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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisor.

If you have sold or transferred all your shares in Haier Smart Home Co., Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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# Haier

**Haier Smart Home Co., Ltd.\***

**海爾智家股份有限公司**

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

**Stock Code: 6690**

**(1) CONNECTED TRANSACTION:  
ENTERING INTO OF THE VOTING RIGHTS  
ENTRUSTMENT AGREEMENT;  
AND  
(2) NOTICE OF THE FIRST EXTRAORDINARY  
GENERAL MEETING OF 2024**

**Independent Financial Advisor to  
the Independent Board Committee and the Independent Shareholders**



**SOMERLEY CAPITAL LIMITED**

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The Letter from the Board is set out on pages 5 to 19 of this circular.

The Company will convene the EGM by way of on-site meeting at 2:00 p.m. on Friday, 20 December 2024 at Rendanheyi Research Center, Haier Science and Technology Innovation Ecological Park, Laoshan District, Qingdao, PRC. The notice of the EGM is set out on pages 43 to 44 of this circular.

Whether or not you intend to attend and/or vote at the EGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the form of proxy to Tricor Investor Services Limited, the H Shares Registrar of the Company (for the H Shareholders) as soon as possible and in any event not less than 24 hours before the scheduled time for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

This circular has been prepared in Chinese and English. In case of any inconsistency, unless otherwise stated, the Chinese text of this circular shall prevail over the English text.

\* For identification purpose only

27 November 2024

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“A Share(s)”	the A Shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed and traded on the Shanghai Stock Exchange (stock code: 600690)
“A Shareholders”	holders of A Shares of the Company
“Articles of Association” or “Articles”	the articles of association of the Company, as amended, supplemented or otherwise amended from time to time
“associate(s)”	has the meaning as ascribed under the Hong Kong Listing Rules
“Bingji”	Bingji (Shanghai) Enterprise Management Co., Ltd.* (冰戟(上海)企業管理有限公司), a company incorporated under the laws of the PRC. As at the Latest Practicable Date, Bingji is held by Haier COSMO and Guanmei as to 55% and 45% respectively
“Board” or “Board of Directors”	the board of Directors of the Company
“Board of Supervisors”	the board of Supervisors of the Company
“China” or “PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, Macau Special Administrative Region and Taiwan, except where the context indicates or requires otherwise
“Company”	Haier Smart Home Co., Ltd., a joint stock company incorporated in the PRC with limited liability, whose A Shares are listed on the Shanghai Stock Exchange (stock code: 600690), whose D Shares are listed on the China Europe International Exchange AG D Share Market and quoted on the Frankfurt Stock Exchange (stock code: 690D), and whose H Shares are listed on the Main Board of the Stock Exchange (stock code: 6690)
“Connected Person(s)”	has the meaning as ascribed under the Hong Kong Listing Rules
“Controlling Shareholder(s)”	has the meaning as ascribed under the Hong Kong Listing Rules

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## DEFINITIONS

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“D Share(s)”	the D shares in the ordinary share capital of the Company, with a par value of RMB1.00 each, which are listed and traded on the China Europe International Exchange AG D Share Market of the Frankfurt Stock Exchange (stock code: 690D)
“Director(s)”	director(s) of the Company
“EGM”	the first extraordinary general meeting of 2024 of the Company to be held by way of on-site meeting at Rendanheyi Research Center, Haier Science and Technology Innovation Ecological Park, Laoshan District, Qingdao, PRC at 2:00 p.m. on Friday, 20 December 2024
“Group”	the Company and its subsidiaries from time to time, and the expression <i>member(s) of the Group</i> shall be construed accordingly
“Guanmei”	Guanmei (Shanghai) Enterprise Management Co., Ltd.* (貫美(上海)企業管理有限公司), a company incorporated under the laws of the PRC. As at the Latest Practicable Date, Guanmei is an indirectly wholly-owned subsidiary of the Company
“H Shareholders”	holders of H Shares of the Company
“H Shares”	the H shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Stock Exchange (stock code: 6690)
“Haier COSMO”	Haier COSMO Co., Ltd. (海爾卡奧斯股份有限公司) (formerly Haier Electric Appliances International Co., Ltd.), a company incorporated under the laws of the PRC and a subsidiary of Haier Group. Based on public information available to the Company, Haier Group holds 51.20% of the issued shares in Haier COSMO Co., Ltd., and is entitled to exercise the remaining 48.80% voting rights in Haier COSMO Co., Ltd. through an irrevocable voting rights entrustment arrangement
“Haier Group”	Haier Group Corporation, a company incorporated under the laws of the PRC and a Controlling Shareholder of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules” or “Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“Independent Board Committee”	the independent committee under the Board comprising all Independent Non-executive Directors, namely Mr. CHIEN Da-Chun, Mr. WONG Hak Kun, Mr. LI Shipeng and Mr. WU Qi. The Committee has been established to advise the Independent Shareholders on entering into of the Voting Rights Entrustment Agreement
“Independent Director(s)” or “Independent Non-executive Director(s)”	the independent Director(s) referred to the Articles and the independent non-executive Director(s) under the Listing Rules
“Independent Financial Advisor”	Somerley Capital Limited, a corporation licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial advisor to advise the Independent Board Committee and the Independent Shareholders on entering into of the Voting Rights Entrustment Agreement
“Independent Shareholders”	the Shareholders of the Company other than Haier Group and its associates
“Independent Third Party(ies)”	party(ies) not connected with the Group within the meaning of the Hong Kong Listing Rules as far as the Directors are aware after having made all reasonable enquiries
“Latest Practicable Date”	26 November 2024, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its printing
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary shares of the Company, including A Share(s), D Share(s) and H Share(s) of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed under the Hong Kong Listing Rules unless the context otherwise requires
“Supervisor(s)”	supervisor(s) of the Company

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## DEFINITIONS

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“Youjin” or “Target Company”      Youjin (Shanghai) Corporate Management Co., Ltd.\* (優瑾(上海)企業管理有限公司). As at the Latest Practicable Date, Youjin is held by Bingji and Guanmei as to 55% and 45% respectively

“%”      per cent

*Certain amounts and percentage figures in this circular have been subject to rounding adjustments. Accordingly, figures shown as currency conversion or percentage equivalents may not be an arithmetic sum of such figures.*



**Haier Smart Home Co., Ltd.\***

**海爾智家股份有限公司**

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

**Stock Code: 6690**

*Executive Directors:*

LI Huagang (*Chairman*)  
GONG Wei

*Non-executive Directors:*

YU Hon To, David  
Eva LI Kam Fun  
SHAO Xinzhi

*Independent Non-executive Directors:*

CHIEN Da-chun  
WONG Hak Kun  
LI Shipeng  
WU Qi

*Registered office and Headquarters:*

Haier Science and Technology Innovation  
Ecological Park (originally known  
as Haier Information Industry Park)  
Laoshan District  
Qingdao, Shandong Province  
PRC

*Principal place of business in Hong Kong:*

Unit 1908, 19/F, Harbour Center  
25 Harbour Road, Wanchai  
Hong Kong

*To the Shareholders,*

Dear Sir or Madam,

**(1) CONNECTED TRANSACTION:  
ENTERING INTO OF THE VOTING RIGHTS  
ENTRUSTMENT AGREEMENT;  
AND  
(2) NOTICE OF THE FIRST EXTRAORDINARY  
GENERAL MEETING OF 2024**

\* *For identification purpose only*

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## LETTER FROM THE BOARD

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### I. INTRODUCTION

The Company will convene the EGM at 2:00 p.m. on Friday, 20 December 2024, at which the following resolution will be proposed for the Shareholders to consider and approve, if thought fit:

#### ORDINARY RESOLUTION

1. To Consider and Approve the Resolution on Acceptance of Voting Rights Entrustment and Related-Party Transaction

The purpose of this circular is to provide you with the information regarding the resolution to be considered and approved at the EGM for approval. The notice of the EGM is set out on pages 43 to 44 of this circular.

### II. RESOLUTION TO BE CONSIDERED AND APPROVED AT THE EGM

An ordinary resolution is to be proposed at the EGM to consider and approve the resolution on entering into of the Voting Rights Entrustment Agreement.

On 29 October 2024, Bingji, a subsidiary of Haier Group, entered into the Voting Rights Entrustment Agreement with Guanmei, an indirectly wholly-owned subsidiary of the Company, pursuant to which Bingji shall irrevocably, exclusively and solely entrust to Guanmei the exercise of all voting rights in respect of all equity interests in Youjin held by Bingji on or after the date of signing of that agreement, which, as at the Latest Practicable Date, represent 55% of the current total registered capital of Youjin (the “**Subject Equity**”).

As at the Latest Practicable Date, Bingji and Guanmei hold 55% and 45% of the equity interests in Youjin respectively. Upon the Voting Rights Entrustment Agreement becoming effective, Guanmei will effectively control 100% of the voting rights of Youjin, and Goodaymart (Shanghai) Investment Co., Ltd. (“**Goodaymart (Shanghai)**”), Gooday Supply Chain Technologies Co., Ltd. (“**Gooday**”) and their controlled subsidiaries, which are both under the control of Youjin, will become entities under the effective control of the Company. Youjin, Goodaymart (Shanghai), Gooday and their controlled subsidiaries will be included within the scope of the Company’s consolidated statements.

#### Voting Rights Entrustment Agreement

The principal terms of the Voting Rights Entrustment Agreement are summarized as follows:

Date	29 October 2024
Parties	(1) Bingji (a subsidiary of Haier Group, as the entrusting party); and (2) Guanmei (an indirect wholly-owned subsidiary of the Company, as the entrusted party)



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## LETTER FROM THE BOARD

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- Scope of the Entrustment
1. The entrusting party shall irrevocably, exclusively and solely entrust to the entrusted party the exercise of all voting rights in respect of the Subject Equity. The entrusted party shall be entitled to exercise all voting rights in respect of the Subject Equity (the “**Entrusted Rights**”) during the term of the entrustment in accordance with the articles of association of Youjin then in force, including but not limited to:
    - (1) call, convene and attend the general meeting of Youjin and to exercise the proposal right as a shareholder;
    - (2) exercise the right to vote and sign the meeting documents in respect of all matters requiring discussion and resolution by a general meeting under relevant laws or the articles of association of Youjin, which shall include, but are not limited to, the sale, transfer, pledge or disposal of all or any part of its equity interests, as well as the appointment and election of the company’s legal representative, director(s), supervisor(s), general manager and other senior management who shall be appointed and dismissed by a general meeting;
    - (3) amend the articles of association;
    - (4) supervise the company’s business conduct and make recommendations or raise questions, determine the company’s profit distribution plan and investment plan;
    - (5) other voting rights of a shareholder under laws and regulations or the articles of association.

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## LETTER FROM THE BOARD

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2. The signing of the Voting Rights Entrustment Agreement shall not prejudice the entrusting party's right to income from the Subject Equity.
3. The entrusted party shall, within the scope of authorization provided for in the Voting Rights Entrustment Agreement, comply with the laws, administrative regulations and the articles of association to legally perform the entrusted obligations in a prudent and diligent manner, and to ensure that the voting methods and contents of relevant shareholders will not violate the laws, administrative regulations or the articles of association. The entrusting party shall acknowledge any legal consequences arising from the exercise of the abovementioned Entrusted Rights by the entrusted party and assumes the responsibility thereof.
4. During the term of the Voting Rights Entrustment Agreement, the entrusting party shall not dispose of any of its equity interests in Youjin (including transfer, pledge and otherwise) without the prior written consent of the entrusted party.
5. The entrusting party undertakes that, during the term of the Voting Rights Entrustment Agreement, it will neither exercise nor entrust to any third party other than the entrusted party the exercise of the Entrusted Rights.

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## LETTER FROM THE BOARD

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6. During the term of the Voting Rights Entrustment Agreement, if the registered capital of Youjin held by the entrusting party decreases, the entrusted party may continue to exercise the voting rights in respect of the remaining registered capital in Youjin held by the entrusting party in the manner stipulated in the Voting Rights Entrustment Agreement; if the registered capital held by the entrusting party increases, the voting rights in respect of the additional registered capital shall also be exercised by the entrusted party in the manner stipulated in the Voting Rights Entrustment Agreement, unless otherwise agreed by both parties.

### Term of the Entrustment

1. The exercise of the entrusted voting rights pursuant to the Voting Rights Entrustment Agreement shall commence on the effective date of the Voting Rights Entrustment Agreement and expire upon the entrusting party ceasing to hold any equity interests in Youjin.
2. The parties may terminate the Voting Rights Entrustment Agreement by mutual agreement.
3. The entrusting party shall not unilaterally revoke the voting rights entrustment without the written consent of the entrusted party. Neither party may unilaterally terminate the Voting Rights Entrustment Agreement unless otherwise agreed in the Voting Rights Entrustment Agreement.

### Consideration

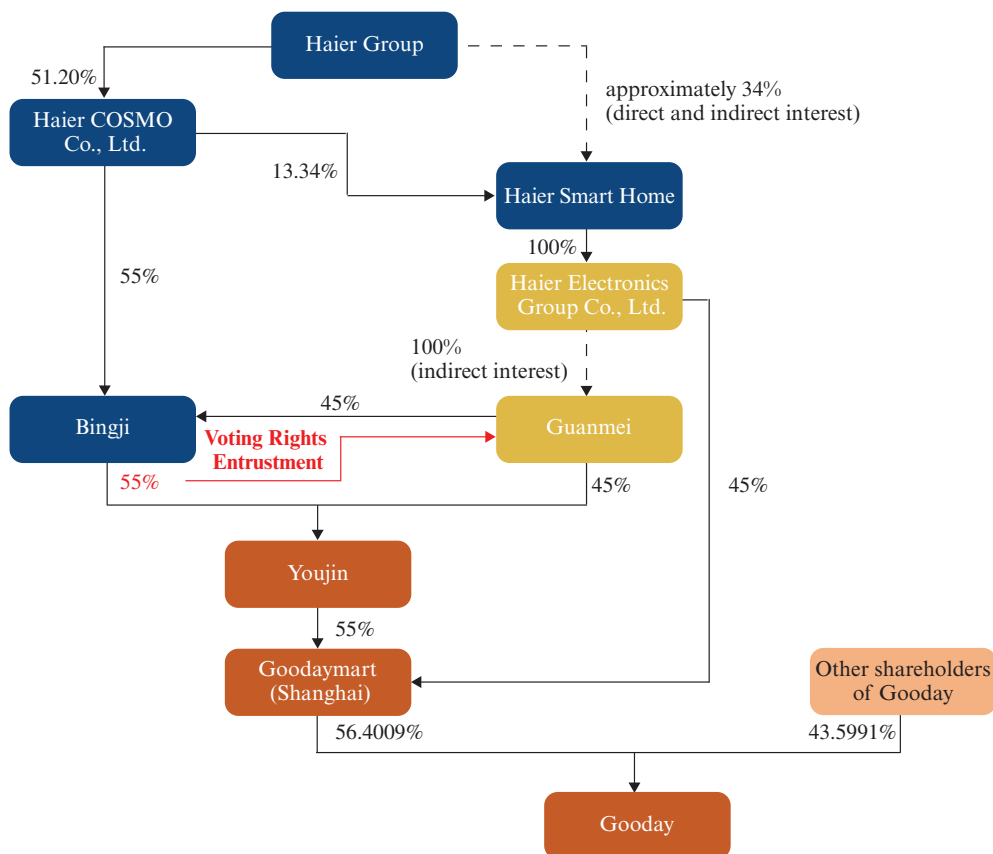
The voting rights entrustment does not involve a consideration payment arrangement, which is determined after arm's length negotiations between the parties.

## LETTER FROM THE BOARD

Effective date of the agreement

The Voting Rights Entrustment Agreement shall be established on the date on which both parties affixed their common seals and become effective on the date on which the Voting Rights Entrustment Agreement is considered and approved by the Company's general meeting. Upon the Voting Rights Entrustment Agreement becoming effective, the entrusted party shall be entitled to the voting rights in respect of the Subject Equity (including the registered capital as agreed in paragraph 6 of the "Scope of the Entrustment" above) based on the Voting Rights Entrustment Agreement; before the Voting Rights Entrustment Agreement becoming effective, the entrusting party shall continue to be entitled to the voting rights in respect of the Subject Equity (including the registered capital as agreed in paragraph 6 of the "Scope of the Entrustment" above) on its own.

The specific details of voting rights entrustment are as follows:



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## LETTER FROM THE BOARD

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Upon the Voting Rights Entrustment Agreement becoming effective, the directors of both Youjin and Goodaymart (Shanghai) will be nominated by the Group and appointed in accordance with the provisions of their articles of association. As at the Latest Practicable Date, the board of directors of Gooday comprises seven members, including three independent directors. Upon the Voting Rights Entrustment Agreement becoming effective, three directors of Gooday will be nominated by the Group and appointed in accordance with its articles of association.

### Information about the Target Company

Youjin is a company incorporated under the laws of the PRC in 2018. Its scope of operation includes corporate management and consultation and business information consultation. As at the Latest Practicable Date, Youjin is held by Bingji and Guanmei as to 55% and 45% respectively.

The unaudited total assets, total liabilities, net assets, operating revenue, profit before tax and profit after tax of Youjin for the two financial years ended 31 December 2022 and 31 December 2023 and the six months ended 30 June 2024 are set out below:

*(RMB)*

	<b>Year ended/as at 31 December 2022</b>	<b>Year ended/as at 31 December 2023</b>	<b>Six months ended/as at 30 June 2024</b>
Total assets	13,684,960,072	14,343,507,061	14,415,038,312
Total liabilities	7,636,716,699	7,820,295,296	7,676,731,428
Net assets	6,048,243,373	6,523,211,765	6,738,306,884
Operating revenue	16,846,945,345	18,423,619,654	9,332,737,742
Profit before tax	732,634,164	710,849,585	361,041,852
Profit after tax	575,036,895	567,874,621	285,607,529

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the Youjin's financial position since 30 June 2024. According to the information available to the Directors, Bingji initially acquired 55% equity interests in Youjin at a cost of RMB550,000.

**Reasons for and benefits of the transaction**

***1. Development history of Gooday***

Gooday is a leading provider of supply chain management solutions and scenario logistics services in the PRC, providing integrated supply chain solutions for many corporate clients based on their needs for supply chain management and logistics services in the areas of procurement, manufacturing, consumption and distribution, and user services, and satisfying the needs of clients for cross-border supply chain management and logistics services by way of various transportation modes including air, sea, rail and multimodal transportation.

Gooday originated from Haier Electronics' delivery service system. Relying on its strong industry competitiveness and excellent customer experience in major home appliance logistics, Gooday received investment from Alibaba in 2013. On the basis of strengthening cooperation with Alibaba's Tmall, it has begun to accelerate the expansion of third-party logistics services business for large items such as home appliances and household items.

After years of development, Gooday's services have expanded from home appliances to e-commerce, automobiles, home furnishing, new energy and other industries, becoming the third largest end-to-end supply chain management service provider in China. It is the only supply chain management company being selected into the top 100 most valuable brands in China and ranked among the top 10 in China's private logistics industry. In 2023, the consolidated operating income and net profit of Youjin, the controlling platform company of Gooday, was RMB18.424 billion and RMB568 million, respectively.

In 2018, many well-known investment institutions such as Taobao Holdings, Goldman Sachs, and China Investment Corporation invested in Gooday. In 2019, Gooday departed from the consolidated statements of Haier Smart Home and began preparations for an independent IPO. In 2021, Gooday submitted an IPO application to the GEM of the Shenzhen Stock Exchange and passed the review of the Listing Committee in 2023. Gooday has voluntarily applied to the Shenzhen Stock Exchange for the withdrawal of its listing application and on 29 October 2024, the Shenzhen Stock Exchange has agreed to withdraw the relevant listing application.

***2. Development strategy of Haier Smart Home***

In the domestic market, new sales channels such as content e-commerce are emerging. Distributors hope to focus more resources on the sales process. Their demands for the logistics link are to improve response speed, enhance customization capabilities, and improve matching efficiency with the sales link. In response to customer demands, Haier Smart Home has actively promoted its retail transformation and reform, aiming to provide customers with more competitive integrated warehousing, distribution and delivery solutions, build shared inventory, and improve overall efficiency. Logistics capability building is a key part of Haier Smart Home's retail transformation and reform, and is crucial to the achievement of the strategy.

In overseas markets, Haier Smart Home has achieved a broad market layout and leading market scale after years of development. However, compared with competitors in Europe, America, Japan and South Korea, brand localization still needs to be deepened. In terms of warehousing and logistics, Haier Smart Home needs to open up overseas logistics management information systems, improve localized logistics operation capabilities, cultivate a localized logistics talent team, change the current logistics system in some regions where outsourcing is the main focus in all aspects such as systems, operations and warehousing, and comprehensively improve the overseas logistics management level of Haier Smart Home.

***3. The necessity of merging Gooday for the development of Haier Smart Home***

Gooday is the most important supply chain service provider to Haier Smart Home, and home appliance logistics is also the most important part of Gooday's business. Its professional understanding of the supply chain of the home appliance industry is at a leading level in the world. The cooperation between the two parties has a rich history and a solid foundation. Gooday is the best choice for Haier Smart Home to implement the domestic retail transformation and reform and overseas brand localization capacity building goals in the key logistics links.

During their early independent development stage, Haier Smart Home and Gooday were separated with each other in terms of system and data, and they were not able to apply flexible pricing mechanism according to the dynamic needs of the industry and users. In its retail transformation, Haier Smart Home needs to fully integrate the relevant processes, systems, and data of all business links. The integration of the business systems and data management of Gooday and Haier Smart Home will increase the supply chain management capabilities of Haier Smart Home, expand the creation potential of the entire value chain, and provide customers with integrated solutions for the entire warehousing, distribution and delivery process.

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## LETTER FROM THE BOARD

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In terms of overseas business, Haier Smart Home hopes that Gooday, with its leading business model, operation system and professional team, as well as its experience in building full-process supply chain management systems for customers overseas, will change the current status quo of Haier Smart Home's localized logistics in certain overseas regions, which are mainly operated through outsourcing, and comprehensively improve Haier Smart Home's overseas logistics management standard.

***4. Upon the completion of this issue, Haier Smart Home will achieve common development with Gooday***

The operation of Gooday is not a core business of Haier Group and is more closely linked to the business of Haier Smart Home. The accelerated integration of Gooday and Haier Smart Home will be beneficial to the improvement of their business competitiveness and development of their business operation, which will create more business value. As the controlling shareholder of both Haier Smart Home and Gooday, Haier Group believes that the current voting rights entrustment for no consideration is the best option, which will enable it to economically benefit from the integration of Gooday and Haier Smart Home and is in line with its long-term development interests. Accordingly, after multiple rounds of negotiations, Haier Smart Home and Haier Group reached an agreement that Gooday shall be controlled by Haier Smart Home. Upon the completion of this voting rights entrustment, the two parties will, in terms of the logistics services function of Haier Smart Home's home appliances business, become one single entity and team who shares the same goals, promoting the improvement of our logistics capabilities based on the long-term development strategy of Haier Smart Home.

*(1) The impact of this issue on Haier Smart Home*

Upon the completion of this voting rights entrustment, the implementation of Haier Smart Home's domestic retail transformation and reform and the upgrade of its overseas brand localization capabilities will be more effectively guaranteed in the logistics link. The staff, systems, and data interfaces used by both sides to connect with each other will all be connected. Haier Smart Home's ability to provide customers with integrated warehousing, distribution, and delivery services will be significantly improved. Haier Smart Home will fully accelerate inventory turnover, narrow the gap between key operating indicators such as transportation distance and freight and industry-leading levels, significantly reduce logistics costs, channel costs, and personnel overlap, and continue to enhance the market competitiveness of Haier Smart Home.

As at the Latest Practicable Date, based on the information available to the Company, Gooday has been generating cash inflows from its operating activities in recent years. Its cash flows are relatively sufficient and can meet its due payment of debt, daily operating and capital expenditure requirements.



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## LETTER FROM THE BOARD

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*(2) The impact of this issue on Gooday*

Gooday will carry out business layout and investment planning with a longer-term development perspective, which can better improve its own capabilities and provide better services to customers in the fields of home appliances, e-commerce, automobile, home furnishing, new energy and other fields, which is conducive to more fully realizing the long-term interests of Haier Smart Home and Gooday.

Upon the completion of this voting rights entrustment, Gooday's third-party logistics development strategy remains unchanged. Gooday will focus more on improving core competitiveness such as warehousing and distribution scale and delivery efficiency, develop businesses that will help increase return on investment, and promote the steady and quality growth of third-party supply chain logistics business.

Gooday can fully enhance its competitiveness in overseas markets by deeply participating in Haier Smart Home's localized logistics system and capacity building in overseas markets. It will provide better services for the overseas development of major customers in the home appliances, e-commerce, automobile, home furnishing, new energy and other industries, opening up a new blue ocean of third-party supply chain logistics and creating new driver for Haier Smart Home's business growth.

Based on the audited financial data of the Company, the amount of connected transactions of logistics services procurement in 2023 between the Company and Gooday and its controlled subsidiaries was approximately RMB6 billion. Upon the completion of the voting rights entrustment, Youjin, Goodaymart (Shanghai) and Gooday will cease to be Connected Persons of the Company, and therefore the transactions of logistics services procurement between the Company and such companies and their controlled subsidiaries will not constitute connected transactions under Chapter 14A of the Hong Kong Listing Rules. This issue will help the Company to reduce the overall amount of connected transactions.

### **Implications of the Hong Kong Listing Rules**

As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) in respect of the issue contemplated under the Voting Rights Entrustment Agreement is higher than 5% but lower than 25%, the issue contemplated under the Voting Rights Entrustment Agreement constitutes a discloseable transaction of the Company and is therefore subject to the requirements of reporting and announcement under Chapter 14 of the Hong Kong Listing Rules, but is exempted from the requirement of shareholders' approval under Chapter 14 of the Hong Kong Listing Rules.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, Haier Group holds, directly and indirectly, approximately 34% of the voting rights in the Company and is therefore a Controlling Shareholder of the Company. As such, Haier Group and Bingji, its subsidiary, are each a Connected Person of the Company. Consequently, the issue contemplated under the Voting Rights Entrustment Agreement constitutes a connected transaction under Chapter 14A of the Hong Kong Listing Rules. As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) in respect of the issue contemplated under the Voting Rights Entrustment Agreement is higher than 5%, the issue contemplated under the Voting Rights Entrustment Agreement, as a connected transaction of the Company, is subject to the requirements of reporting, announcement, Independent Financial Advisor's opinions and Independent Shareholders' approval under Chapter 14A of the Hong Kong Listing Rules.

### **Opinions of the Board**

In terms of the entering into of the Voting Rights Entrustment Agreement, the Directors (including the Independent Non-executive Directors) consider that the terms of the issue contemplated under the Voting Rights Entrustment Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole, but are not in the ordinary or usual business course of the Group due to the nature of the issue. As Mr. LI Huagang, Ms. SHAO Xinzhi and Mr. GONG Wei, each a Director of the Company, have relevant interests in Haier Group, they have abstained from voting on the resolution of the Board for approving the entering into of the Voting Rights Entrustment Agreement. Save as disclosed above, there are no other Directors who have any material interest in the above resolution and are required to abstain from voting on the resolution of the Board for considering and approving the above proposal.

### **General Information**

#### *Information of the Company*

The Company is a joint stock company incorporated in the PRC with limited liability, whose A Shares are listed on the Shanghai Stock Exchange, whose D Shares are listed on the Frankfurt Stock Exchange and whose H Shares are listed on the Main Board of the Hong Kong Stock Exchange. The Company is a leading provider of home appliances and smart home solutions in the world. The Company's main businesses include the research and development, production and sales of smart home appliances such as refrigerators/freezers, washing machines, air conditioners, water heaters, kitchen appliances, small home appliances, and smart home scenario solutions. It creates whole scenario smart life experience with its rich product, brand and solution package to meet the needs of users for a better life.

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## LETTER FROM THE BOARD

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### *Information of Guanmei*

Guanmei is a company incorporated under the laws of the PRC in 2017. Its scope of operation includes corporate management and consultation and business information consultation. As at the Latest Practicable Date, Guanmei is an indirectly wholly-owned subsidiary of the Company.

### *Information of Haier Group*

Haier Group is a company incorporated under the laws of the PRC in 1984 and a Controlling Shareholder of the Company. Its scope of operation includes: technology development, technology consultancy, technology transfer, technology services, including industrial internet, etc.; data processing; engaged in digital technology, intelligent technology, software technology; the research and development, sales and after-sales services of robots and automation equipment products; logistics information services; the research and development and sales of intelligent household equipment and solution system software technology (方案系統軟件技術); the production of household appliances, electronic products, communication equipment, electronic computers and accessories, general machinery, kitchen appliances and robots for industrial purpose; domestic commercial (excluding national restricted, licensed and controlled commodities) wholesale and retail; export and import business (refer to foreign enterprise confirmation certificate for details); economic technology consultancy; the research and development and transfer of technological achievements; and lease of self-owned properties. Haier Group is an enterprise under urban collective ownership. According to the Regulations on Urban Collective Ownership Enterprises of the People's Republic of China promulgated by the State Council, which was revised in February 2016, all property under the urban collective ownership belongs to the working people collectively and the worker representative organization is its governing body.

### *Information of Bingji*

Bingji is a company incorporated under the laws of the PRC in 2018. Its scope of operation includes corporate management and consultation and business consultation. As at the Latest Practicable Date, Bingji is held by Haier COSMO and Guanmei as to 55% and 45% respectively, and it is ultimately beneficially owned by Haier Group.

### *Information of Gooday*

Gooday is a company incorporated under the laws of the PRC in 2000. As at the Latest Practicable Date, it is ultimately beneficially owned by Haier Group.

For more details of this resolution, please refer to the announcement of the Company dated 29 October 2024. This resolution has been reviewed and approved by the Board meeting on 29 October 2024, and is now proposed at the EGM for review and approval by an ordinary resolution.

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## LETTER FROM THE BOARD

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### III. THE EGM

The Company will convene the EGM by way of on-site meeting at 2:00 p.m. on Friday, 20 December 2024 at Rendanheyi Research Center, Haier Science and Technology Innovation Ecological Park, Laoshan District, Qingdao, PRC, to consider and approve, if thought fit, the proposed matters as set out in the notice of the EGM dated 29 October 2024.

Whether or not you intend to attend and/or vote at the EGM in person, you are requested to complete the form(s) of proxy in accordance with the instructions printed thereon. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish. The form of proxy for the EGM was published on both the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company (<http://smart-home.haier.com>).

### IV. VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the chairman of the meeting will demand a poll in relation to the proposed resolution at the EGM.

According to Rule 17.05A of the Listing Rules, trustee(s) of any share schemes who directly or indirectly hold any unvested Shares of the Company shall abstain from voting on matters that require shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

Haier Group and its associates hold approximately 34% of the total issued Shares of the Company and are entitled to exercise control over the voting right in respect of their Shares. Haier Group and its associates will abstain from voting on the resolution in respect of entering into of the Voting Rights Entrustment Agreement at the EGM. The Directors, namely Mr. LI Huagang, Ms. SHAO Xinzhi and Mr. GONG Wei, hold interest of the Company and have relevant interests in Haier Group, therefore, they will abstain from voting on the resolution for approving entering into of the Voting Rights Entrustment Agreement. As at the Latest Practicable Date, to the knowledge and belief of the Directors having made all reasonable enquiries, save as disclosed in this circular, no Shareholder or its associate, who is entitled to exercise control over the voting right in respect of his/her/its Shares, is deemed to have a material interest in the resolution to be proposed at the EGM, and therefore, save as disclosed in this circular, no Shareholder is required to abstain from voting on the resolution at the EGM.

The voting results of the EGM will be published on both websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company (<http://smart-home.haier.com>) in accordance with the Listing Rules.

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## LETTER FROM THE BOARD

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### V. CLOSURE OF THE REGISTER OF MEMBERS AND THE ELIGIBILITY FOR ATTENDING AND VOTING AT THE EGM

The Company's register of members will be closed from Thursday, 12 December 2024 to Friday, 20 December 2024, both days inclusive, during which period no transfer of Shares will be effected. To be eligible for attending and voting at the EGM, all transfer documents together with the relevant Share certificates and other appropriate documents must be lodged with the H Shares Registrar, namely, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for the H Shareholders) not later than 4:30 p.m., on Wednesday, 11 December 2024 for registration.

### VI. RECOMMENDATION

The Board (including the Independent Non-executive Directors) considers that the resolution to be proposed at the EGM is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends Shareholders to vote in favour of the resolution to be proposed at the EGM.

By Order of the Board  
**Haier Smart Home Co., Ltd.\***  
**LI Huagang**  
*Chairman*

Qingdao, the PRC

27 November 2024

\* *For identification purpose only*



**Haier Smart Home Co., Ltd.\***

**海爾智家股份有限公司**

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

**Stock Code: 6690**

27 November 2024

*To the Independent Shareholders*

Dear Sir or Madam,

**CONNECTED TRANSACTION: ENTERING INTO OF  
THE VOTING RIGHTS ENTRUSTMENT AGREEMENT**

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders in respect of the Voting Rights Entrustment Agreement, details of which are set out in the “Letter from the Board” in the circular dated 27 November 2024 (the “**Circular**”) to the Shareholders. Unless the context otherwise requires, terms defined in the Circular shall have the same meanings when used in this letter.

Your attention is drawn to the advice of Somerley Capital Limited to the Independent Board Committee and the Independent Shareholders in respect of the same matter as set out in the “Letter from Somerley Capital Limited” in the Circular. Having taken into account the advice of Somerley Capital Limited, we are of the view that the issue contemplated under the Voting Rights Entrustment Agreement is on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole, while not in the ordinary or usual business course of the Group due to the nature of the issue. We also consider that the issue contemplated under the Voting Rights Entrustment Agreement is fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to approve the Voting Rights Entrustment Agreement at the EGM.

Yours faithfully,

**For and on behalf of the Independent Board Committee**

**CHIEN Da-chun**  
*Independent  
Non-executive  
Director*

**WONG Hak Kun**  
*Independent  
Non-executive  
Director*

**LI Shipeng**  
*Independent  
Non-executive  
Director*

**WU Qi**  
*Independent  
Non-executive  
Director*

\* *For identification purpose only*

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## LETTER FROM SOMERLEY CAPITAL LIMITED

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*The following is the text of the letter of advice from Somerley Capital Limited to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.*



**SOMERLEY CAPITAL LIMITED**

20th Floor  
China Building  
29 Queen's Road Central  
Hong Kong

27 November 2024

*To: the Independent Board Committee and  
the Independent Shareholders*

Dear Sirs,

### **CONNECTED TRANSACTION: THE ENTERING INTO OF THE VOTING RIGHTS ENTRUSTMENT AGREEMENT**

#### **INTRODUCTION**

We refer to our appointment to advise the Independent Board Committee and the Independent Shareholders in relation to the voting rights entrustment by Bingji (an indirect non-wholly owned subsidiary of Haier Group) to Guanmei (an indirect wholly-owned subsidiary of the Company) in respect of all equity interests in Youjin held by Bingji (the “**Voting Rights Entrustment**”), for which Independent Shareholders’ approval is being sought. Details of the Voting Rights Entrustment are contained in the circular of the Company to its Shareholders dated 27 November 2024 (the “**Circular**”), of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

As at the Latest Practicable Date, Haier Group holds approximately 34% of the voting rights in the Company, and therefore is the Controlling Shareholder and a connected person of the Company. As Bingji is a subsidiary of Haier Group and therefore is a connected person of the Company, the issue contemplated under the Voting Rights Entrustment Agreement constitutes a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules. As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) in respect of the Voting Rights Entrustment is higher than 5%, the issue contemplated under the Voting Rights Entrustment Agreement is subject to the requirements of reporting, announcement, independent financial advisor’s opinions, annual review and independent shareholders’ approval under Chapter 14A of the Hong Kong Listing Rules. The issue contemplated under the Voting Rights Entrustment Agreement also constitutes a discloseable transaction of the Company under Chapter 14 of the Hong Kong Listing Rules.

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## LETTER FROM SOMERLEY CAPITAL LIMITED

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The Company will convene an EGM to seek approval from the Independent Shareholders in respect of the Voting Rights Entrustment Agreement. In view of Haier Group's interests in the Voting Rights Entrustment Agreement, Haier Group and its associates will, and are required to, abstain from voting on the ordinary resolution to approve the Voting Rights Entrustment Agreement at the EGM.

The Independent Board Committee, comprising all Independent Non-executive Directors, namely Mr. CHIEN Da-Chun, Mr. WONG Hak Kun, Mr. LI Shipeng and Mr. WU Qi, has been established to advise the Independent Shareholders on the Voting Rights Entrustment Agreement. We, Somerley Capital Limited, have been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

During the past two years, Somerley Capital Limited has acted as the independent financial advisor to the then independent board committee and independent shareholder of the Company in relation to certain continuing connected transactions, details of which were set out in the circular of the Company dated 6 June 2023. The above engagement was limited to providing independent advisory services to the then independent board committee and independent shareholders of the Company, for which Somerley Capital Limited received normal professional fees from the Company based on market rate. Notwithstanding the above engagements, as at the Latest Practicable Date, there were no relationships or interests between (a) Somerley Capital Limited and (b) the Group, Haier Group and their respective subsidiaries and associates that could reasonably be regarded as a hindrance to our independence as defined under Rule 13.84 of the Hong Kong Listing Rules to act as the Independent Financial Advisor.

In formulating our opinion and recommendation, we have relied on the information and facts supplied, and the opinions expressed, by the Directors and management of the Group, and have assumed that they are true, accurate and complete in all material aspects as at the date of the Circular or the Latest Practicable Date (as the case may be) and will remain so up to the time of the EGM. We have also sought and received confirmation from the Directors that all material relevant information has been supplied to us and that no material facts have been omitted from the information supplied and opinions expressed to us. We have no reason to doubt the truth, accuracy or completeness of the information provided to us, or to believe that any material information has been omitted or withheld. We have relied on such information and consider that the information we have received is sufficient for us to reach an informed view. We have, however, not conducted any independent investigation into the business and affairs of the Group, Haier Group, and their respective subsidiaries or associates, nor have we carried out any independent verification of the information supplied.



## PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation on the Voting Rights Entrustment, we have taken into account the principal factors and reasons set out below:

### 1. Information on the parties

#### *(i) The Group*

The Group is principally engaged in research and development, production and sales of smart home appliances such as refrigerators/freezers, washing machines, air conditioners, water heaters, kitchen appliances, small home appliances, and smart home scenario solutions. In addition to the self-developed brands, namely Haier, Casarte and Leader, the Group has a global portfolio of home appliance brands, including GE Appliances, Candy, Fisher & Paykel and AQUA, through a series of overseas acquisitions.

As set out in the Company's 2024 interim report, the Group's performance and profitability were driven by, among others, the advanced end-to-end digital transformation, improved user experience and operational efficiency. In 2023 and the first half of 2024, the Group recorded sales revenue of approximately RMB261.4 billion and RMB135.6 billion respectively. The profits attributable to owners of the Company were approximately RMB16.6 billion and RMB10.4 billion in 2023 and the first half of 2024 respectively.

The Company's H Shares have been listed on the Main Board of the Hong Kong Stock Exchange since 2020, its A Shares (stock code: 600690.SH) have been listed on the Shanghai Stock Exchange since 1993, and its D Shares (stock code: 690D) have been listed on the Frankfurt Stock Exchange since 2018. The Company had a market capitalisation of approximately HK\$270 billion, based on the respective closing prices of the H Shares, A Shares and D Shares sourced from Bloomberg as at the Latest Practicable Date.

#### *(ii) Haier Group*

Haier Group is an urban collective ownership enterprise incorporated under the laws of the PRC in 1984, and is headquartered in Qingdao, Shandong Province, the PRC. The scope of operation of Haier Group includes, among others, (i) technology development, technology consultancy, technology transfer, and technology services; (ii) data processing; (iii) digital technology, intelligent technology, and software technology; (iv) research and development, sales and after-sales services of robots and automation equipment products; (v) logistics information services; (vi) research and development and sales of intelligent household equipment and solution system software technology; and (vii) production of household appliances, electronic products, communication equipment, electronic computers and accessories, general machinery, kitchen appliances and robots for industrial purpose.

*(iii) Bingji and Guanmei*

Bingji is a company incorporated under the laws of the PRC with limited liability and is principally engaged in the business of corporate management and consultation and business consultation. Bingji is an indirect non-wholly owned subsidiary of Haier Group.

Guanmei is a company incorporated under the laws of the PRC with limited liability and is principally engaged in the business of corporate management and consultation and business information consultation. Guanmei is an indirect wholly owned subsidiary of the Group.

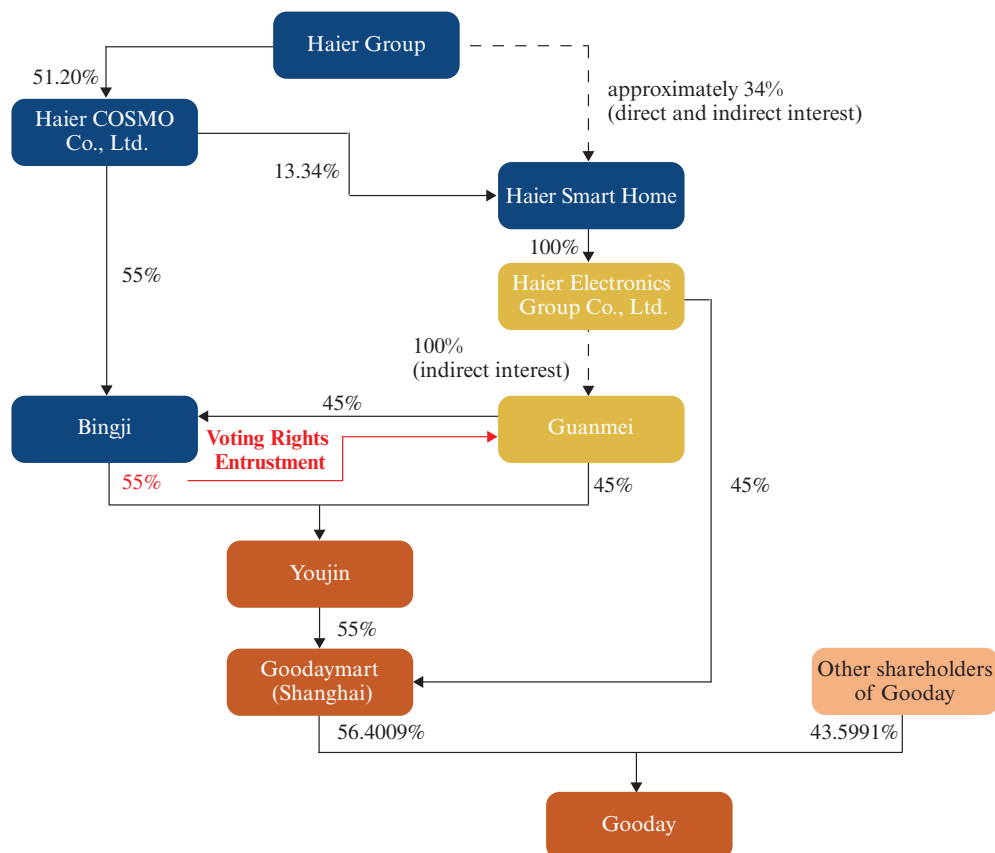
As at the Latest Practicable Date, Bingji and Guanmei held 55% and 45% of the equity interest in Youjin respectively.

*(iv) The Youjin Group*

Youjin is a company incorporated under the laws of the PRC with limited liability and is principally engaged in the business of corporate management and consultation and business information consultation. As at the Latest Practicable Date, the Company (through its subsidiary) and Youjin held 45% and 55% of the equity interest in Goodaymart (Shanghai) Investment Co., Ltd. (“**Goodaymart (Shanghai)**”), which in turn was the majority shareholder of Gooday, holding an equity interest of approximately 56.4%.

## LETTER FROM SOMERLEY CAPITAL LIMITED

The chart below sets out the simplified shareholding structure of the above entities as at the Latest Practicable Date:



Gooday is a limited liability company established under the laws of the PRC. Gooday and its subsidiaries are principally engaged in the business of providing logistics services. For further information on Gooday, please refer to the section below headed “3. Business and financial information on the Youjin Group”.

### 2. Reasons for and benefits of the Voting Rights Entrustment

As stated in the letter from the Board, the Group intends to obtain control over Gooday by entering into the Voting Rights Entrustment Agreement, to enable a full integration of Gooday’s business and logistics capabilities, which is expected to improve operational efficiency of the Group. The integration of Gooday’s business into those of the Group may also help advancing the Group’s leading capabilities in supply chain management, and may become a new source of growth for the Group. It is also stated that Haier Group as the controlling shareholder of both Haier Smart Home and Gooday believes that the Voting Rights Entrustment for no consideration will enable it to economically benefit from the integration of Gooday and Haier Smart Home and is in line with its long-term development interests.

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## LETTER FROM SOMERLEY CAPITAL LIMITED

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In our view, logistics and supply chain management are important aspects of the Group's business operation, bearing in mind the sales volume of the Group has been substantial, reaching sales revenue of approximately RMB261.4 billion in 2023 (including approximately RMB125.0 billion in Mainland China) and RMB135.6 billion in the first half of 2024 (including approximately RMB64.8 billion in Mainland China). In this respect, the Youjin Group (in particular Gooday) has long been serving the Group as a key logistics services provider in Mainland China. As such, the overall business strategy, resources allocation, choice of warehouse locations and other important business decisions of Gooday would potentially affect the way the Group carries out its logistics planning for its business operation.

As Gooday is not currently controlled by the Group, Gooday's business decisions may not necessarily align with the interest of the Group from time to time. Following completion of the Voting Rights Entrustment, the Group will obtain control of Gooday in terms of shareholders' voting rights and board representation. On this basis, the management of the Group will be able to formulate business strategies of Gooday that are more tailored to the business needs of the Group, which may enhance the Group's logistics and supply chain management capability, thereby benefitting the overall business performance of the Group. We consider the above to be beneficial to the Shareholders, including the Independent Shareholders.

The Voting Rights Entrustment is also expected to reduce continuing connected transactions of the Group, which is in the interest of the Independent Shareholders from corporate governance perspective. Currently, Gooday provides various supply chain management solutions to the Group, including logistics services for parts and components to production lines and warehousing of finished profits and logistics services to distribution channels. Such provision of services by Gooday represents continuing connected transactions of the Group and are, together with the procurement of other services from Haier Group, currently governed under the Services Procurement Framework Agreement, which was approved by the then Independent Shareholders in 2022. In 2023, the logistics services procurement from Gooday (together with its controlled subsidiaries) amounted to approximately RMB6 billion. As a result of the Voting Rights Entrustment, Gooday will become a subsidiary of the Company and cease to be connected person of the Company, and the transactions between two groups will no longer constitute continuing connected transaction of the Company under the Hong Kong Listing Rules. On the other hand, any ongoing transactions between the Youjin Group and Haier Group (excluding the Group) will become the Group's continuing connected transactions, such as the provision of logistics services by Gooday to Haier Group and its associates. Based on our discussion with the management of the Group and the expected annual transaction amounts (of up to approximately RMB600 million), such new continuing connected transactions are not expected to be significant to the Group, and are substantially lower than the transactions between the Group and Gooday in 2023 as discussed above. For further details, please refer to the announcement of the Company dated 29 October 2024.

**3. Business and financial information on the Youjin Group**

***Youjin and Goodaymart (Shanghai)***

As confirmed with the management of the Group, other than as relates to the equity interest in Gooday, each of Youjin and Goodaymart (Shanghai) has minimal profit or loss.

***Gooday***

*(i) Principal business*

Gooday is a leading provider of supply chain management solutions and scenario logistics services in the PRC, with a nationwide logistics service network. Gooday's offers a full spectrum of full-process and multi-scenario supply chain management solutions, covering procurement, production and manufacturing, online and offline distribution channels, cross-border and end-user scenario services, tailored to the specific needs of its customers in different industries, including home appliances, home furniture, automobile, travel, e-commerce platforms, and fast-moving consumer goods cold chain. Gooday's customers mainly include (i) brand owners or channel merchants, such as Haier, Alibaba, BYD, Kohler, IKEA and Xiaomi, (ii) manufacturing companies, such as Haier, Longi, Formosa Plastics, Samsung Electro-Mechanics, and (iii) companies that are engaged in the production, manufacturing or trading of bulk raw materials and commodities.

As at 30 June 2024, Gooday's logistics infrastructure and service resources comprised over 800 warehouses, over 15,000 trunk transportation routes, approximately 120,000 transportation vehicles and approximately 5,000 service outlets.

We note that Gooday had submitted an application to the Shenzhen Stock Exchange for its proposed initial public offering in 2021. Gooday has voluntarily applied to the Shenzhen Stock Exchange for the withdrawal of its listing application. On 29 October 2024, the Shenzhen Stock Exchange has agreed to withdraw the relevant listing application.

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## LETTER FROM SOMERLEY CAPITAL LIMITED

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(ii) *Financial information*

Set out below is a summary of the consolidated statements of profit or loss of the Youjin Group for the two years ended 31 December 2022 and 2023 and for the six months ended 30 June 2024, as extracted and summarised from its unaudited consolidated management accounts prepared in accordance with the Generally Accepted Accounting Principles in the PRC:

*Financial performance*

	<b>For the six months ended 30 June 2024</b>	<b>For the year ended 31 December</b>	
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
	(unaudited)	(unaudited)	(unaudited)
Revenue	9,333	18,424	16,847
Profit before tax	361	711	733
Profit for the year	286	568	575

The Youjin Group's revenue is mainly derived from Gooday's supply chain management services and logistics services, and warehousing services in the PRC. The Youjin Group recorded revenue of approximately RMB18.4 billion and approximately RMB9.3 billion in 2023 and the first six months of 2024 respectively. Out of total revenue, about one-third in 2023 and the first six months of 2024 represented procurement of logistics services by the Group. Based on our discussion with the management of the Group, Gooday has been expanding its supply chain management solutions and service offerings as well as exploring new businesses from independent customers in recent years. Nevertheless, as a result of the development path of Gooday, the Group remained an important customer of Gooday, generating a significant proportion of Gooday's revenue and profitability.

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## LETTER FROM SOMERLEY CAPITAL LIMITED

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### *Financial position*

Set out below is a summary of the consolidated statements of financial position of the Youjin Group as at 31 December 2023 and 30 June 2024, as extracted and summarised from its unaudited consolidated management accounts prepared in accordance with the Generally Accepted Accounting Principles in the PRC:

	As at	
	30 June 2024	31 December 2023
	RMB million (unaudited)	RMB million (unaudited)
Total assets	14,415	14,344
Total liabilities	7,677	7,820
Total equity	6,738	6,523

As at 30 June 2024, the Youjin Group had total assets of approximately RMB14.4 billion, representing mainly Gooday's warehouses and logistics parks across the PRC, and working capital items such as trade receivables. On the same date, the Youjin Group's total liabilities amounted to approximately RMB7.7 billion, representing mainly trade payables, borrowings of Gooday, and provisions relating to buy-back arrangements with certain shareholders of Gooday. As at 30 June 2024, the Youjin Group had cash and bank balance of approximately RMB1,360.2 million, while its borrowings amounted to approximately RMB931.4 million.

As at 30 June 2024, total equity of the Youjin Group stood at approximately RMB6.7 billion.

According to the letter from the Board, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the Youjin Group's financial position since 30 June 2024.

### *(iii) Prospects*

According to the National Development and Reform Commission of the PRC, the total value of social logistics goods in China grew by approximately 5.2% year-on-year to approximately RMB352.4 trillion in 2023, and further grew by approximately 5.4% year-on-year to approximately RMB225.0 trillion in the first eight months of 2024. The China Logistics Industry Prosperity Index as released by the China Federation of Logistics and Purchasing was approximately 51.8 in 2023, representing an increase of approximately 3.2 points as compared to that of 2022, and stood at approximately 51.5 in August 2024. The above indicates a strong market demand and expansion for logistics activities.

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## LETTER FROM SOMERLEY CAPITAL LIMITED

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The above statistics also underscore the increasing importance of supply chain management solutions and logistics services, which involve a full-process coordination from procurement to end-user scenario services, in response to the individual and corporate customers' evolving business needs, such as solutions for dynamic inventory distribution and replenishment strategies. This is particularly important for the Group as smart home appliances manufacturer and brand owner to grow its businesses by leveraging on the supply chain management and logistics capabilities of Gooday, and to boost in-house efficiency by integrating and adjusting various systems of the Group and those of the Youjin Group. Please also refer to the reasons and benefits as discussed in the section above headed "2. Reasons for and benefits of the Voting Rights Entrustment".

#### 4. Principal terms of the Voting Rights Entrustment Agreement

Set out below are the principal terms of the Voting Rights Entrustment Agreement. For further details, please refer to the section headed "2. The Voting Rights Entrustment Agreement" in the letter from the Board.

Date: 29 October 2024

Parties: Bingji (as entrusting party); and  
Guanmei (as entrusted party)

Scope: The entrusting party shall irrevocably, exclusively and solely entrust to the entrusted party the exercise of all voting rights in respect of all equity interests in Youjin held by Bingji on or after the date of signing of the agreement (as at the Latest Practicable Date, representing 55% of the total registered capital of Youjin (the "**Subject Equity**")). The entrusting party shall be entitled to exercise all voting rights in respect of the Subject Equity (the "**Entrusted Rights**") during the term of the entrustment in accordance with the articles of association of Youjin then in force.

The signing of the Voting Rights Entrustment Agreement shall not prejudice the entrusting party's right to income arising from the Subject Equity.

During the term of the Voting Rights Entrustment Agreement, the entrusting party shall not dispose of any of its equity interests in Youjin (including transfer and pledge) without the prior written consent of the entrusted party.



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**LETTER FROM SOMERLEY CAPITAL LIMITED**

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During the term of the Voting Rights Entrustment Agreement, if the registered capital of Youjin held by the entrusting party decreases, the entrusted party may continue to exercise the voting rights in respect of the remaining registered capital in Youjin held by the entrusting party in the manner stipulated in the Voting Rights Entrustment Agreement; if the registered capital held by the entrusting party increases, the voting rights in respect of the additional registered capital shall also be exercised by the entrusted party in the manner stipulated in the Voting Rights Entrustment Agreement, unless otherwise agreed by both parties.

The entrusting party undertakes that, during the term of the Voting Rights Entrustment Agreement, it will neither exercise nor entrust to any third party other than the entrusted party the exercise of the Entrusted Rights.

Term: The exercise of the Entrusted Rights pursuant to the Voting Rights Entrustment Agreement shall commence on the effective date of the agreement and expire upon the entrusting party ceasing to hold any equity interests in Youjin.

Without the written consent of the entrusted party, the entrusting party shall not unilaterally revoke the Voting Rights Entrustment. Neither party may unilaterally terminate the Voting Rights Entrustment Agreement, unless otherwise agreed in the Voting Rights Entrustment Agreement.

Consideration: The voting rights entrustment does not involve a consideration.

Effective date: The Voting Rights Entrustment Agreement shall become effective, subject to the approval by the Independent Shareholders at the EGM.

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## LETTER FROM SOMERLEY CAPITAL LIMITED

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Board of directors: Upon the Voting Rights Entrustment Agreement becoming effective, the directors of both Youjin and Goodaymart (Shanghai) will be nominated by the Group and appointed in accordance with the provisions of their articles of association. As at the Latest Practicable Date, the board of directors of Gooday comprises seven members, including three independent directors. Upon the Voting Rights Entrustment Agreement becoming effective, three directors of Gooday will be nominated by the Group and appointed in accordance with its articles of association.

### *Our view*

As shown in the shareholding chart in the section above headed “1. Information on the parties”, the Group is currently interested indirectly in 45% of Youjin and Goodaymart (Shanghai), the remaining 55% interest in which is owned by Youjin. These two companies’ only significant assets are the direct or indirect holding of Gooday. The Voting Rights Entrustment represents the entrustment at no cost of the voting rights attached to the Subject Equity, i.e. currently the 55% interest in Youjin, by Haier Group to the Group, such that the Group will have full control of Youjin and Goodaymart (Shanghai) in terms of shareholders’ voting rights and board representation, and will therefore obtain statutory control of Gooday through Goodaymart (Shanghai)’s majority interest of approximately 56.4% in Gooday. For the avoidance of doubt, the Voting Rights Entrustment does not involve the transfer of economic interest attached to the Subject Equity, which is to be retained by Bingji.

Normally, an equity interest that comes with the right to control the underlying business commands a valuation higher than the same equity interest without such right to control, i.e. the control premium. While no underlying economic interest is being transferred, the voting rights attached to the Subject Equity, which represents a majority and controlling interest in Youjin, will be entrusted to the Group at nil consideration, without the Group paying a control premium. We consider this to be an attractive feature of this transaction given the reasons as further elaborated in the section above headed “2. Reasons for and benefits of the Voting Rights Entrustment”, including the control over Gooday and enabling its business strategies tailored to be matched with the business needs of the Group, benefitting the performance of the Group.

The Voting Rights Entrustment will become effective following the approval by the Independent Shareholders at the EGM, and will remain so until (i) Bingji has disposed all of its holdings in Youjin, or (ii) both parties agree to terminate the Voting Rights Entrustment Agreement. It is also stated in the Voting Rights Entrustment Agreement that Bingji may not dispose or pledge its holdings in Youjin without prior written consent from the Group. As Haier Group may not

unilaterally terminate the Voting Rights Entrustment or dispose of its holdings in Youjin without prior consent from the Group, it provides protection to the Group regarding the continued validity of the Voting Rights Entrustment.

Having considered the above and the rationale behind the Voting Rights Entrustment, we consider the terms of the Voting Rights Entrustment Agreement, in particular the ability to obtain control over Gooday with nil consideration, is beneficial and in the interest to the Shareholders, including the Independent Shareholders.

## **5. Financial effect of the Voting Rights Entrustment**

Youjin, Goodaymart (Shanghai) and Gooday are currently accounted for as interests in associates in the financial statements of the Group using the equity method of accounting. Following completion of the Voting Rights Entrustment, their results and financial position will be consolidated into the financial statements of the Group as subsidiaries. Accordingly, the consolidated revenue and total assets of the Group will be enlarged as a result of the consolidation of the Youjin Group.

As the Voting Rights Entrustment does not involve any transfer of economic interest, the underlying net profit and net assets attributable to the Subject Equity will be retained by Haier Group. As such, the net profit and net assets attributable to the Shareholders are not expected to change immediately after completion of the Voting Rights Entrustment, except for an expected reduction in net assets attributable to the Shareholders due to the elimination of goodwill associated with the Youjin Group upon its consolidation into the Group's financial statements. However, as the Group will be able to control the business operation of Gooday, and have its business strategies tailored to the Group's business needs, the management of the Group expects such strategic alignment to be beneficial to the future performance of the Group.

As at 30 June 2024, the Youjin Group had cash and bank balances of approximately RMB1,360.2 million, and borrowings of approximately RMB931.4 million. We do not consider these significant compared to the Group's cash and cash equivalent of approximately RMB54,228 million and interest-bearing borrowings of approximately RMB30,067 million as at 30 June 2024. On this basis, the gearing and net cash position of the Group is not expected to change materially following completion of the Voting Rights Entrustment and the consolidation of the Youjin Group.

According to the letter from the Board, based on the information available to the Company as of the Latest Practicable Date, Gooday has been generating cash inflows from its operating activities in recent years, and that its cash flows are relatively sufficient and can meet its due payment of debt, daily operating and capital expenditure requirements. As at 30 June 2024, the Youjin Group recorded capital commitments of approximately RMB506.9 million, mainly relating to the construction and development of warehouses and logistics parks across the PRC. This is not considered a significant factor to the Group.

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**LETTER FROM SOMERLEY CAPITAL LIMITED**

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**OPINION AND RECOMMENDATION**

Having taken into account the above principal factors and reasons, in particular obtaining the control of the Youjin Group at nil consideration, we consider that the Voting Rights Entrustment is on normal commercial terms or better, and fair and reasonable so far as the Independent Shareholders are concerned. We consider that the entering into the Voting Rights Entrustment Agreement, while not in the ordinary and usual course of business of the Company, is in the interests of the Company and its Shareholders as a whole.

Accordingly, we advise the Independent Board Committee to advise, and we ourselves recommend, the Independent Shareholders to vote in favour of the ordinary resolution to approve the Voting Rights Entrustment at the EGM.

Yours faithfully,  
for and on behalf of  
**SOMERLEY CAPITAL LIMITED**  
**John Wong**  
*Director*

*Mr. John Wong is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Somerley Capital Limited, which is licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO. He has over fifteen years of experience in the corporate finance industry.*

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. INTERESTS OF DIRECTORS AND SUPERVISORS

- (1) As at the Latest Practicable Date, the Directors, Supervisors or chief executives of the Company had interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Directors, Supervisors or chief executives or their respective associates were deemed or taken to have under such provisions of the SFO), or which were required to be entered in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules as follows:

### Long positions in shares of the Company:

Names	Positions	Class of Shares held	Number of Shares held	Nature of interest	Approximate percentage* of interest in the relevant class of Shares	Approximate percentage* of shareholding interest in the total share capital of the Company
Mr. LI Huagang	Chairman of the Board, Executive Director and CEO	A Share	1,050,444	Beneficial owner	0.0168%	0.0112%
		H Share	812,145	Beneficial owner	0.0284%	0.0087%
Mr. GONG Wei	Executive Director, Vice President and Chief Financial Officer	A Share	2,072,527	Beneficial owner	0.0331%	0.0221%
Ms. SHAO Xinzhi	Vice Chairman of the Board, Non-executive Director	A Share	25,457	Beneficial owner	0.0004%	0.0003%
		H Share	1,045,056	Beneficial owner	0.0366%	0.0111%
Mr. YU Hon To, David	Non-executive Director	H Share	810,000	Beneficial owner	0.0283%	0.0086%
Ms. Eva LI Kam Fun	Non-executive Director	H Share	355,200	Beneficial owner	0.0124%	0.0038%
Mr. LIU Dalin	Chairman of the Board of Supervisors	A Share	68,391	Beneficial owner	0.0011%	0.0007%
		H Share	21,355	Beneficial owner	0.0007%	0.0002%
Mr. YU Miao	Supervisor	A Share	13,648	Beneficial owner	0.0002%	0.0001%

\* The percentage is calculated on the basis that the share capital of the Company as at the Latest Practicable Date totalling 9,382,913,334 comprise 6,254,501,095 A Shares, 271,013,973 D Shares and 2,857,398,266 H Shares, representing approximately 66.66%, 2.89% and 30.45% of the total share capital of the Company, respectively.

Apart from above, the following Directors, Supervisors and CEO are also the grantees of the A Share ESOP and H Share ESOP of the Company:

Names	Positions	Class of Shares	Number of outstanding shares of ESOP (Year of granted)	Approximate percentage* of shareholding interest in the relevant class of Shares	Approximate percentage* of shareholding interest in the total share capital of the Company
Mr. LI Huagang	Chairman of the Board, Executive Director and CEO	A Share	48,282 (2022)	0.0008%	0.0005%
			158,899 (2023)	0.0025%	0.0017%
			282,743 (2024)	0.0045%	0.0030%
		H Share	54,143 (2022)	0.0019%	0.0006%
			163,921 (2023)	0.0057%	0.0017%
			285,268 (2024)	0.0100%	0.0030%
322,886 (vested)	0.0113%		0.0034%		
Mr. GONG Wei	Executive Director, Vice President and Chief Financial Officer	A Share	25,966 (2022)	0.0004%	0.0003%
			78,331 (2023)	0.0013%	0.0008%
			111,504 (2024)	0.0018%	0.0012%
		H Share	29,119 (2022)	0.0010%	0.0003%
			80,807 (2023)	0.0028%	0.0009%
			112,500 (2024)	0.0039%	0.0012%
180,360 (vested)	0.0063%		0.0019%		
Ms. SHAO Xinzhi	Vice Chairman of the Board, Non-executive Director	A Share	79,450 (2023)	0.0013%	0.0008%
			104,535 (2024)	0.0017%	0.0011%
		H Share	81,961 (2023)	0.0029%	0.0009%
			105,469 (2024)	0.0037%	0.0011%
			26,262 (vested)	0.0009%	0.0003%
Mr. LIU Dalin	Chairman of the Board of Supervisors	A Share	10,042 (2022)	0.0002%	0.0001%
			37,833 (2023)	0.0006%	0.0004%
			49,779 (2024)	0.0008%	0.0005%
Mr. YU Miao	Supervisor	A Share	1,838 (2022)	0.0000%	0.0000%
			12,634 (2023)	0.0002%	0.0001%
			16,593 (2024)	0.0003%	0.0002%

\* The percentage is calculated on the basis that the share capital of the Company as at the Latest Practicable Date totalling 9,382,913,334 comprise 6,254,501,095 A Shares, 271,013,973 D Shares and 2,857,398,266 H Shares, representing approximately 66.66%, 2.89% and 30.45% of the total share capital of the Company, respectively.

On 11 January 2022, the Company entered into a placing agreement with a placing agent for a placing of new H Shares of the Company under general mandate. A total of 41,413,600 H Shares have been placed to five placees, who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and/or its connected persons. The placing price is HK\$28.00 per H Share. The following directors and supervisor of the Company have invested indirectly in the structured notes issued by Golden Sunflower, one of the placees, through the trusts and asset management schemes. The details of their capital contribution remaining as at the Latest Practicable Date are as follows:

Name	Positions	Amount contributed <i>(In HK\$ million)</i>	Relevant number of placing H shares	Approximate percentage* of shareholding interest in the relevant class of Shares	Approximate percentage* of shareholding interest in the total share capital of the Company
Mr. LI Huagang	Chairman of the Board, Executive Director and CEO	7.34	262,122	0.0092%	0.0028%
Mr. GONG Wei	Executive Director, Vice President and Chief Financial Officer	3.67	131,061	0.0046%	0.0014%
Ms. SHAO Xinzhi	Vice Chairman of the Board, Non-executive Director	7.34	262,122	0.0092%	0.0028%
Mr. LIU Dalin	Supervisor	2.44	87,314	0.0031%	0.0009%

\* The percentage is calculated on the basis that the share capital of the Company as at the Latest Practicable Date totalling 9,382,913,334 comprise 6,254,501,095 A Shares, 271,013,973 D Shares and 2,857,398,266 H Shares, representing approximately 66.66%, 2.89% and 30.45% of the total share capital of the Company, respectively.

**Long positions in underlying shares of the Company pursuant to share options:**

<b>Names</b>	<b>Positions</b>	<b>Class of Shares</b>	<b>Number of share options granted and not yet exercised</b>	<b>Approximate percentage* of shareholding interest in the relevant class of Shares upon exercise of share options</b>	<b>Approximate percentage* of shareholding interest in the total share capital of the Company upon exercise of share options</b>
Mr. LI Huagang	Chairman of the Board, Executive Director and CEO	A Share	365,576	0.0058%	0.0039%
Mr. GONG Wei	Executive Director, Vice President and Chief Financial Officer	A Share	182,788	0.0029%	0.0019%

*Note:* The exercise price of each of the above A Share options is RMB25.63 for subscription of one share. The exercisable period is from 15 September 2022 to 15 September 2027.

\* The percentage is calculated on the basis that the share capital of the Company as at the Latest Practicable Date totalling 9,382,913,334 comprise 6,254,501,095 A Shares, 271,013,973 D Shares and 2,857,398,266 H Shares, representing approximately 66.66%, 2.89% and 30.45% of the total share capital of the Company, respectively.

- (2) As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which have since 31 December 2023 (being the date on which the latest published audited consolidated accounts of the Company were prepared) been acquired or disposed of by or leased to by the Company or any of its subsidiaries, or are proposed to be acquired or disposed of by or leased to by the Company or any of its subsidiaries.
- (3) As at the Latest Practicable Date, except executive positions and related interests in the Haier Group, none of the Directors was materially interested in any contract or arrangement entered into by the Company or any of its subsidiaries, which was subsisting and was significant in relation to the business of the Group.
- (4) As at the Latest Practicable Date, none of the Directors are directors or employees of another company having an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

**3. COMPETING INTERESTS**

As at the Latest Practicable Date, so far as the Directors were aware of, except executive positions and related interests in the Haier Group, none of the Directors and candidate Directors and their respective close associates had any interest in a business which competes or is likely to compete with the business of the Group.



#### 4. SUBSTANTIAL SHAREHOLDERS' INTERESTS

So far as was known to any Directors, as at the Latest Practicable Date, the following persons (not being a Director, a Supervisor or the chief executive of the Company or any member of the Group) had an interest or short positions in the Shares or underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO (including interests and short positions which they were deemed or taken to have under such provisions of the SFO) or who is directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

##### Long positions:

Name of Shareholder	Class of Shares held	Number of Shares held	Nature of interest	Approximate percentage* of shareholding in the relevant class of Shares	Approximate percentage* of shareholding in the total share capital of the Company
Haier Group Corporation <sup>Notes 1 to 4</sup>	A Share	2,637,339,206	Beneficial owner Interest in controlled corporation Interest through voting rights entrustment arrangement	42.17%	28.11%
	H Share	538,560,000	Interest in controlled corporation	18.85%	5.74%
	D Share	58,135,194	Interest in controlled corporation	21.45%	0.62%
Haier COSMO Co., Ltd. <sup>Notes 1 and 2</sup>	A Share	1,258,684,824	Beneficial owner	20.12%	13.41%
HCH (HK) Investment Management Co., Limited <sup>Note 3</sup>	H Share	538,560,000	Beneficial owner	18.85%	5.74%
Haier International Co., Limited <sup>Note 4</sup>	D Share	58,135,194	Beneficial owner	21.45%	0.62%
Other H Class Shareholders <sup>Note 5</sup>					
Other D Class Shareholders <sup>Note 6</sup>					

\* The percentage is calculated on the basis that the share capital of the Company as at the Latest Practicable Date totalling 9,382,913,334 comprise 6,254,501,095 A Shares, 271,013,973 D Shares and 2,857,398,266 H Shares, representing approximately 66.66%, 2.89% and 30.45% of the total share capital of the Company, respectively.

*Notes:*

1. Haier Group Corporation holds directly 1,072,610,764 A Shares. In addition, Haier Group Corporation indirectly owns or controls (i) 1,258,684,824 A Shares through Haier COSMO Co., Ltd. (海爾卡奧斯股份有限公司) (formerly Haier Electric Appliances International Co., Ltd.), one of its subsidiaries, (ii) 172,252,560 A Shares through Qingdao Haier Venture & Investment Information Co., Ltd., one of its subsidiaries and (iii) 133,791,058 A Shares through Qingdao Haichuangzhi Management Consulting Enterprise (Limited Partnership), a party acting in concert with Haier Group Corporation.
2. Haier Group Corporation holds 51.20% of the issued shares in Haier COSMO Co. Ltd. (海爾卡奧斯股份有限公司) (formerly Haier Electric Appliances International Co., Ltd.), and is also entitled to exercise the remaining 48.80% voting rights in Haier COSMO Co., Ltd. through an irrevocable voting rights entrustment arrangement.
3. HCH (HK) Investment Management Co., Limited (“**HCH (HK)**”) holds 538,560,000 H Shares. Haier Group Corporation controls 100% voting rights in HCH (HK), thus is deemed to be interested in the 538,560,000 H Shares held by HCH (HK).
4. Haier International Co., Limited is a wholly-owned subsidiary of Haier Group Corporation. Therefore, Haier Group Corporation is deemed to be interested in the 58,135,194 D Shares held by Haier International Co., Limited.
5. JPMorgan Chase & Co. held 212,673,182 H Shares, representing approximately 7.44% of the total number of H Shares. BlackRock, Inc. held 165,367,450 H Shares, representing approximately 5.79% of the total number of H Shares.
6. Silk Road Fund Co., Ltd. held 54,007,663 D Shares, representing approximately 19.93% of the total number of D Shares.

**Short positions and Lending pools:**

JPMorgan Chase & Co. had a short position of 27,948,061 H Shares, representing approximately 0.98% of the total number of H Shares; and had a lending pool of 32,877,932 H Shares, representing approximately 1.15% of the total number of H Shares. BlackRock, Inc. had a short position of 401,000 H Shares, representing approximately 0.01% of the total number of H Shares.

Save as disclosed above, as at the Latest Practicable Date, no person, other than the Directors, Supervisors and CEO of the Company, whose interests are set out in the section “Interests and short positions of Directors, Supervisors and CEO in shares and underlying shares” above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

**5. SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered into or was proposing to enter into any service contracts with the Company or any of its subsidiaries, excluding contracts expiring or terminable within one year without payment of compensation other than statutory compensation.

## 6. MATERIAL CONTRACTS

No contracts (other than those entered into in the ordinary business course), which are, or may be, material, have been entered into by the Group within two years immediately preceding the date of this circular and up to the Latest Practicable Date.

## 7. MATERIAL LEGAL PROCEEDINGS

As at the Latest Practicable Date, as far as the Directors are aware, the Company has not been involved in any material litigation or arbitration and there were no material litigations or claims known to the Directors to be pending or threatened against the Company.

## 8. EXPERT'S DISCLOSURE OF INTEREST AND CONSENT

The following is the qualification of the expert who has given opinion, which is contained or referred to in this circular:

<b>Name</b>	<b>Qualification</b>
Somerley Capital Limited	a corporation licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

- (1) As at the Latest Practicable Date, the above expert did not have any direct or indirect shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.
- (2) As at the Latest Practicable Date, the above expert did not have any direct or indirect interests in any assets which have been acquired or disposed of by or leased to or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2023, being the date to which the latest published audited consolidated accounts of the Company were made up.
- (3) The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and reference to its name in the form and context in which they appear.

## 9. DOCUMENTS ON DISPLAY

A copy of the Voting Rights Entrustment Agreement and the written consent of Somerley Capital Limited for the issue of this circular will be published on the websites of the Stock Exchange and the Company for inspection within 14 days from the date of this circular, both days inclusive.

**10. GENERAL**

- (1) As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the Group's financial or trading position since 31 December 2023, being the date on which the latest published audited consolidated accounts of the Company were prepared.
- (2) The registered office of the Company is Haier Science and Technology Innovation Ecological Park (originally known as Haier Information Industry Park), Laoshan District, Qingdao, Shandong Province, the PRC.
- (3) The share registrar of the Company is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (4) The company secretary of the Company is Mr. NG Chi Yin. Mr. NG Chi Yin is a fellow of the Association of Chartered Certified Accountants, and a member of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales.



**Haier Smart Home Co., Ltd.\***

**海爾智家股份有限公司**

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

**Stock Code: 6690**

**NOTICE OF THE FIRST EXTRAORDINARY  
GENERAL MEETING OF 2024**

**NOTICE IS HEREBY GIVEN** that the first extraordinary general meeting of 2024 (the “**EGM**”) of Haier Smart Home Co., Ltd. (the “**Company**”) will be held at 2:00 p.m. on 20 December 2024 (Friday) at Rendanheyi Research Center, Haier Science and Technology Innovation Ecological Park, Laoshan District, Qingdao, PRC for the purpose of considering and, if thought fit, approving the resolution by the shareholders of the Company set out below:

**ORDINARY RESOLUTION**

1. To Consider and Approve the Resolution on Acceptance of Voting Rights Entrustment and Related-Party Transaction

By Order of the Board  
**Haier Smart Home Co., Ltd.\***  
**LI Huagang**  
*Chairman*

Qingdao, the PRC  
29 October 2024

*As at the date of this notice, the executive directors of the Company are Mr. LI Huagang and Mr. GONG Wei; the non-executive directors are Mr. YU Hon To, David, Ms. Eva LI Kam Fun and Ms. SHAO Xinzhi; and the independent non-executive directors are Mr. CHIEN Da-Chun, Mr. WONG Hak Kun, Mr. LI Shipeng and Mr. WU Qi.*

\* For identification purpose only

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## NOTICE OF THE FIRST EGM OF 2024

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*Notes:*

### **1. CLOSURE OF REGISTER OF MEMBERS, ELIGIBILITY FOR ATTENDING THE EGM**

In order to determine the shareholders who are eligible to attend and vote at the EGM, the register of members for H Shares will be closed from 12 December 2024 (Thursday) to 20 December 2024 (Friday) (both days inclusive). Shareholders whose names appear on the register of members of the Company on 20 December 2024 (Friday) are entitled to attend and vote at the EGM. Holders of H Shares who wish to attend the EGM but have not registered the transfer documents are required to lodge the transfer documents together with relevant share certificates and other appropriate documents with the H Share Registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on 11 December 2024 (Wednesday).

### **2. PROXY**

Shareholders entitled to attend and vote at the EGM may appoint one or more proxies by writing to attend and vote in their stand. A proxy need not be a shareholder of the Company.

The instrument appointing a proxy must be in writing under the hand of a shareholder or his/her attorney duly authorized in writing. If the shareholder is a corporate body, the proxy form must be under its common seal or under the hand of its director(s) or duly authorized attorney(s). If the Proxy Form is entered into by an attorney, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.

To be valid, the form of proxy must be lodged with the Company's H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for the H Shareholders) not less than 24 hours prior to the holding of the EGM (i.e. no later than 2:00 p.m. on 19 December 2024 (Thursday)) or not less than 24 hours before any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof. In this case, the power of attorney will be deemed to have been revoked.

In case of joint holders of a share of the Company, any one of such holders is entitled to vote at the EGM, by himself/herself or by proxy, as if he/she is the only one entitled to do so among the joint holders. However, only the vote of the person by himself/herself or by proxy whose name stands first on the register of members in respect of such share shall be accepted if more than one joint holder attend the EGM personally or by proxy.

### **3. OTHER MATTERS**

- (i) A shareholder or his/her proxy should produce proof of identity when attending the EGM (or any adjournment thereof). If a corporate shareholder's legal representative or any other person duly authorized by such corporate shareholder attends the EGM (or any adjournment thereof), such legal representative or other person shall produce his/her proof of identity, and proof of designation as legal representative or the valid authorization document (as the case may be).
- (ii) The EGM is expected to take less than half a day. Shareholders and proxy who attend the EGM shall be responsible for their own travel and accommodation expenses.