in which he or she holds a controlling interest), on the other hand;
- (lxiii) all the interests or short positions of each of the Directors of the Company in the securities, underlying securities and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO and the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, in each case are fully and accurately disclosed in the Listing Document;
- (lxiv) all material returns, reports or filings (including elections, declarations, forms, disclosures, schedules, estimates and information returns) which are required to have been filed by or in respect of the Company or the Subsidiaries for Taxation purposes have been filed, except for such non-filing would not, individually or in the aggregate, have a Material Adverse Effect; and all such returns, reports and filings are true, complete and accurate in all material respects and are not the subject of any material dispute with the relevant Tax or other appropriate authorities; all material Taxes required to be paid by each of the Company and the Subsidiaries have been paid in full (and all amounts required to be withheld from amounts owing to any employee, creditor, or third party have been withheld in full) other than those currently payable without penalty or interest or contested in good faith, in which case adequate reserves have been established on the books and records of the Company and the Subsidiaries in accordance with IFRS with respect thereto, as reflected on the audited consolidated financial statements (and any notes thereto); to the Company's knowledge, none of the Company and the Subsidiaries has received written notice of any audit or material Tax deficiency that has been asserted against the Company or any Subsidiary that would be reasonably anticipated to give rise to a liability materially in excess of any reserves established on the books and records of the Company and the Subsidiaries in accordance with IFRS with respect thereto, as reflected on the audited consolidated financial statements (and any notes thereto);
- (lxv) the Company's management and the Board has reviewed and agreed with, the selection,

application and disclosure of the Critical Accounting Policies in the Listing Document, and have consulted with its independent accountants with regards to such disclosure;

- (lxvi) Except as disclosed in each of the Listing Document and Scheme Document, no stamp or other issuance or transfer Taxes or duties and no capital gains, income, withholding or other Taxes are payable by or on behalf of the Company, any Subsidiary or any Joint Sponsor to Hong Kong or the PRC or any political subdivision or any taxing or other Authority thereof or therein in connection with (A) the creation, allotment and issuance of the H Shares, except for the PRC stamp duty payable by the Company due to the increase of capital (including paid-in capital and capital reserve) as result of the issuance of the H Shares, (B) the delivery by the Company of the H Shares to the Scheme Shareholders (as defined in the Scheme Document), (C) the execution and delivery of this Agreement, or (D) the deposit of the H Shares with the Hong Kong Securities Clearing Company Limited;
- (lxvii) any certificate signed by any officer of the Company and delivered to the Joint Sponsors in connection with the Introduction shall be deemed a representation and warranty by the Company, as to matters covered thereby, to each Sponsor;
- (lxviii) each of the major distributors and sub-distributors of the Company or its Subsidiaries is an independent third party to the Company and the Subsidiaries;
- (lxix) each of the major distributors and sub-distributors of the Group who is granted a credit period by any member of the Group has paid off the due amount within such credit period, and trade receivables attributed to such granted credit would not, individually or in the aggregate, result in a Material Adverse Effect; and
- (lxx) the descriptions of, or disclosure relating to, the agreements, contracts and arrangements between any major distributor or sub-distributor of the Group and Company or the Subsidiaries, including description of principal terms of the distribution agreements, and description of the Group's management of such distributors and sub-distributors, are true, complete and accurate in all material respects and no material fact or matter has been omitted.

## SCHEDULE 2

### CONDITIONS PRECEDENT DOCUMENTS

#### Part A:

**To be delivered to the Joint Sponsors by not later than 9:00 p.m. on the Day immediately prior to the Listing Document Date (except as otherwise stated herein)**

#### 1. LEGAL DOCUMENTS

- 1.1 Two certified true copies of the written resolutions of the shareholders of the Company in relation to the Introduction and the Privatization referred to in the section headed “Further Information About Our Company — The Shareholders’ General Meeting of the Company Held on 1 September 2020” in Appendix VII to the Listing Document.
- 1.2 Two certified true copies of the resolutions of the Board approving, among other things:
  - (a) this Agreement;
  - (b) all documents necessary for the Introduction and the Privatization and the execution on behalf of the Company of, and the performance by the Company of, its obligations thereunder;
  - (c) the Introduction and the Privatization; and
  - (d) the issue of the Listing Document, the Scheme Document and the Formal Notice.
- 1.3 Two certified true copies of the duly signed Registrar Agreement.
- 1.4 Two certified true copies of the business license and certificate of registration of non-Hong Kong company of the Company.
- 1.5 Two certified true copies of the business registration certificate of the Company.
- 1.6 Two certified true copies of the Articles of Association of the Company.
- 1.7 Two certified true copies of the Compliance Advisor Agreement duly signed by the parties thereto.
- 1.8 Two certified true copies of the undertaking from Haier Group to the Stock Exchange pursuant to Rule 10.07 of the Listing Rules.
- 1.9 Two certified true copies of the undertaking from the Company to the Stock Exchange pursuant to Rule 10.08 of the Listing Rules.
- 1.10 Two certified true copies of the service contract of each of the Directors and Supervisors.
- 1.11 Two certified true copies of each of the responsibility letters, powers of attorney and statements of interests signed by each Director.

- 1.12 Two certified true copies of each of the material contracts referred to in the section headed “Statutory and General Information — Further Information About Our Business — Summary of Material Contracts” in Appendix VII to the Listing Document (other than this Agreement).

## **2. DOCUMENTS RELATING TO THE INTRODUCTION AND THE PRIVATIZATION**

- 2.1 Two printed copies of the Listing Document duly signed by all Directors or their respective duly authorized agents.
- 2.2 The Verification Notes signed by or on behalf of each person to whom responsibility is therein assigned (except for the Joint Sponsors and the legal advisers to the Joint Sponsors).
- 2.3 Two certified true copies of each of the letters dated the Listing Document Date to be issued by the following experts, containing consents to the issue of the Listing Document.
- (a) The Reporting Accountants;
  - (b) Euromonitor International (Shanghai) Co., Ltd., the industry consultant to the Company; and
  - (c) King & Wood Mallesons, the legal advisors to the Company as to PRC Laws.
- 2.4 Two signed originals of each of the Accountants’ Reports dated the Listing Document Date issued by the Reporting Accountants, the texts of which are contained in Appendices I, II and III of the Listing Document and two copies of any representation letters from the Company to the Reporting Accountants, to be delivered as soon as practicable on or after the Listing Document Date.
- 2.5 Two signed originals of the letter dated the Listing Document Date from the Reporting Accountants to the Directors confirming the accuracy of the indebtedness statement contained in the Listing Document, and commenting on the statement contained in the Listing Document as to the sufficiency of working capital, in a form previously approved by the Joint Sponsors, to be delivered as soon as practicable on or after the Listing Document Date.
- 2.6 Two signed originals of comfort letter dated the Listing Document Date from the Reporting Accountants to the Directors and the Joint Sponsors on the other financial information set out in the Listing Document, and two originals of the related arrangement letter signed by the Company, the Joint Sponsors and the Reporting Accountants, such letters to be in the form previously agreed by the Joint Sponsors, to be delivered as soon as practicable on or after the Listing Document Date.
- 2.7 Two signed originals or certified true copies of the memorandum on the profit forecast and the cash flow forecast adopted by the Board in connection with the Company’s profit forecast and sufficiency of working capital.



- 2.8 Two signed originals or certified true copies of the industry report of Euromonitor International (Shanghai) Co., Ltd. in agreed form.
- 2.9 Two signed originals or certified true copies of the PRC Legal Opinion from King & Wood Mallesons to the Company in a form previously agreed among King & Wood Mallesons, the Company and the Joint Sponsors, with originals to be delivered as soon as practicable on or after the Listing Document Date.
- 2.10 Two signed originals or certified true copies of the Internal Control Report prepared by the Internal Control Consultant of the Company.
- 2.11 Two signed originals or certified true copies of the certificate as to the accuracy of the Chinese translation of the Listing Document, the Scheme Document and the Formal Notice given by the translator.
- 2.12 Two certified true copies of the approval granted by the CSRC in connection with the application for listing of the H Shares on the Stock Exchange.

**Part B:**

**To be delivered to the Joint Sponsors by not later than 9:00 p.m. on the Business Day immediately prior to the Listing Date**

1. Two signed originals of an officers' certificate of the Company, in a form set out in Part A of Schedule 3, dated the Listing Date from the two executive directors of the Company certifying, inter alia, the accuracy of the Warranties given by the Company pursuant to Clause 5.1 as at the Listing Date by reference to the facts and circumstances then subsisting and the performance of all of its obligations under this Agreement falling due for performance prior to Closing.
2. Two signed originals of a chief financial officer's certificate, in a form set out in Part B of Schedule 3, dated the Listing Date from the chief financial officer of the Company certifying, inter alia, the non-comforted data in the Listing Document as at the Listing Date.
3. Two signed originals of a company secretary certificate, in a form set out in Part C of Schedule 3, dated the Listing Date from the company secretary of the Company.
4. Two signed originals of the bring down comfort letter issued by the Reporting Accountants to the Company and the Joint Sponsors with respect to certain financial information contained in the Listing Document dated the Listing Date, in form and substance satisfactory to the Joint Sponsors.
5. Two signed originals of:
  - (a) the letter issued by King & Wood Mallesons to the Company confirming that the PRC Legal Opinion given by it in paragraph 2.9 in Part A of Schedule 2 is true, accurate and correct as at the Listing Date; and
  - (b) the legal opinion (in English language) issued by King & Wood Mallesons to the Company in respect of such matters as the Company and the Joint Sponsors may request,in each case in a form previously agreed among King & Wood Mallesons, the Company and the Joint Sponsors.
6. Two signed originals of the legal opinion (in English language) issued by Zhong Lun Law Firm to the Joint Sponsors in respect of such matters as the Joint Sponsors may request, in a form previously agreed between Zhong Lun Law Firm and the Joint Sponsors.
7. Two signed originals of the legal opinion as to Hong Kong law dated the Listing Date from Clifford Chance, legal advisors to the Company as to Hong Kong Laws, to the Joint Sponsors in an agreed form.
8. Two signed originals of the legal opinion as to Hong Kong law dated the Listing Date from Sullivan & Cromwell (Hong Kong) LLP, legal advisors to the Joint Sponsors as to Hong Kong Laws, to the Joint Sponsors in an agreed form.

9. Two certified true copies of the Form F (FFD004M) submitted to the Stock Exchange.
10. Two signed originals or certified copies of the Forms H and I signed by each of the Directors and Supervisors, respectively.

## SCHEDULE 3

### CLOSING CERTIFICATES

#### Part A:

#### OFFICERS' CERTIFICATE OF THE COMPANY

I, LIANG Haishan, Executive Director of Haier Smart Home Co., Ltd. (海尔智家股份有限公司), a joint stock company incorporated in the PRC with limited liability (the “Company”), pursuant to Part B of Schedule 2 of the sponsors agreement, dated November 15, 2020 (the “Sponsors Agreement”), among the Company, China International Capital Corporation Hong Kong Securities Limited and J.P. Morgan Securities (Far East) Limited, hereby certify that:

1. The representations and warranties of the Company in the Sponsors Agreement are true and accurate and not misleading as of the date hereof as though made on and as of this date.
2. The Company has performed all obligations and satisfied all conditions on its part to be performed or satisfied pursuant to the Sponsors Agreement at or prior to the date thereof.
3. Except as otherwise disclosed in the Listing Document, since September 30, 2020, there has not been any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, business, prospects, shareholders' equity, results of operations or position, financial or otherwise, of the Company and any Group Company, taken as a whole.

Capitalized terms used herein that are not otherwise defined shall have the same meanings as defined in the Sponsors Agreement.

**IN WITNESS WHEREOF**, we have executed this certificate on this       day of       2020.

For and on behalf of  
**Haier Smart Home Co., Ltd.**  
(海尔智家股份有限公司)

By: \_\_\_\_\_  
Name: LIANG Haishan  
Title: Chairman and Executive Director

**Part B:**

**CHIEF FINANCIAL OFFICER'S CERTIFICATE REGARDING NON-COMFORTED DATA**

I, GONG Wei, Chief Financial Officer of Haier Smart Home Co., Ltd. (海尔智家股份有限公司), a joint stock company incorporated in the PRC with limited liability (the "Company"), pursuant to Part B of Schedule 2 of the sponsors agreement, dated November 15, 2020 (the "Sponsors Agreement"), among the Company, China International Capital Corporation Hong Kong Securities Limited and J.P. Morgan Securities (Far East) Limited, hereby certify that:

1. I am familiar with the accounting, operations, records systems and internal controls of the Company.
2. I have participated in the preparation of the Listing Document. In connection with such participation, I have reviewed the disclosure in the Listing Document and have discussed such disclosure with other members of the senior management of the Company, the counsels to the Company, the Joint Sponsors, the counsels to the Joint Sponsors and HLB Hodgson Impey Cheng Limited as the reporting accountants to the Company.
3. In particular, I have reviewed the financial and operating data and other information that has been identified on the copies of the Listing Document attached hereto as Exhibit A (the "Company Information").
4. Where the Company Information is derived from the Company's accounting and other records, I confirm that the Company Information has been properly extracted from such records and is accurately reproduced in the Listing Document.
5. I confirm that all of the Company Information is true, accurate, complete in all material respects and not misleading.

Capitalized terms used herein that are not otherwise defined shall have the same meanings as defined in the Sponsors Agreement.

of **IN WITNESS WHEREOF**, we have executed this certificate on this day  
2020.

By: \_\_\_\_\_  
Name: GONG Wei  
Title: Chief Financial Officer

## Part C:

### COMPANY SECRETARY CERTIFICATE

I, SUEN Pui Chun Hannah, the company secretaries of Haier Smart Home Co., Ltd. (海尔智家股份有限公司), a joint stock company incorporated in the PRC with limited liability (the “Company”), pursuant to Part B of Schedule 2 of the sponsors agreement, dated November 15, 2020 (the “Sponsors Agreement”), among the Company, China International Capital Corporation Hong Kong Securities Limited and J.P. Morgan Securities (Far East) Limited (the “Joint Sponsors”) hereby certify that

1. Attached hereto as Exhibit A is a true, accurate and complete copy of the articles of association of the Company (together with copies of resolutions annexed thereto), as filed on December \_\_\_\_\_, 2020, which will become effective from the Listing Date.
2. Attached hereto as Exhibit B are true, accurate and complete copies of resolutions duly adopted by (i) the board of directors of the Company or a committee thereof at a meeting duly called and held on November 9, 2020, and (ii) the Company’s shareholders at meetings duly called and held on September 1, 2020, at each of which a quorum was present and acting throughout; such resolutions have not been amended, modified or rescinded and remain in full force and effect; and such resolutions are the only resolutions adopted by the Company’s board of directors or any committee thereof or by the Company’s shareholders relating to the Introduction.
3. The Sponsors Agreement, as executed and delivered on behalf of the Company, is in the form or substantially the form approved by the board of directors of the Company at its meeting held on November 9, 2020.
4. There have not been any written communications, or any memoranda relating to conversations, between the Company, its directors, officers and employees or, to its knowledge, its accountants, counsel or representatives on the one hand and the Stock Exchange, the SFC or any applicable Authorities, or their respective staff, on the other hand, relating to the Introduction, of which the Joint Sponsors have not been made aware.
5. Each person who, as a director or officer of the Company or attorney-in-fact of such director or officer, signed the Sponsors Agreement and any other document delivered prior to or on the date hereof in connection with the Introduction was at the respective times of such signing and delivery and is now duly elected or appointed, qualified and acting as such director or officer or duly appointed and acting as such attorney-in-fact, and the signatures of such persons appearing on such documents are their genuine signatures.

Capitalized terms used herein that are not otherwise defined shall have the same meanings as defined in the Sponsors Agreement.



of **IN WITNESS WHEREOF**, we have executed this certificate on this day  
2020.

By: \_\_\_\_\_  
Name: SUEN Pui Chun Hannah  
Title: Company Secretary