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HISENSE KELON ELECTRICAL HOLDINGS COMPANY LIMITED

海信科龍電器股份有限公司

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

(Stock Code: 00921)

ANNOUNCEMENT

RESOLUTIONS PASSED AT THE 2015 ANNUAL GENERAL MEETING

The 2015 annual general meeting (the "AGM") of Hisense Kelon Electrical Holdings Company Limited (the "Company") was held at the conference room of the Company's head office, Shunde District, Foshan City, Guangdong Province, the People's Republic of China (the "PRC") on 24 June 2016 at 3:00 p.m. A poll was demanded by Mr. Tang Ye Guo, the chairman of the AGM, for voting on all the proposed resolutions as set out in the notice of the AGM dated 5 May 2016 and the further notice of the AGM dated 3 June 2016 (together, the "Notices of AGM"). The convening of the AGM was in accordance with the Company Law of the PRC and the articles of association of the Company (the "Articles of Association"). All resolutions were approved by the shareholders of the Company (the "Shareholders") by way of poll.

As at the date of the AGM, the issued share capital of the Company comprised 1,362,725,370 shares, of which 903,135,562 were A shares and 459,589,808 were H shares. 8 Shareholders or their proxies holding 635,216,226 shares (including 612,476,409 A shares and 22,739,817 H shares), representing approximately 46.61% of the entire issued share capital of the Company, attended the AGM (in person or through the online voting system of Shenzhen Securities Information Co., Ltd.). Among these, 5 Shareholders or their proxies attended the AGM in person, representing 635,057,126 shares or approximately 46.60% of the entire issued share capital, while 3 holders of A shares attended the AGM through the online voting system of Shenzhen Securities Information Co., Ltd., representing a total of 159,100 A shares or approximately 0.01% of the entire issued share capital.

As at the date of the AGM, the Company's total number of issued shares was 1,362,725,370, of which 903,135,562 were A Shares and 459,589,808 were H Shares. There was no restriction on the Shareholders to cast votes on the resolutions at the AGM and there were no Shares entitling the holders to attend and vote only against the resolutions at the AGM. Furthermore, there were no Shares entitling

the holders to attend the AGM and abstain from voting in favour of any resolutions as required under Rule 13.40 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and there were no holders of Shares that are required under the Listing Rules to abstain from voting. Accordingly, the total number of Shares entitling the holders to attend and vote for or against the resolutions at the AGM was 1,362,725,370 Shares (representing the Company’s total number of issued shares).

Ruihua Certified Public Accountants was appointed as the scrutineer at the AGM for the purpose of vote-taking.

Terms used herein, unless otherwise defined, shall have the same meanings as provided in the Notices of AGM. Please refer to the Notices of AGM for the full wording of the resolutions set out below. The poll results in respect of the resolutions passed at the AGM were as follows:

Ordinary Resolutions	For		Against		Abstain		
	Number of votes (shares)	The percentage of shares carrying voting rights (%)	Number of votes (shares)	The percentage of shares carrying voting rights (%)	Number of votes (shares)	The percentage of shares carrying voting rights (%)	
1.	To consider and approve the report of the board of directors of the Company for the year 2015.						
	Total	635,057,126	99.97%	109,100	0.02%	50,000	0.01%
	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,740,217	99.31%	109,100	0.48%	50,000	0.22%
	A shares	612,317,309	99.97%	109,100	0.02%	50,000	0.01%
	H shares	22,739,817	100.00%	0	0.00%	0	0.00%
The resolution was duly passed as an ordinary resolution.							
2.	To consider and approve the report of the supervisory committee of the Company for the year 2015.						
	Total	635,057,126	99.97%	109,100	0.02%	50,000	0.01%

	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,740,217	99.31%	109,100	0.48%	50,000	0.22%
	A shares	612,317,309	99.97%	109,100	0.02%	50,000	0.01%
	H shares	22,739,817	100.00%	0	0.00%	0	0.00%

The resolution was duly passed as an ordinary resolution.

3.	To consider and approve the annual report of the Company for the year 2015 and its summary.						
	Total	635,057,126	99.97%	109,100	0.02%	50,000	0.01%
	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,740,217	99.31%	109,100	0.48%	50,000	0.22%
	A shares	612,317,309	99.97%	109,100	0.02%	50,000	0.01%
	H shares	22,739,817	100.00%	0	0.00%	0	0.00%

The resolution was duly passed as an ordinary resolution.

4.	To consider and approve the audited financial statements of the Company for the year 2015.						
	Total	635,057,126	99.97%	109,100	0.02%	50,000	0.01%
	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,740,217	99.31%	109,100	0.48%	50,000	0.22%
	A shares	612,317,309	99.97%	109,100	0.02%	50,000	0.01%
	H shares	22,739,817	100.00%	0	0.00%	0	0.00%

The resolution was duly passed as an ordinary resolution.							
5.	To consider and approve the profit distribution proposal of the Company for the year 2015.						
	Total	635,107,126	99.98%	109,100	0.02%	0	0.00%
	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,790,217	99.52%	109,100	0.48%	0	0.00%
	A shares	612,367,309	99.98%	109,100	0.02%	0	0.00%
	H shares	22,739,817	100.00%	0	0.00%	0	0.00%
The resolution was duly passed as an ordinary resolution.							
6.	To consider and approve the “Shareholders’ Return Plan for the Next Three Years (2016-2018).						
	Total	635,057,126	99.97%	109,100	0.02%	50,000	0.01%
	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,740,217	99.31%	109,100	0.48%	50,000	0.22%
	A shares	612,317,309	99.97%	109,100	0.02%	50,000	0.01%
	H shares	22,739,817	100.00%	0	0.00%	0	0.00%
The resolution was duly passed as an ordinary resolution.							
7.	To consider and approve the resolution on the reappointment of Ruihua Certified Public Accountants as the auditor of the Company for the year 2016 and the authorization to the board of directors to fix its remuneration.						
	Total	635,051,126	99.97%	115,100	0.02%	50,000	0.01%

	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,734,217	99.28%	115,100	0.50%	50,000	0.22%
	A shares	612,317,309	99.97%	109,100	0.02%	50,000	0.01%
	H shares	22,733,817	99.97%	6,000	0.03%	0	0.00%

The resolution was duly passed as an ordinary resolution.

8.	To consider and approve the special report of the Company on the carrying out of foreign exchange capital transaction business for the year 2016.						
	Total	635,057,126	99.97%	159,100	0.03%	0	0.00%
	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,740,217	99.31%	159,100	0.69%	0	0.00%
	A shares	612,317,309	99.97%	159,100	0.03%	0	0.00%
	H shares	22,739,817	100.00%	0	0.00%	0	0.00%

The resolution was duly passed as an ordinary resolution.

9.	To consider and approve the resolution to purchase liability insurance for directors and senior management members of the Company and to authorize the board of directors to handle the relevant matters.						
	Total	635,057,126	99.97%	109,100	0.02%	50,000	0.01%
	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,740,217	99.31%	109,100	0.48%	50,000	0.22%
	A shares	612,317,309	99.97%	109,100	0.02%	50,000	0.01%

	H shares	22,739,817	100.00%	0	0.00%	0	0.00%
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The resolution was duly passed as an ordinary resolution.

10.	To consider and approve the resolution on “Adjustment on the remuneration of the independent non-executive directors of the Company.						
	Total	635,057,126	99.97%	109,100	0.02%	50,000	0.01%
	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,740,217	99.31%	109,100	0.48%	50,000	0.22%
	A shares	612,317,309	99.97%	109,100	0.02%	50,000	0.01%
	H shares	22,739,817	100.00%	0	0.00%	0	0.00%

The resolution was duly passed as an ordinary resolution.

11.	To consider and approve the resolution on “Adjustment on the basic annual remuneration of the chairman of the board of directors of the Company”.						
	Total	635,057,126	99.97%	159,100	0.03%	0	0.00%
	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,740,217	99.31%	159,100	0.69%	0	0.00%
	A shares	612,317,309	99.97%	159,100	0.03%	0	0.00%
	H shares	22,739,817	100.00%	0	0.00%	0	0.00%

The resolution was duly passed as an ordinary resolution.

	For (By way of Cumulative voting)	Against (By way of Cumulative voting)	Abstain (By way of Cumulative voting)
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	Number of votes (shares)	The percentage of shares carrying voting rights (%)	Number of votes (shares)	The percentage of shares carrying voting rights (%)	Number of votes (shares)	The percentage of shares carrying voting rights (%)
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12. To consider and approve the resolution to election of executive directors of the ninth session of the board of directors of the Company.

12 (1).	To consider and approve the election of Mr. Dai Hui Zhong as an executive director of the ninth session of the board of directors of the Company and to fix the level of his remuneration.						
	Total	635,057,126	99.97%	0	0.00%	159,100	0.03%
	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,740,217	99.31%	0	0.00%	159,100	0.69%
	A shares	612,317,309	99.97%	0	0.00%	159,100	0.03%
	H shares	22,739,817	100.00%	0	0.00%	0	0.00%

The resolution was duly passed as an ordinary resolution.

12 (2).	To consider and approve the election of Mr. Wang Yun Li as an executive director of the ninth session of the board of directors of the Company and to fix the level of his remuneration.						
	Total	635,057,126	99.97%	0	0.00%	159,100	0.03%
	Among which, Shareholders attending the meeting whose shareholding is below 5%	22,740,217	99.31%	0	0.00%	159,100	0.69%
	A shares	612,317,309	99.97%	0	0.00%	159,100	0.03%
	H shares	22,739,817	100.00%	0	0.00%	0	0.00%

The resolution was duly passed as an ordinary resolution.

Special Resolution	For		Against		Abstain	
	Number of votes (shares)	The percentage of shares carrying voting rights (%)	Number of votes (shares)	The percentage of shares carrying voting rights (%)	Number of votes (shares)	The percentage of shares carrying voting rights (%)
1.	To consider and approve the amendments to the relevant provisions of the Articles of Association of the Company and to authorize the board of directors to deal with the filing, change, registration and other related matters required for the amendments to the Articles of Association for and on behalf of the Company.					
Total	635,107,126	99.98%	109,100	0.02%	0	0.00%
Among which, Shareholders attending the meeting whose shareholding is below 5%	22,790,217	99.52%	109,100	0.48%	0	0.00%
A shares	612,367,309	99.98%	109,100	0.02%	0	0.00%
H shares	22,739,817	100.00%	0	0.00%	0	0.00%
The resolution was duly passed as a special resolution.						

PAYMENT OF THE FINAL DIVIDEND

Declaration and payment of a final dividend of RMB1.5 per 10 shares (tax inclusive) was approved at the AGM. The dividend of H shares will be paid to the holders of H shares whose names appear on the register of members of the Company on Tuesday, 5 July 2016 (the "Record Date"). The register of members of the Company will be closed from 30 June 2016 (Thursday) to 5 July 2016 (Tuesday) (both days inclusive) during which period no transfer of shares of the Company will be registered.

According to the Articles of Association, dividend will be denominated and declared in Renminbi. Dividend on A shares will be paid in Renminbi and dividend on H shares will be paid in Hong Kong dollars. The amount of dividend payable in Hong Kong dollars is calculated based on the average exchange rate of Hong Kong dollars to Renminbi as announced by the People's Bank of China on the date which is five business days prior to 24 June 2016, being the date of dividend declaration (HK\$1.00 equivalent to RMB 0.8474).

The Company has appointed Bank of China (Hong Kong) Trustees Limited as the receiving agent in Hong Kong (the “Receiving Agent”) and will pay to the Receiving Agent final dividend declared for payment to holders of H shares. Final dividend will be paid by the Receiving Agent and relevant cheques are expected to be despatched on or about 15 August 2016 to holders of H shares entitled to receive such dividend by ordinary post at their own risk.

With respect to the profit distribution, the Company wishes to emphasize that, pursuant to the provisions of the Corporate Income Tax Law of the People’s Republic of China (《中華人民共和國企業所得稅法》) and the Implementing Regulations of the Corporate Income Tax Law of the People’s Republic of China (《中華人民共和國企業所得稅法實施條例》), with effect from 1 January 2008, any PRC domestic enterprise shall withhold the corporate income tax when distributing dividends payable to the shareholders being non-resident enterprises (i.e. legal persons) for accounting periods starting from 1 January 2008, and the payer of the dividends shall serve as the withholding agent. The Company will strictly abide by the law and identify all shareholders who are subject to the withholding and payment of corporate income tax based on the register of members of H shares of the Company as at the Record Date in respect of the distribution of dividends and shall distribute the relevant dividends after deducting corporate income tax of 10% to non-resident enterprise shareholders (as defined under the Enterprise Income Tax Law (《企業所得稅法》), including HKSCC (Nominees) Limited, other corporate nominees or trustees, or other organizations or entities) whose names appear on such register of members of H shares of the Company.

After receiving dividends, non-resident enterprise may apply to the relevant tax authorities for enjoying treatment of taxation treaties (arrangement) in person or through appointed agent or through a person who has obligation to withhold or pay dividend, and provide information to prove that it is an actual beneficiary conforming with the requirement(s) of taxation treaties (arrangement). After the relevant tax authorities have verified that there is no error, it shall refund tax with reference to the tax levied and the difference in the amount of tax payable calculated at the tax rate under the taxation treaties (arrangement).

Pursuant to the requirements of “Notice of the Ministry of Finance and the State Administration of Taxation on Certain Policies Regarding Individual Income Tax (Cai Shui Zi [1994]020)” (財政部、國家稅務總局關於個人所得稅若干政策問題的通知 (財稅字[1994]020號)), foreign individuals are exempted from individual income tax on dividends and bonus received from foreign-invested enterprises in the PRC. As the Company is a foreign-invested joint stock limited company, thus the individual shareholders who hold the H shares of the Company and whose names appear in the register of members of the H shares are not required to pay the individual income tax of the PRC.

Shareholders and investors should read the contents of this announcement carefully. Shareholders are

recommended to consult their tax advisers regarding PRC, Hong Kong and other tax implications arising from their holding and disposal of H shares of the Company. The Company has no obligation and shall not be responsible for confirming the identities of the shareholders. The Company will withhold and pay the enterprise income tax in strict compliance with the relevant laws or requirements of the relevant governmental authorities and based strictly on the H Share register of members on the Record Date. The Company shall owe no liability whatsoever in respect of and will not entertain any request arising from any delay in ascertaining the identity of the shareholders, or inaccurate determination of the identity of the shareholders, or any disputes over the mechanism of withholding and paying of the enterprise income tax.

Investors' attention should be drawn to the announcement regarding the detailed arrangement of the distribution of dividend for A shares of the Company to be published in due course.

Legal opinion of PRC lawyer

1. Name of law firm: GUANGDONG GUARDIAN LAW FIRM
2. Name of lawyer: Qingchun Hua, Minjie Li
3. Summarised legal opinion: The convening of the AGM, the procedures for holding the AGM, the eligibility of the persons attending the AGM, the proposed resolutions and the voting procedures at the AGM are in compliance with the requirements of the relevant laws and regulations and other regulatory documents in the PRC and the Articles of Association. The voting results of the AGM are lawful and valid.

Documents available for inspection

1. Resolutions passed at the AGM which have been signed and confirmed by the directors of the Company present at the meeting;
2. Legal opinion in relation to the AGM.

By order of the Board of

Hisense Kelon Electrical Holdings Company Limited

Tang Ye Guo

Chairman

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

Foshan City, Guangdong, the PRC, 24 June 2016