

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**HISENSE KELON ELECTRICAL HOLDINGS COMPANY LIMITED**

海信科龍電器股份有限公司

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*

(Stock Code: 921)

**DISCLOSEABLE TRANSACTIONS**

**SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS**

The Board is pleased to announce that (i) on 6 April 2017, Hisense Refrigerator entered into the First Wealth Management Agreement with the Bank of China to subscribe for the Zhongyin Zhihui Wealth Management Plan in the subscription amount of RMB300,000,000 (equivalent to approximately HK\$338,340,000<sup>Note 1</sup>); (ii) on 12 October 2017, Hisense Refrigerator entered into the Second Wealth Management Agreement with the Bank of China to subscribe for the Zhongyin Jifu Wealth Management Plan No. 5 in the subscription amount of RMB200,000,000 (equivalent to approximately HK\$234,780,000<sup>Note 2</sup>); and (iii) on 13 October 2017, Hisense Refrigerator entered into the Third Wealth Management Agreement with the Bank of China to subscribe for the Zhongyin Jifu Wealth Management Plan No. 6 in the subscription amount of RMB200,000,000 (equivalent to approximately HK\$234,780,000<sup>Note 3</sup>).

Each of the First Wealth Management Agreement, the Second Wealth Management Agreement and the Third Wealth Management Agreement by itself does not constitute discloseable transaction of the Company under Rule 14.06 of the Listing Rules. However, pursuant to Rule 14.22 of the Listing Rules, the relevant subscription amounts under the First Wealth Management Agreement, the Second Wealth Management Agreement and the Third Wealth Management Agreement will be aggregated. The relevant applicable percentage ratios (defined under the Listing Rules) of the transactions under the First Wealth Management Agreement, the Second Wealth Management Agreement and the Third Wealth Management Agreement, on an aggregate basis, exceed 5% but are lower than 25%. Therefore, the transactions under the First Wealth Management Agreement, the Second Wealth Management Agreement and the Third Wealth Management Agreement, on an aggregate basis, constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under the Listing

Rules.

The Board is pleased to announce that (i) on 6 April 2017, Hisense Refrigerator entered into the First Wealth Management Agreement with the Bank of China to subscribe for the Zhongyin Zhihui Wealth Management Plan in the subscription amount of RMB300,000,000 (equivalent to approximately HK\$338,340,000<sup>Note 1</sup>); (ii) on 12 October 2017, Hisense Refrigerator entered into the Second Wealth Management Agreement with the Bank of China to subscribe for the Zhongyin Jifu Wealth Management Plan No. 5 in the subscription amount of RMB200,000,000 (equivalent to approximately HK\$234,780,000<sup>Note 2</sup>); and (iii) on 13 October 2017, Hisense Refrigerator entered into the Third Wealth Management Agreement with the Bank of China to subscribe for the Zhongyin Jifu Wealth Management Plan No. 6 in the subscription amount of RMB200,000,000 (equivalent to approximately HK\$234,780,000<sup>Note 3</sup>).

### **The First Wealth Management Agreement**

- (1) **Subscription date:** 6 April 2017
- (2) **Name of wealth management product:** “Zhongyin Zhihui Wealth Management Plan 2017 No. 【17159-7】”(中銀智蒼理財計劃 2017 年【17159-7】期)
- (3) **Parties:** (i) The Bank of China as issuer; and  
(ii) Hisense Refrigerator as subscriber.

To the best knowledge, information and belief of the Directors, the Bank of China and its ultimate beneficial owners are not connected persons of the Company and are third parties independent of the Company and its connected persons.

- (4) **Type of wealth management product:** Non-principal-guaranteed with floating return.
- (5) **Risk rating of product:** Low-to-Medium.
- (6) **Principal amount of subscription:** RMB300,000,000 (equivalent to approximately HK\$338,340,000<sup>Note 1</sup>).
- (7) **Currency of subscription:** Renminbi.

- (8) Holding period of the wealth management product:** 77 days.
- (9) Expected return on annualised basis:** 4.6%.
- (10) Investment scope of the wealth management product:** The Zhongyin Zhihui Wealth Management Plan mainly invests in:
1. Money market instruments, including but not limited to cash, bank deposits (including interbank placements, agreement deposits and structured deposits), interbank deposits, certificates of deposits, bond repurchases, capital borrowings, bond borrowings, etc.
  2. Various bonds listed and dealt in interbank markets or (and) stock exchanges, including treasury bonds, various financial bonds (including subordinated bonds and hybrid capital bonds), central bank bills, various debt financing instruments whose the registration and issue have been approved by associations of interbank market traders (such as short term financing bills, super short term financing bills, medium term notes, perpetual medium term notes, private placement of debt financing instruments, small and medium-sized enterprise collective notes, etc.); enterprise bonds with high credit ratings, corporate bonds (including subordinated bonds of securities companies and insurance companies), private bonds of small and medium-sized enterprise, project income bonds, convertible bonds, exchangeable bonds, the corporate bond portion of detachable convertible bonds, income certificates of securities companies, preference shares, secondary capital instruments of commercial banks, bonds denominated in Renminbi issued by foreign borrowers in the PRC market; asset securitization products, including credit asset-backed securities (including residential mortgage-backed securities),

corporate asset-backed securities, asset-backed notes, etc.; monetary funds, bond funds, preference units of structured funds, various collective asset management schemes launched by securities companies, targeted asset management schemes by securities dealers, asset management products for specific fund clients, insurance asset management schemes (of which the investment scope of the targeted or specific asset management schemes shall not exceed the investment scope of this product); interest rate derivatives for the purpose of risk hedging such as interest rate swaps, treasury bond futures, standard bond forwards, etc.

3. Non-standardized assets, including but not limited to credit assets, trust loans, entrusted debts, acceptance bills, letters of credit, accounts receivables, various types of receivables and equity financing with buy-back clauses, etc.; and credit asset transfer, private and directional issuance of collateralized repo for bonds and shares with forward nature clauses; entrusted loans, share of partnership property, private debts, private funds, sector focus investment funds and other assets in the nature of debts that are not in breach of regulatory requirements with lawful and compliant mode of trading. In the event that there is any change in the above assets due to changes in regulatory policies and financial innovation, the latest applicable regulatory requirements shall be applied.
4. Other low-risk financial instruments permitted by laws, regulations and regulatory requirements.

**(11) Payment of return on principal upon maturity:**

The return shall be paid to the subscriber in one lump sum after the maturity date. The principal shall be paid to the subscriber within two (2) working days after the maturity date.

**(12) Right of early termination:**

The Bank of China is entitled to early termination of Zhongyin Zhihui Wealth Management Plan. However, the subscriber shall have no right of early termination.

## The Second Wealth Management Agreement

(1) **Subscription date:** 12 October 2017

(2) **Name of wealth management product:** “Zhongyin Jifu Wealth Management Plan 2017 No. 【2017380-5-HQ】” (中銀集富理財計劃 2017 年【2017380-5-HQ】期)

(3) **Parties:** (i) The Bank of China as issuer; and  
(ii) Hisense Refrigerator as subscriber.

To the best knowledge, information and belief of the Directors, the Bank of China and its ultimate beneficial owners are not connected persons of the Company and are third parties independent of the Company and its connected persons.

(4) **Type of wealth management product:** Non-principal-guaranteed with floating return.

(5) **Risk rating of product:** Low-to-Medium.

(6) **Principal amount of subscription:** RMB200,000,000 (equivalent to approximately HK\$234,780,000<sup>Note 2</sup>).

(7) **Currency of subscription:** Renminbi.

(8) **Holding period of the wealth management product:** 63 days.

(9) **Expected return on annualised basis:** 4.9%.

(10) **Investment scope of the wealth management product:** The Zhongyin Jifu Wealth Management Plan No. 5 mainly invests in:

1. Money market instruments, including but not limited to

cash, bank deposits, interbank deposits, certificates of deposits, bond repurchases, capital borrowings, money market funds, etc.

2. Various fixed income financial products issued and traded in interbank markets and stock exchange markets, including but not limited to treasury bonds, various financial bonds (including subordinated bonds and hybrid capital bonds), central bank bills; various debt financing instruments registered and issued by associations of interbank market traders (including short term financing bills, super short term financing bills, medium term notes, perpetual medium term notes, private placement of debt financing instruments, etc.); enterprise bonds, corporate bonds (including subordinated bonds of securities companies and insurance companies), small and medium-sized enterprise private bonds, project income bonds, convertible bonds, the corporate bond portion of detachable convertible bonds, exchangeable bonds, secondary capital instruments; asset securitization products (bank credit asset securitization products, asset-backed securities, asset-backed notes, including publicly offered or non-publicly offered); bonds denominated in Renminbi issued by foreign borrowers in the PRC market; bond borrowings; bond funds, etc.; as well as derivatives for the purpose of risk hedging such as interest rate swaps, treasury bond futures, bond forwards, etc.
3. Equity financial assets, including but not limited to: shares issued and traded at the Shanghai Stock Exchange and the Shenzhen Stock Exchange, including new shares, preference shares, publicly traded free float shares and private placement shares subscribed by way of auction; equity funds, hybrid funds, index funds/exchange traded funds (ETF), preference units of structured funds, etc.; index futures, stock index options, stock options, quantitative hedging products, etc. for risk hedging; as well as structured products

invested in the abovementioned instruments and in compliance with regulatory requirements.

4. Non-standardized assets, including but not limited to credit assets, trust loans, entrusted debts, acceptance bills, letters of credit, accounts receivables, various receivables and equity financing with buy-back clauses, etc.; and credit asset transfer, private and directional issuance of collateralized repo for bonds and shares with forward nature clauses; entrusted loans, share of partnership property, private debts and other assets in the nature of debts that are not in breach of regulatory requirements with lawful and compliant mode of trading; equity assets such as private funds, sector focus investment funds, equities of unlisted enterprises, private placement shares, shares that are listed but not yet circulated or are prohibited from circulation after listing; and other assets with non-standardized nature according to the relevant laws, regulations and regulatory requirements. In the event that there is any change in the above assets due to changes in regulatory policies and financial innovation, the latest applicable regulatory requirements shall be applied.
5. Other financial instruments permitted by laws, regulations and regulatory requirements.

**(11) Payment of return on principal upon maturity:**

The return shall be paid to the subscriber in one lump sum after the maturity date. The principal shall be paid to the subscriber within two (2) working days after the maturity date.

**(12) Right of early termination:**

The Bank of China is entitled to early termination of Zhongyin Jifu Wealth Management Plan No. 5. However, the subscriber shall have no right of early termination.

**The Third Wealth Management Agreement**

**(1) Subscription date:** 13 October 2017

<b>(2) Name of wealth management product:</b>	“Zhongyin Jifu Wealth Management Plan 2017 No. 【2017380-6-HQ】” (中銀集富理財計劃 2017 年【2017380-6-HQ】期)
<b>(3) Parties:</b>	<p>(i) The Bank of China as issuer; and</p> <p>(ii) Hisense Refrigerator as subscriber.</p> <p>To the best knowledge, information and belief of the Directors, the Bank of China and its ultimate beneficial owners are not connected persons of the Company and are third parties independent of the Company and its connected persons.</p>
<b>(4) Type of wealth management product:</b>	Non-principal-guaranteed with floating return.
<b>(5) Risk rating of product:</b>	Low-to-Medium.
<b>(6) Principal amount of subscription:</b>	RMB200,000,000 (equivalent to approximately HK\$234,780,000 <sup>Note 3</sup> ).
<b>(7) Currency of subscription:</b>	Renminbi.
<b>(8) Holding period of the wealth management product:</b>	62 days.
<b>(9) Expected return on annualised basis:</b>	4.9%.
<b>(10) Investment scope of the wealth management product:</b>	<p>The Zhongyin Jifu Wealth Management Plan No. 6 mainly invests in:</p> <ol style="list-style-type: none"> <li>1. Money market instruments, including but not limited to cash, bank deposits, interbank deposits, certificates of deposits, bond repurchases, capital borrowings, money market funds, etc.</li> <li>2. Various fixed income financial products issued and</li> </ol>



traded in interbank markets and stock exchange markets, including but not limited to treasury bonds, various financial bonds (including subordinated bonds and hybrid capital bonds), central bank bills; various debt financing instruments registered and issued by associations of interbank market traders (including short term financing bills, super short term financing bills, medium term notes, perpetual medium term notes, private placement of debt financing instruments, etc.); enterprise bonds, corporate bonds (including subordinated bonds of securities companies and insurance companies), small and medium-sized enterprise private bonds, project income bonds, convertible bonds, the corporate bond portion of detachable convertible bonds, exchangeable bonds, secondary capital instruments; asset securitization products (bank credit asset securitization products, asset-backed securities, asset-backed notes, including publicly offered or non-publicly offered); bonds denominated in Renminbi issued by foreign borrowers in the PRC market; bond borrowings; bond funds, etc.; as well as derivatives for the purpose of risk hedging such as interest rate swaps, treasury bond futures, bond forwards, etc.

3. Equity financial assets, including but not limited to: shares issued and traded at the Shanghai Stock Exchange and the Shenzhen Stock Exchange, including new shares, preference shares, publicly traded free float shares and private placement shares subscribed by way of auction; equity funds, hybrid funds, index funds/exchange traded funds (ETF), preference units of structured funds, etc.; index futures, stock index options, stock options, quantitative hedging products, etc. for risk hedging; as well as structured products invested in the abovementioned instruments and in compliance with regulatory requirements.
4. Non-standardized assets, including but not limited to credit assets, trust loans, entrusted debts, acceptance

bills, letters of credit, accounts receivables, various receivables and equity financing with buy-back clauses, etc.; and credit asset transfer, private and directional issuance of collateralized repo for bonds and shares with forward nature clauses; entrusted loans, share of partnership property, private debts and other assets in the nature of debts that are not in breach of regulatory requirements with lawful and compliant mode of trading; equity assets such as private funds, sector focus investment funds, equities of unlisted enterprises, private placement shares, shares that are listed but not yet circulated or are prohibited from circulation after listing; and other assets with non-standardized nature according to the relevant laws, regulations and regulatory requirements. In the event that there is any change in the above assets due to changes in regulatory policies and financial innovation, the latest applicable regulatory requirements shall be applied.

5. Other financial instruments permitted by laws, regulations and regulatory requirements.

**(11) Payment of return on principal upon maturity:**

The return shall be paid to the subscriber in one lump sum after the maturity date. The principal shall be paid to the subscriber within two (2) working days after the maturity date.

**(12) Right of early termination:**

The Bank of China is entitled to early termination of Zhongyin Jifu Wealth Management Plan No. 6. However, the subscriber shall have no right of early termination.

## **REASONS AND BENEFITS FOR THE SUBSCRIPTIONS**

The subscriptions of the Zhongyin Zhihui Wealth Management Plan, the Zhongyin Jifu Wealth Management Plan No. 5 and the Zhongyin Jifu Wealth Management Plan No. 6 are made from the idle self-owned funds of the Group and such utilisation of idle self-owned funds for entrusted wealth management is beneficial for enhancing efficiency of use of idle self-owned funds of the Group and would not affect the daily operation and the principal business development of the Group and will not adversely affect the interests of medium and small investors of the Company.

The Board considers that the subscriptions of the Zhongyin Zhihui Wealth Management Plan, the Zhongyin Jifu Wealth Management Plan No. 5 and the Zhongyin Jifu Wealth Management Plan No. 6 are on normal commercial terms, fair and reasonable, and in the interests of the Company and Shareholders as a whole.

## **IMPLICATION OF THE LISTING RULES**

Each of the First Wealth Management Agreement, the Second Wealth Management Agreement and the Third Wealth Management Agreement by itself does not constitute discloseable transaction of the Company under Rule 14.06 of the Listing Rules. However, pursuant to Rule 14.22 of the Listing Rules, the relevant subscription amounts under the First Wealth Management Agreement, the Second Wealth Management Agreement and the Third Wealth Management Agreement will be aggregated. The relevant applicable percentage ratios (defined under the Listing Rules) of the transactions under the First Wealth Management Agreement, the Second Wealth Management Agreement and the Third Wealth Management Agreement, on an aggregate basis, exceed 5% but are lower than 25%. Therefore, the transactions under the First Wealth Management Agreement, the Second Wealth Management Agreement and the Third Wealth Management Agreement, on an aggregate basis, constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under the Listing Rules.

## **INFORMATION OF THE COMPANY AND THE BANK OF CHINA**

### *The Company*

The Company is principally engaged in the manufacture and sales of refrigerators and air-conditioners.

### *The Bank of China*

The Bank of China is a licensed bank incorporated under the laws of the PRC. The Bank of China provides various banking and related financial services for customers, including commercial banking, investment banking, insurance, direct investment and investment management, fund management and aircraft leasing business.

## **DEFINITIONS**

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

<b>“Bank of China”</b>	the Bank of China Limited;
<b>“Board”</b>	the board of directors of the Company;
<b>“Company”</b>	Hisense Kelon Electrical Holdings Company Limited, a company incorporated in the PRC with limited liabilities, whose shares are listed on the main board of the Hong Kong Stock Exchange and the Shenzhen Stock Exchange;
<b>“connected person(s)”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“Director(s)”</b>	the director(s) of the Company;
<b>“First Wealth Management Agreement”</b>	the wealth management agreement entered into between Hisense Refrigerator and the Bank of China on 6 April 2017 in relation to the subscription of the Zhongyin Zhihui Wealth Management Plan;
<b>“Group”</b>	the Company and its subsidiaries;
<b>“Hisense Refrigerator”</b>	Guangdong Hisense Refrigerator Marketing Co., Ltd. (廣東海信冰箱營銷股份有限公司), a subsidiary of the Company;
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong;
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“Hong Kong Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited;
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;
<b>“PRC”</b>	the People’s Republic of China, which for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and

Taiwan;

<b>“Renminbi” or “RMB”</b>	the lawful currency of the PRC;
<b>“Second Wealth Management Agreement”</b>	the wealth management agreement entered into between Hisense Refrigerator and the Bank of China on 12 October 2017 in relation to the subscription of the Zhongyin Jifu Wealth Management Plan No. 5;
<b>“Shareholder(s)”</b>	the shareholder(s) of the Company;
<b>“Third Wealth Management Agreement”</b>	the wealth management agreement entered into between Hisense Refrigerator and the Bank of China on 13 October 2017 in relation to the subscription of the Zhongyin Jifu Wealth Management Plan No. 6;
<b>“Zhongyin Jifu Wealth Management Plan No. 5”</b>	“Zhongyin Jifu Wealth Management Plan 2017 No. 【2017380-5-HQ】” (中銀集富理財計劃 2017 年【2017380-5-HQ】期), a wealth management product issued by the Bank of China, the major terms of which are summarised in this announcement;
<b>“Zhongyin Jifu Wealth Management Plan No. 6”</b>	“Zhongyin Jifu Wealth Management Plan 2017 No. 【2017380-6-HQ】” (中銀集富理財計劃 2017 年【2017380-6-HQ】期), a wealth management product issued by the Bank of China, the major terms of which are summarised in this announcement;
<b>“Zhongyin Zhihui Wealth Management Plan”</b>	“Zhongyin Zhihui Wealth Management Plan 2017 No. 【17159-7】”(中銀智薈理財計劃 2017 年【17159-7】期), a wealth management product issued by the Bank of China, the major terms of which are summarised in this announcement;
<b>“%”</b>	per cent.

*Notes:*

- 1. This amount has been converted from RMB into HK\$ at the exchange rate of RMB1 to HK\$1.1278 for the purpose of illustration only. No representation is made that any amount in HK\$ or RMB could have been or could be converted at the relevant dates at the above rate or at*

*any other rates or at all.*

2. *This amount has been converted from RMB into HK\$ at the exchange rate of RMB1 to HK\$1.1739 for the purpose of illustration only. No representation is made that any amount in HK\$ or RMB could have been or could be converted at the relevant dates at the above rate or at any other rates or at all.*
3. *This amount has been converted from RMB into HK\$ at the exchange rate of RMB1 to HK\$1.1739 for the purpose of illustration only. No representation is made that any amount in HK\$ or RMB could have been or could be converted at the relevant dates at the above rate or at any other rates or at all.*

By order of the Board of  
**Hisense Kelon Electrical Holdings Company Limited**  
**Tang Ye Guo**  
Chairman

*Foshan City, Guangdong, the PRC, 13 October 2017*

*As at the date of this announcement, the Company's directors are Mr. Tang Ye Guo, Mr. Liu Hong Xin, Mr. Lin Lan, Mr. Dai Hui Zhong, Mr. Jia Shao Qian and Mr. Wang Yun Li; and the Company's independent non-executive directors are Mr. Ma Jin Quan, Mr. Xu Xiang Yi and Mr. Liu Xiao Feng.*