

a letter from the CEO to our Global Business Partners

EMBRACE THE NEXT, WITH UNCHANGED SPIRITS

Date: 19 MAY, 2021

Dear Partners,

On 27 April, 2021, during the spring Canton Fair season, we shared a fresh look on the future in an online event titled "Embrace the Next".

As a vital and adaptable company, we are used to coping with change and the new normal, standing by our partners with "Care and Share" spirits.

With this philosophy in mind, we hereby would like to draw your attention to recent news about our parent company Homa Holding (Homa Group Co., Ltd.).

HOMA HOLDING ANNOUNCED NEW CONTROLLING SHAREHOLDER & NEW BOARD OF DIRECTORS

On May 11, 2021, Homa Holding officially announced its controlling shareholder has changed from Mr. Guodong Zhao to Huizhou TCL Household Appliance Group Co., Ltd. (HTHAG).

Today the two biggest shareholders of Homa Holding are HTHAG (24%) and Mr. Guodong Zhao (11.03%).

After the above change of controlling shareholder, a new Board of Directors (9 members) have been nominated and approved in Homa Holding. The new Board of Directors has announced that the internet finance asset will be stripped, which was the root cause of cash flow crisis with Homa Holding in 2018.

In fact, this move will bring on a renewed financial stability and structural growth to Homa Holding.

HOMA APPLIANCES REMAINS FULLY INDEPENDENT

We would like to clarify, above change of controlling shareholder and board of directors is just related to parent company Homa Holding.

There is no any change with us. As Homa Appliances Co., Ltd., we would like to confirm with you again, as a pure OEM/ODM producer in cooling, our business model and our business strategy will have no any change in the future.

It should be very clear, technically, Homa Appliances continues to be an independent subsidiary of Homa Holding, as under the protection of its Articles of Association.

Today Homa Appliances has 3 shareholders, namely Homa Holding (51%), Homa Founding Members (39%), and Zhongshan Government (10%).

Just like we previously and repeatedly stated:

- Homa Appliances remains fully independent from its parent company in terms of governance, management, operations and treasury (since 2015).
- The Homa Founding Members are authorized to solely nominate and approve the board of directors of Homa Appliances.
- The Board of Directors of Homa Appliances, has the sole authority to appoint the President and Vice Presidents of Homa Appliances.
- No member of Homa Holding takes any position in Homa Appliances.
- No member of Zhongshan Government takes any position in Homa Appliances.

The independence of Homa Appliances is also legally secured by an agreement signed by Homa Holding, Homa Founding Members and Zhongshan Government.

EMBRACE THE NEXT WITH UNCHANGED SPIRITS

We always like to repeat that our goal is to be "your supplier of choice".

Our vision is to become the best producer in the cooling industry. Our mission is to produce cooling appliances in the most competitive way.

Homa Appliances is and will remain an OEM/ODM producer. Always a solid ally, never a competitor, for its clients' brands worldwide.

We confidently embrace the next normal, with you, for a bright future.

So, let's keep in touch and continue to grow, together.

Best wishes,



Michael Yao

CEO & President,

Homa Appliances Co., Ltd.