

HAIER NEW ZEALAND INVESTMENT HOLDING COMPANY LIMITED

26 September 2012

Fisher & Paykel Appliances Holdings Limited
c/- Corporate Office
78 Springs Road
East Tamaki
AUCKLAND

By email

The Takeovers Panel
Level 3, Solnet House
70 The Terrace
WELLINGTON 6011

By courier and by email

Despatch notice pursuant to rule 45 of the Takeovers Code in relation to the takeover offer in respect of Fisher & Paykel Appliances Holdings Limited

We refer to the takeover notice given by Haier New Zealand Investment Holding Company Limited (**Haier**) to Fisher & Paykel Appliances Holdings Limited (**FPA**) on 11 September 2012 in relation to Haier's takeover offer for all of the fully paid ordinary shares in FPA (**Takeover Offer**).

Haier gives notice pursuant to rule 45 of the Takeovers Code that the offer document has been sent to the offerees and a copy of the offer document is **attached** for your records.

Yours faithfully
Haier New Zealand Investment Holding Company Limited



Stephen Ward
For and on behalf of Haier New Zealand
Investment Holding Company Limited

cc: New Zealand Exchange Limited
Level 2, NZX Centre
11 Cable Street
PO Box 2959
WELLINGTON
By email

cc: Australian Securities Exchange
Exchange Centre
20 Bridge Street
SYDNEY
By fax: +61 2 9778 0999

cc: Registrar of Companies
Northern Business Centre
Private Bag 92061
Victoria Street West
AUCKLAND 1142

ACCEPT

HAIER NEW ZEALAND INVESTMENT
HOLDING COMPANY LIMITED'S \$1.20
CASH OFFER FOR ALL YOUR SHARES
IN FISHER & PAYKEL APPLIANCES
HOLDINGS LIMITED.

Haier New Zealand Investment
Holding Company Limited's
Offer closes at 5.00 pm on
6 November 2012 (unless
extended in accordance with
the Takeovers Code) so we
encourage you to act now.

FULL TAKEOVER OFFER

By Haier New Zealand Investment Holding
Company Limited to purchase all the
ordinary shares in Fisher & Paykel Appliances
Holdings Limited at \$1.20 per share made
pursuant to the Takeovers Code.

OFFER OPENS: 23 SEPTEMBER 2012.

OFFER CLOSES: 6 NOVEMBER 2012.

Dated 23 September 2012

Haier

Fisher & Paykel

APPLIANCES

IMPORTANT

If you are in any doubt as to any aspect of this offer, you should consult your financial or legal adviser.

If you have sold all your shares in Fisher & Paykel Appliances Holdings Limited to which this offer applies, you should immediately hand this offer document and the accompanying acceptance form to the purchaser or to the agent (e.g. the share broker) through whom the sale was made, to be passed to the purchaser.

Fisher & Paykel Appliances Holdings Limited's target company statement, together with an independent adviser's report on the merits of this offer, either accompanies this offer or will be sent to you within 14 days and should be read in conjunction with this offer.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION

IMPORTANT CONTACTS

If you have any queries in relation to the Haier New Zealand Investment Holding Company Limited's Offer, or you require further copies of this Offer document and enclosures (including the Acceptance Form and the reply paid envelope) please call the Offer Information Line on 0800 222 061 (for callers within New Zealand) or +64 9 488 8777 (for callers outside New Zealand).

CONTENTS

1

Chairman's Letter

2

Summary of the Offer

4

Why You Should Accept the Offer

8

How to Accept the Offer

9

Terms and Conditions of the Offer

15

Schedule A: Takeovers Code Information



CHAIRMAN'S LETTER

23 September 2012

Dear Fisher & Paykel Appliances shareholder,

FULL TAKEOVER OFFER FOR FISHER & PAYKEL APPLIANCES AT \$1.20 PER SHARE

On 11 September 2012 Haier New Zealand Investment Holding Company Limited (**Haier**), a wholly owned subsidiary in the Haier Group Corporation group of companies (**Haier Group**), announced its intention to make a cash offer (**Offer**) for Fisher & Paykel Appliances Holdings Limited (**Fisher & Paykel Appliances**). Haier is offering \$1.20 cash for all of the ordinary shares in Fisher & Paykel Appliances (**FPA Shares**).

The Offer price represents an attractive:

- 60.0% premium to the closing price of FPA Shares on the NZX on 7 September 2012, being the last trading day prior to the announcement by Fisher & Paykel Appliances that it had been approached by Haier expressing an interest in making a takeover offer for the company; and
- 91.0% premium to the three month volume weighted average price of FPA Shares of \$0.63 on the NZX for the period to 7 September 2012.

Allan Gray Australia Pty Ltd, which is the largest shareholder after the Haier Group and holds 17.46% of the FPA Shares, has entered into an irrevocable agreement to accept the Offer. This represents a strong endorsement of the value of the Offer. The Fisher & Paykel Appliances Independent Board is also supportive of the Offer subject to the Offer price being within or above the valuation range as determined by the independent adviser, there being no superior alternative for Fisher & Paykel Appliances and its shareholders, and the terms and conditions of the Offer being acceptable.

If the Offer is unsuccessful it is likely that the share price will decline significantly, as the recent increase reflects the announcement of the Offer.

The Haier Group has been a shareholder in Fisher & Paykel Appliances since 2009 and our relationship extends some years before that. We have great respect for Fisher & Paykel Appliances' history, achievements and organisational culture. We also value the technical expertise and capabilities of Fisher & Paykel Appliances, its management and its employees. Accordingly, we intend to:

- retain Fisher & Paykel Appliances as a stand-alone company led by local management;
- support the direction of Fisher & Paykel Appliances' existing business strategy;
- retain the Fisher & Paykel brand and to support its growth as a global premium brand consistent with Fisher & Paykel Appliances' existing business strategy;
- support the employment policies of Fisher & Paykel Appliances and to retain its key personnel;
- retain in New Zealand the existing Fisher & Paykel Appliances product development base and to support the future growth of Fisher & Paykel Appliances product development capabilities;
- retain the existing operations currently operated by Fisher & Paykel Production Machinery Limited; and
- maintain the existing ratio of New Zealand or Australian resident independent directors on the Fisher & Paykel Appliances board for at least two years.

We also intend to maintain open lines of communication, enhance commercial opportunities and improve the working relationship between the Haier Group and Fisher & Paykel Appliances. We believe this will help facilitate a closer partnership between us.

As we said when our proposed offer was first announced, we will only change these intentions after consultation with the board of Fisher & Paykel Appliances.

This Offer closes at 5.00 pm on 6 November 2012 (unless extended in accordance with the Takeovers Code) so I encourage you to act now.

This Offer document sets out the details of the Offer, including relevant information you may need to take into account before making your decision to accept the Offer. A summary of how to accept the Offer is set out on page 8 of this document, with detailed instructions provided on the Acceptance Form that accompanies this document.

If you have any questions in relation to the Offer or how to accept it, please contact the Offer Information Line on 0800 222 061 (for callers within New Zealand) or +64 9 488 8777 (for callers outside New Zealand). Alternatively, you could call your NZX Adviser or other financial adviser, who will also be able to advise you if you have any questions.

Yours faithfully,



Liang Haishan
Chairman
Haier New Zealand Investment Holding Company Limited

SUMMARY OF THE OFFER

Haier New Zealand Investment Holding Company Limited (**Haier**) is offering to acquire all the ordinary shares (**FPA Shares**) in Fisher & Paykel Appliances Holdings Limited (**Fisher & Paykel Appliances**) not already held by Haier (**Offer**).

Haier's parent company, Haier (Singapore) Management Holding Co. Pte Limited (**Haier Singapore**), owns 20% of the FPA Shares as at the date of this Offer and has granted Haier a power of attorney authorising Haier to exercise all of its rights and powers in relation to these FPA Shares. Haier has also entered into a lock-up agreement with a shareholder of Fisher & Paykel Appliances for a further 17.46% of the FPA Shares.

The key terms of this Offer are:

1 OFFER PRICE FOR SHARES
The consideration offered for each outstanding FPA Share is \$1.20 in cash.

2 FULL OFFER
The Offer is for 100% of the FPA Shares.

3 OFFER PERIOD
The Offer is dated 23 September 2012 (**Offer Date**) and closes at 5.00 pm on 6 November 2012 (**Closing Date**) (unless extended in accordance with the Takeovers Code).

4 LOCK-UP AGREEMENT
Haier has entered into a lock-up agreement, to accept the Offer, with Allan Gray Australia Pty Limited, who owns 17.46% of the FPA Shares. Full details of this lock-up agreement are set out in paragraph 6 of Schedule A.

5 PAYMENT DATE

If you accept the Offer you will be paid the consideration for your shares no later than seven (7) days after the later of:

- the date on which your acceptance form is received by Haier;
- the date on which this Offer becomes unconditional; or
- the Closing Date.

6 BROKERAGE COSTS

You will not pay any brokerage costs if you accept the Offer.

7 CONDITIONS

This Offer is conditional on the conditions set out in paragraphs 4 and 5 of the terms and conditions of the Offer.

The material condition(s) include:

- the receipt by Haier of acceptances which will result in Haier becoming the holder or controller of more than 50% of the voting rights in Fisher & Paykel Appliances, noting that Haier is, through the power of attorney mentioned above, the controller of the FPA Shares which are currently owned by Haier Singapore;
- Haier obtaining all necessary consents required under the Overseas Investment Act 2005 and the Overseas Investment Regulations 2005 for Haier to complete the acquisition of the FPA Shares in accordance with the Offer on terms which are usual for the granting of such consents or otherwise consistent with Haier's intentions in relation to Fisher & Paykel Appliances as set out in paragraph 8.1 of Schedule A;
- pursuant to Clayton Act Section 7A, 15 USC 18a, any waiting periods under the Hart-Scott Rodino Antitrust Improvements Act of 1976 with respect to the Offer or any matter arising from the Offer having expired or being terminated;
- Haier having obtained all approvals, consents or orders necessary from the National Development and Reform Commission of the People's Republic of China for Haier to complete the acquisition of the FPA Shares in accordance with the Offer;
- Haier having obtained all approvals, consents or orders necessary from the Ministry of Commerce of the People's Republic of China for Haier to complete the acquisition of the FPA Shares in accordance with the Offer; and
- no changes being made to New Zealand legislation in respect of non-bank deposit takers that require an approval, or lack of objection, from the Reserve Bank of New Zealand to the change of control on completion of the Offer.

WHY YOU SHOULD ACCEPT THE OFFER

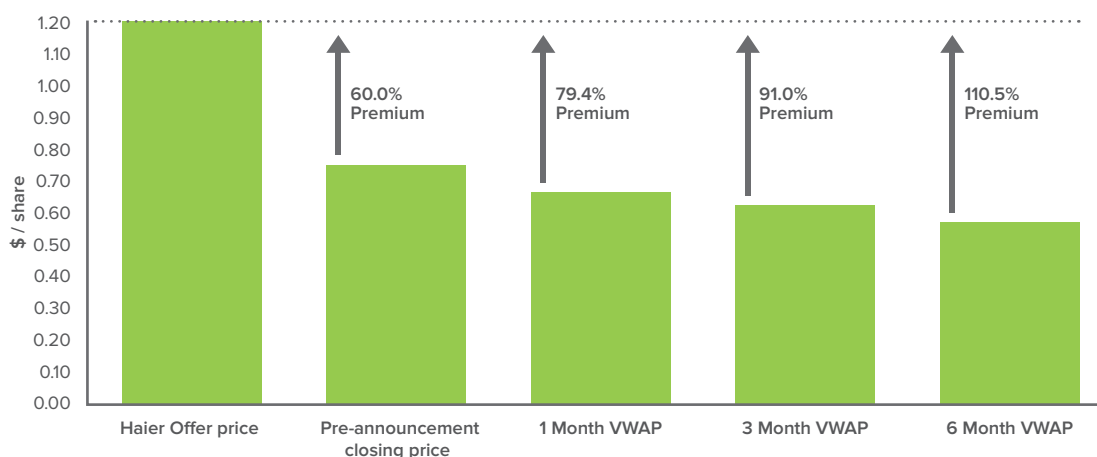
Reasons why you should accept Haier’s cash offer of **\$1.20** per share.

This section sets out the views of Haier on the merits of the Offer. It is not the independent adviser’s report on the merits of the Offer.

1. THE OFFER PRICE IS VERY ATTRACTIVE

The Offer price represents an attractive:

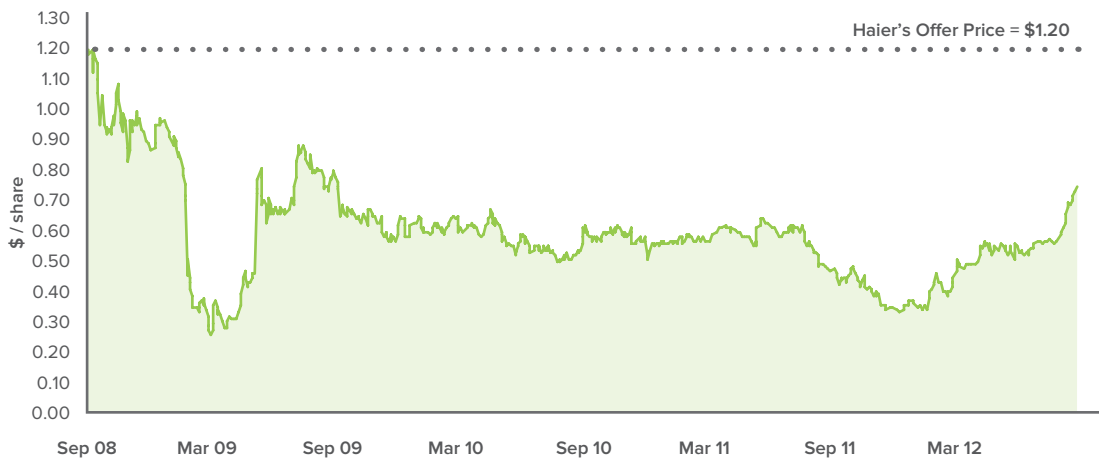
- 60.0% premium to the closing price of FPA Shares on the NZX on 7 September 2012, being the last trading day prior to the announcement by Fisher & Paykel Appliances that it had been approached by Haier expressing an interest in making a takeover offer for the company; and
- 91.0% premium to the three month volume weighted average price of FPA Shares of \$0.63 on the NZX for the period to 7 September 2012.



Source: IRESS

2. FISHER & PAYKEL APPLIANCES' SHARE PRICE IS LIKELY TO FALL IF THE OFFER IS NOT SUCCESSFUL

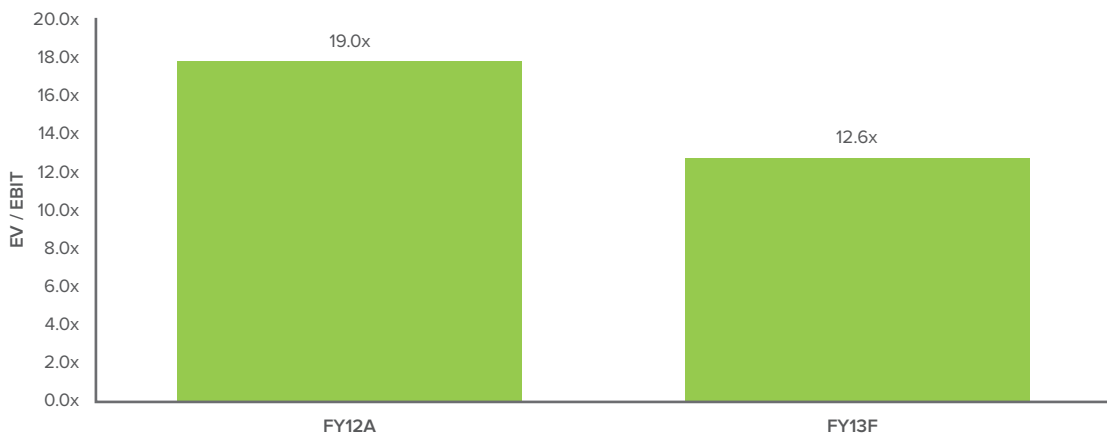
If the Offer for Fisher & Paykel Appliances is not successful it is likely Fisher & Paykel Appliances' share price will fall significantly. Prior to the announcement of the Offer, the Fisher & Paykel Appliances share price had been below the Offer price since 22 September 2008 and had traded as low as \$0.33 in the last 12 months.



Source: IRESS

3. THE OFFER REPRESENTS A HIGHLY ATTRACTIVE VALUATION MULTIPLE

The Offer represents a valuation of the FPA Shares that should be highly attractive to Fisher & Paykel Appliances shareholders. The Offer price of \$1.20 represents a FY12A EV/EBIT multiple of 19.0x and a FY13F EV/EBIT multiple of 12.6x¹.



¹ Enterprise Value (EV) has been calculated using the offer price of \$1.20 per share multiplied by the number of FPA Shares of 724,235,162 to provide the Fisher & Paykel Appliances market capitalisation plus net debt as at 31 March 2012 of \$64.5 million. FY12A EBIT is based on normalised earnings before interest and tax (EBIT) from the Fisher & Paykel Appliances 2012 Annual Report. FY13F EBIT is based on the mid-point of Fisher & Paykel Appliances management 2013 guidance of \$70 million to \$78 million.

4. A KEY SHAREHOLDER, REPRESENTING 17.46% OF FPA SHARES, HAS AGREED TO ACCEPT THE OFFER

Key Fisher & Paykel Appliances shareholder, Allan Gray Australia Pty Limited, which controls 17.46% of FPA Shares on issue, has signed a lock-up agreement with Haier under which it has irrevocably agreed to accept the Offer shortly after the Offer is sent. Full details of this lock-up agreement are set out in paragraph 6 of Schedule A.

6. AN ATTRACTIVE OPPORTUNITY TO SELL YOUR FPA SHARES WITH NO BROKERAGE PAYABLE BY ACCEPTORS

Shareholders accepting this Offer will not be charged brokerage.

In contrast, shareholders selling their FPA Shares on the NZX through a share broker may be charged brokerage.

5. THE OFFER CONSIDERATION IS ALL CASH

The consideration offered to Fisher & Paykel Appliances shareholders is 100% cash and is for all of your FPA Shares. If you accept the Offer, you will be paid the consideration for your FPA Shares in New Zealand dollars no later than 7 days after the later of the date on which your acceptance is received by Haier, the date on which the Offer is declared unconditional or the Closing Date.

7. THE OPPORTUNITY TO RECEIVE CASH IS ATTRACTIVE GIVEN MARKET VOLATILITY AND ECONOMIC UNCERTAINTY

The Offer price is at an attractive share price premium and provides certainty at a time when equity markets are subject to volatility due to concerns about global economic and geopolitical conditions. World share markets have re-entered a phase of considerable turbulence and the economic outlook remains uncertain in many countries, including New Zealand. Recent economic uncertainty and increasing competition in the global white goods sector add risk to the achievability of market share and earnings growth.

8. HAIER INTENDS TO ENSURE BUSINESS CONTINUITY FOR FISHER & PAYKEL APPLIANCES

Haier's current intentions towards Fisher & Paykel Appliances can be found on page 17 of this document. A summary includes that Haier intends to:

- retain Fisher & Paykel Appliances as a stand-alone company led by local management;
- support the direction of Fisher & Paykel Appliances' existing business strategy;
- retain the Fisher & Paykel brand and to support its growth as a global premium brand consistent with Fisher Paykel Appliances' existing business strategy;
- support the employment policies of Fisher & Paykel Appliances and to retain its key personnel;
- retain in New Zealand the existing Fisher & Paykel Appliances product development base and to support the future growth of Fisher & Paykel Appliances product development capabilities;
- retain the existing operations currently operated by Fisher & Paykel Production Machinery Limited; and
- maintain the existing ratio of New Zealand or Australian resident independent directors on the Fisher & Paykel Appliances board for at least two years.

Haier reserves the right to make changes to the above intentions, but would only do so after consultation with the board of Fisher & Paykel Appliances.

**THE OFFER CLOSSES AT 5.00 PM
ON 6 NOVEMBER 2012 (UNLESS EXTENDED
IN ACCORDANCE WITH THE TAKEOVERS CODE)
SO WE ENCOURAGE YOU TO ACT NOW**

HOW TO ACCEPT THE OFFER

CLOSING DATE

This Offer closes at 5:00 pm on 6 November 2012 (unless extended in accordance with the Takeovers Code).

If you wish to **ACCEPT** the Offer, you must ensure that your acceptance is sent **AS SOON AS POSSIBLE**, but in any event so that it is received by Haier on or before 5:00 pm on the Closing Date.

HOW TO ACCEPT

Complete the enclosed Acceptance and Transfer form (**Acceptance Form**) in accordance with the instructions set out on that form.

Post, fax or email the form to:

Haier New Zealand Investment Holding Company Limited
C/- Computershare Investor Services Limited
Private Bag 92119, Auckland 1142, New Zealand
Facsimile: +64 9 488 8787
Email: corporateactions@computershare.co.nz

or post to:

Haier New Zealand Investment Holding Company Limited
C/- Computershare Investor Services Pty Limited
GPO Box 52, Melbourne, Victoria 8060 Australia

A reply-paid envelope is enclosed. If you have sent the Acceptance Form by fax or email you should also send the original by post to one of the above addresses (although if you do not your acceptance will still be valid).

IF YOU HOLD YOUR FPA SHARES IN A CHESS HOLDING, TO ACCEPT THE OFFER YOU CAN EITHER:

- instruct your Controlling Participant directly – normally your share broker. If you do this, you will need to sign and return the Acceptance Form to your Controlling Participant; or
- authorise Haier to contact your Controlling Participant on your behalf, which you can do by signing and returning the Acceptance Form to the address above so that it is received in sufficient time to allow your instruction to be acted upon by 5.00pm on 6 November 2012 (which will authorise Haier and Computershare to instruct your Controlling Participant to initiate acceptance of the Offer on your behalf). By signing and returning the Acceptance Form you will be deemed to have authorised Haier to contact your Controlling Participant directly via the CHESS system. Neither Haier nor Computershare will be responsible for any delays incurred by this process.

IF YOU HAVE SOLD ALL YOUR FPA SHARES

Please hand this Offer document and the accompanying Acceptance Form to:

- the purchaser(s) of your FPA Shares; or
- to the agent (e.g. the broker) through whom the sale was made requesting that this Offer document and the accompanying Acceptance Form be passed to the purchaser(s).

IF YOU HAVE SOLD SOME OF YOUR FPA SHARES

Please alter the total holding on the Acceptance Form to the number of FPA Shares which you have retained, initial the change and post, fax or email the amended Acceptance Form to Haier as per the instructions above.

On receipt of the amended Acceptance Form, Haier will recalculate the amount of cash to be paid to you to reflect the number of FPA Shares sold by you.

Please also advise the purchaser(s) of your FPA Shares, or request the agent (e.g. the share broker) through whom you made the sale to advise the purchaser(s) of your FPA Shares, of this Offer. Please also advise them that a copy of this Offer is available from Computershare Investor Services Limited or Computershare Investor Services Pty Limited. You should also advise Computershare Investor Services Limited or Computershare Investor Services Pty Limited of the number of FPA Shares sold and the agent (e.g. the share broker) involved.

IF YOU HAVE LOST YOUR ACCEPTANCE FORM

Please contact:

Computershare Investor Services Limited on 0800 222 061 (for callers within New Zealand) or +64 9 488 8777 (for callers outside New Zealand) or email corporateactions@computershare.co.nz and they will provide you with a new form.



TERMS AND CONDITIONS OF THE OFFER

Haier offers to purchase all of Fisher & Paykel Appliances' ordinary shares (**FPA Shares**) not already held by Haier for \$1.20 in cash per FPA Share on the terms and conditions contained in this offer document (**Offer**).

1. THIS OFFER

- 1.1 Haier offers to acquire the FPA Shares, including all rights, benefits, and entitlements attached thereto on, after, or by reference to, the date on which Haier gave Fisher & Paykel Appliances notice of its intention to make this Offer (**Notice Date**).
- 1.2 This Offer will remain open for acceptance until 5.00 pm on 6 November 2012 or such later date (if any) as Haier may determine to extend it in accordance with the Takeovers Code (**Closing Date**).
- 1.3 This Offer is dated 23 September 2012.

2. CONSIDERATION

- 2.1 The consideration offered by Haier for each FPA Share is \$1.20 in cash (subject to any further adjustment in accordance with paragraph 6).
- 2.2 The amount of consideration payable to each holder of FPA Shares who accepts this Offer (each an **Acceptor**) will be paid by cheque sent by ordinary mail or paid in cleared funds by electronic transfer at the election of the Acceptor no later than seven (7) days after the later of:
 - (a) the date on which that Acceptor's acceptance is received by Haier;
 - (b) the date on which this Offer becomes unconditional; or
 - (c) the Closing Date.
- 2.3 If the consideration payable to an Acceptor is not sent to that Acceptor within the period specified in paragraph 2.2, that Acceptor may withdraw their acceptance of this Offer by notice in writing to Haier, but only:
 - (a) after the expiration of seven (7) days' written notice to Haier of that Acceptor's intention to do so; and
 - (b) if that Acceptor does not receive the consideration to which they are entitled during the seven (7) day period referred to in paragraph 2.3(a).

3. TERMS OF THE OFFER

- 3.1 Unless the Offer is withdrawn in its entirety with the consent of the Takeovers Panel in accordance with the Takeovers Code or unless this Offer lapses in accordance with its terms, this Offer remains open for acceptance until and including the Closing Date.
- 3.2 The latest date on which Haier can declare this offer unconditional (**Condition Date**) is 30 days after the Closing Date excluding, for the purposes of this paragraph 3.2, any extension of the Closing Date beyond 6 November 2012. If this Offer is not extended and the Offer period ends on 6 November 2012, then as at the date of the Offer, the latest date under the Takeovers Code by which Haier can declare this Offer unconditional is 6 December 2012, on the basis that the conditions in paragraph 5.1 and 5.2 have been satisfied or waived.
- 3.3 If this Offer is not declared unconditional, or the outstanding conditions to it are not waived by Haier (to the extent waivable), by the Condition Date, then this Offer will lapse and Haier and every Acceptor will be released from their obligations under this Offer (and any contract arising from their acceptance of it).
- 3.4 This Offer is open for acceptance by any person who holds FPA Shares, whether acquired before, on or after the date of this Offer, upon production of satisfactory evidence of such person's entitlement to those FPA Shares. A holder of FPA Shares may accept this Offer in respect of all or any of their FPA Shares. Each acceptance must be free of all conditions of acceptance of any nature whatsoever.
- 3.5 Each Acceptor represents and warrants that:
 - (a) it is the sole legal and beneficial owner of the FPA Shares in respect of which it accepts this Offer, or it is the legal owner and has the necessary capacity and authority to accept the Offer in respect of those FPA Shares; and
 - (b) legal and beneficial title to all those FPA Shares in respect of which it accepts this Offer will pass to Haier free of all liens, charges, mortgages, encumbrances and other adverse interests or claims of any nature whatsoever, but together with all rights, benefits and entitlements attaching to them, including the right to all dividends, bonuses and other payments and distributions of any nature attaching to such FPA Shares arising on, after, or by reference to, the Notice Date, on payment of the purchase price pursuant to paragraph 2.

3.6 Acceptance of this Offer constitutes a representation and warranty by the Acceptor to Haier that title to the FPA Shares to which the applicable acceptance relates will pass to Haier on the basis described in paragraph 3.5 and that the Acceptor has full power, capacity and authority to sell and transfer all FPA Shares in respect of which they accept the Offer.

3.7 Haier may choose to engage the services of one or more Primary Market Participants (in terms of the NZX Participant Rules) or other financial advisory firms (together, **Brokers**) to contact holders of FPA Shares and receive acceptance forms for FPA Shares. If Haier chooses to do this, the key terms of engagement will be as follows:

- (a) for each completed and valid Acceptance Form procured by a Broker, Haier may pay to that Broker a handling or procurement fee in respect of the FPA Shares the subject of the Acceptance Form (**Procurement Fee**). The amount of the Procurement Fee will be 0.75% of the consideration payable by Haier under the Offer to the relevant Acceptor in respect of the Acceptance Form received. The Procurement Fee will be subject to a minimum amount of \$50 and a maximum amount of \$750 for a single Acceptance Form inclusive of GST, if any;
- (b) the Broker will be paid, and receive, the Procurement Fee solely in connection with its services to Haier and must not, directly or indirectly, pass any or all of the Procurement Fee on to any Acceptor, or share the Procurement Fee with any Acceptor;
- (c) the payment of a Procurement Fee to a Broker in respect of an Acceptance Form procured by that Broker is in all respects conditional on the FPA Shares, which are the subject of that Acceptance Form, being validly transferred to Haier. No Procurement Fees will be payable if the Offer is not declared unconditional by Haier. In addition, the Acceptance Form must be delivered to Haier in accordance with paragraph 7 and must be stamped by the Broker (and only that Broker). A Procurement Fee will not be paid in respect of FPA Shares acquired by Haier through the compulsory acquisition provisions set out in Part 7 of the Takeovers Code;
- (d) Brokers are precluded from receipt of any Procurement Fee in respect of FPA Shares in which they or their associates have relevant interests;
- (e) Haier may, in determining the Procurement Fee payable to a Broker, aggregate and/or disregard any acceptance of the Offer procured by that Broker if Haier believes that a party has structured holdings of FPA Shares for the purpose or with the effect of enabling parties to take advantage of the arrangements summarised in this clause 3.7;
- (f) Haier will determine, in its sole discretion, any disputes relating to the payment of a Procurement Fee. The determination of Haier will be final and binding on all parties; and
- (g) no additional Procurement Fees other than those payable under clause 3.7(a) are payable in respect of FPA Shares that are subject to the lock-up agreement referred to in this Offer document.

4. MINIMUM ACCEPTANCE CONDITION

This Offer, and any contract arising from acceptance of it, is conditional on Haier receiving acceptances by no later than the Closing Date in respect of such number of FPA Shares that would, upon this Offer being declared unconditional and the relevant FPA Shares being transferred to Haier, result in Haier holding or controlling more than 50% of the voting rights in Fisher & Paykel Appliances.

5. FURTHER CONDITIONS OF THIS OFFER

5.1 This Offer, and any contract arising from acceptance of it, are subject to the following conditions:

- (a) Haier obtaining all necessary consents required under the Overseas Investment Act 2005 and the Overseas Investment Regulations 2005 for Haier to complete the acquisition of the FPA Shares in accordance with the Offer, on terms which are usual for the granting of such consents or otherwise consistent with Haier's intentions in relation to Fisher & Paykel Appliances as set out in paragraph 8.1 of Schedule A;
- (b) pursuant to Clayton Act Section 7A, 15 USC 18a, any waiting periods under the Hart-Scott Rodino Antitrust Improvements Act of 1976 with respect to the Offer or any matter arising from the Offer having expired or being terminated;
- (c) Haier having obtained all approvals, consents or orders necessary from the National Development and Reform Commission of the People's Republic of China for Haier to complete the acquisition of the FPA Shares in accordance with the Offer;
- (d) Haier having obtained all approvals, consents or orders necessary from the Ministry of Commerce of the People's Republic of China for Haier to complete the acquisition of the FPA Shares in accordance with the Offer; and
- (e) no changes being made to New Zealand legislation in respect of non-bank deposit takers that require an approval, or lack of objection, from the Reserve Bank of New Zealand to the change of control on completion of the Offer.

5.2 This Offer, and any contract arising from acceptance of it, are subject to the conditions that, except as otherwise agreed in writing by Haier, during the period from the Notice Date until the Condition Date:

- (a) no dividends, bonuses or other payments or distributions (within the meaning of the Companies Act 1993) of any nature whatsoever (including, for the avoidance of doubt, by way of share buyback, redemption or cancellation or any other form of capital reduction) are authorised, declared, paid or made upon or in respect of any of the FPA Shares;
- (b) no shares, convertible securities or other equity securities of any nature (including options, rights or interests in any ordinary shares) of Fisher & Paykel Appliances or any of its subsidiaries or joint venture entities (together the **Fisher & Paykel Appliances Group**), are issued, agreed to be issued or made the subject of any option or right to subscribe except pursuant to a transaction between Fisher & Paykel Appliances and wholly owned subsidiaries of Fisher & Paykel Appliances, or between wholly owned subsidiaries of Fisher & Paykel Appliances (**Intra-Group Transaction**);

- (c) there is no alteration of the rights, benefits, entitlements and restrictions attaching to any of the FPA Shares;
- (d) the businesses of each member of the Fisher & Paykel Appliances Group are carried on, in all respects which are material to the Fisher & Paykel Appliances Group taken as a whole, in the normal and ordinary course;
- (e) no member of the Fisher & Paykel Appliances Group enters into an agreement or arrangement, or completes or settles any agreement or arrangement to which any of the following listing rules apply, or would apply but for the granting of a waiver or exemption:
 - (i) Listing Rule 9.1 and/or Listing Rule 9.2 of the NZSX Listing Rules; and
 - (ii) Listing Rule 10.1 and/or Listing Rule 10.11 of the ASX Listing Rules;
- (f) no member of the Fisher & Paykel Appliances Group, or any third party, has terminated, varied (in any material respect) or breached or otherwise not performed (in any material respect) any sales, supply, distribution, licensing or other similar agreement or arrangement which termination, variation, breach or non-performance will have, or could reasonably be expected to have, a material adverse effect on the financial position, trading operations or assets or liabilities or prospects of the Fisher & Paykel Appliances Group, taken as a whole;
- (g) there is no alteration to the constitutional documents of any member of the Fisher & Paykel Appliances Group or to any trust deed (or similar document) under which any securities have been issued to the public by any member of the Fisher & Paykel Appliances Group, other than amendments that are of a formal or technical, and not of a substantive, nature;
- (h) no assets of any member of the Fisher & Paykel Appliances Group and no shares, or other securities or interests held, controlled or owned by any member of the Fisher & Paykel Appliances Group, in any company or other entity or any other unincorporated body (which assets, shares, or other securities or interests are material to the Fisher & Paykel Appliances Group taken as a whole) are, or will be, subject to any option, forfeiture, transfer or any right of pre-emption, in the event of any member of the Fisher & Paykel Appliances Group becoming a subsidiary or under the control of Haier;
- (i) no member of the Fisher & Paykel Appliances Group disposes of, purchases, transfers, leases, grants security interest over or otherwise deals with a legal or beneficial interest in, any asset, business operation, property or subsidiary, in each case, having a value of an amount in excess of \$5 million (either by a single act or series of related acts), otherwise than in the ordinary course of business;
- (j) no member of the Fisher & Paykel Appliances Group changes, or agrees to change, the remuneration or any other material terms of employment of any director, officer, employee or consultant (except for ordinary wage or salary increases in accordance with its established review policy and conducted under the supervision of the board of Fisher & Paykel Appliances), or commences the employment or engagement of any person, at a rate of remuneration other than in the ordinary course of business;
- (k) no member of the Fisher & Paykel Appliances Group enters into any new sales, distribution, supply, licensing or similar agreement, where the terms of the new agreement have had, or could reasonably be expected to have, a material adverse effect on the financial position, trading operations or assets or liabilities or prospects of the Fisher & Paykel Appliances Group, taken as a whole;
- (l) there has not occurred any contamination, or any product recall or any trade withdrawal of any product of the Fisher & Paykel Appliances Group, that threatens the production, sale or export of any of the Fisher & Paykel Appliances Group's products, in a manner which has had, or could reasonably be expected to have, a material adverse effect on the financial position, trading operations or assets or liabilities or prospects of the Fisher & Paykel Appliances Group taken as a whole;
- (m) there is no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction in New Zealand or elsewhere or other legal restraint or prohibition making implementation of the Offer, or any aspect of it, void, unenforceable or illegal;
- (n) no liquidator, receiver, receiver and manager, statutory manager or similar official is appointed in respect of any member of the Fisher & Paykel Appliances Group or any of their respective assets;
- (o) no actions, claims, litigation or other form of proceedings that were not publicly notified or commenced prior to the Notice Date, are threatened, notified or commenced against, or by, any member of the Fisher & Paykel Appliances Group that are adverse to the Fisher & Paykel Appliances Group and material to the Fisher & Paykel Appliances Group, taken as a whole;
- (p) no board resolution or shareholders' resolution of any member of the Fisher & Paykel Appliances Group is passed to do or authorise the doing of any act or matter referred to in any of sub-paragraphs (a) to (o) (inclusive);
- (q) no breach of a warranty or legal requirement in relation to any product of the Fisher & Paykel Appliances Group occurs, or material defect in any such product is discovered or comes to light, that threatens or is reasonably likely to threaten the production or export of that product in a manner that has, or could reasonably be expected to have, a material adverse effect on the business, financial or trading position, assets or liabilities, profitability or prospects of the Fisher & Paykel Appliances Group, taken as a whole;
- (r) all current licences, authorities, warrants, consents, approvals and permits from or issued by any authority including (without limitation) any government department, statutory, municipal or local body (**Licences**) which are material and necessary to enable any member of the Fisher & Paykel Appliances Group to carry on its business fully and effectively are in full force and effect;
- (s) no member of the Fisher & Paykel Appliances Group is in breach of any of the terms of the Licences where that breach has, or could reasonably be expected to have, a material adverse effect on the business, financial or trading position, assets or liabilities, profitability or prospects of the Fisher & Paykel Appliances Group, taken as a whole;

- (t) no resolution is passed for any amalgamation (other than pursuant to an Intra-Group Transaction) or liquidation (other than in respect of a wholly owned subsidiary of Fisher & Paykel Appliances which is not trading and has no material assets or liabilities) of any member of the Fisher & Paykel Appliances Group, and none of them is involved in any merger, share buyback or scheme of arrangement;
- (u) no proceedings or formal investigation are commenced by either the New Zealand Commerce Commission or the Australian Competition and Consumer Commission, or any other regulatory authority, in relation to any products sold or distributed by any member of the Fisher & Paykel Appliances Group which has had, or could reasonably be expected to have, a material adverse effect on the assets, liabilities, financial position or performance, profits, losses or prospects of the Fisher & Paykel Appliances Group, taken as a whole;
- (v) there is no challenge to the validity or unencumbered ownership of any of the trade marks or other intellectual property owned or purportedly owned by any member of the Fisher & Paykel Appliances Group which has had, or could reasonably be expected to have, a material adverse effect on the assets, liabilities, financial position or performance, profits, losses or prospects of the Fisher & Paykel Appliances Group, taken as a whole;
- (w) there has not occurred any event (including without limitation any natural disaster, accident, change of law, regulation or act of terrorism), change or condition that has, or could reasonably be expected to have, a material adverse effect on the business, financial or trading position, assets or liabilities, profitability or prospects of the Fisher & Paykel Appliances Group, taken as a whole;
- (x) no information (including any assumption on which any such information is based) provided by or on behalf of Fisher & Paykel Appliances to Haier under the terms of the confidentiality agreement dated 6 September 2012 referred to in paragraph 8.2 of Schedule A, the accuracy of which could reasonably be expected to be material to: (i) the value of the Fisher & Paykel Appliances Group taken as a whole; or (ii) its financial position, trading operations or assets or liabilities or prospects, is incorrect, and that incorrectness has a material adverse effect on the financial position, trading operations or assets or liabilities or prospects of the Fisher & Paykel Appliances Group taken as a whole; and
- (y) there have not occurred any events, circumstances or conditions of the natures referred to in subparagraphs (a) to (x) (ignoring, for this purpose, any materiality or similar qualifications therein) which (while not causing a failure of any of the conditions set out in any such paragraphs), when aggregated with all other events, changes, circumstances or conditions of any of the natures referred to in such paragraphs (ignoring, for this purpose, any materiality or similar qualifications therein) that have occurred, have an overall impact which taken as a whole could reasonably be expected to be, material to Fisher & Paykel Appliances.
- 5.3** The following actions by any member of the Fisher & Paykel Appliances Group shall be deemed to be material to the Fisher & Paykel Appliances Group taken as a whole and not to be normal or in the ordinary course for the purposes of paragraph 5.2:
- the making of (or agreeing to make) unusual or abnormal payments, or the incurring of (or agreeing to incur) unusual or abnormal commitments or liabilities (including contingent liabilities) except pursuant to an Intra-Group Transaction;
 - the making of any unusual payment of income tax, including taxation in advance;
 - the disposal of, purchase of, transfer of, lease of, charge of, mortgage of, granting of a lien or other encumbrance over, granting of an option or legal or equitable interest in respect of, or otherwise the dealing with a legal or equitable interest in, a material asset, business, operation, property or subsidiary (or agreeing, including by agreeing to materially vary any agreement, to do any of these things), other than the completion of transactions the entering of which have, at the Notice Date, been publicly disclosed by Fisher & Paykel Appliances and other than pursuant to an Intra-Group Transaction;
 - the undertaking of or committing to any capital expenditure or divestment (other than in the ordinary course of business (and other than pursuant to an Intra-Group Transaction)) over \$7.5 million (in aggregate);
 - the entry into, or material variation of, onerous, long-term (except in the normal and ordinary course of business) or material contracts, commitments or arrangements, or any major transactions (as defined in section 129(2) of the Companies Act 1993); or
 - the making of an announcement to do any of the actions set out in paragraphs 5.3(a) to 5.3(e) above.
- 5.4** None of the matters referred to or contained in any of the written information provided or made available by Fisher & Paykel Appliances to Haier between the time that the confidentiality agreement between the parties referred to in paragraph 8.2 of Schedule A was entered into and 3:30 pm on 11 September 2012 will provide a basis for Haier to invoke a condition of its Offer or otherwise cancel or withdraw this Offer, other than under clause 5.2(x).
- 5.5** To the extent required by the Takeovers Code, where any condition requires a determination as to whether a matter is or could reasonably be expected to be material or not, is adverse or not, is onerous or not, is long term or not, is normal or not, is in the ordinary course of business or not, is consistent with past practices or not, or is of a formal or technical (and not substantive) nature or not, before the condition may be invoked, such determination must be made by a suitably qualified expert nominated by Haier (after consultation with Fisher & Paykel Appliances) who is independent of, and not an associate of, Haier.
- 5.6** The conditions in paragraph 5.1(c), 5.1(d), 5.1(e), and 5.2(a) to 5.2(y) (inclusive) are for the sole benefit of Haier and, accordingly, each such condition may be waived, in whole or in part, by Haier, and on such terms as it decides, in its sole discretion. Any waiver or consent given by Haier in respect of any matter or thing shall apply only in accordance with its terms and shall not constitute a consent or waiver in respect of any similar matter or thing.

5.7 Each condition set out in paragraphs 4, 5.1, and 5.2 is a separate condition subsequent, and acceptance of the Offer by each Acceptor shall constitute a contract between that Acceptor and Haier subject to those conditions. The Offer will only proceed if all conditions in paragraphs 4, 5.1, and 5.2 are satisfied or, to the extent permissible, waived.

5.8 Haier will use all reasonable endeavours to satisfy the conditions set out in paragraph 5.1 above in a timely manner.

6. CHANGE IN CIRCUMSTANCES

6.1 If, on or after the Notice Date, Fisher & Paykel Appliances authorises, declares, makes, or pays any dividend or any distribution (within the meaning of the Companies Act 1993) of any nature whatsoever (including, for the avoidance of doubt, by way of share buyback, redemption or cancellation or any other form of capital reduction) and:

- (a) the condition in paragraph 5.2(a) is waived by Haier;
- (b) this Offer is unconditional; or
- (c) this Offer becomes unconditional,

then, at the election of Haier (and subject to the terms of any waiver referred to in paragraph (a) above), each Acceptor will be bound to pay to Haier on demand the Distribution Amount, or the consideration which would otherwise have been paid to each Acceptor for their FPA Shares shall be reduced by the Distribution Amount. For the purposes of this clause 6.1, **Distribution Amount** means the amount of any dividend or the value of any other distribution on shares transferred to Haier pursuant to this Offer (for the avoidance of doubt grossed up to include the amount of any withholding taxes deducted, if applicable) that is received by, or properly payable to, the Acceptor.

6.2 If, on or after the Notice Date, Fisher & Paykel Appliances authorises, declares, or makes any issue of shares, convertible securities or other securities of any nature (including options, rights or interests in its ordinary shares), by way of bonus issue and:

- (a) the condition in paragraph 5.2(b) is waived by Haier;
- (b) this Offer is unconditional; or
- (c) this Offer becomes unconditional,

then each Acceptor will, subject to the terms of any waiver referred to in paragraph (a) above, be bound to transfer any such shares, convertible securities, other securities or options, rights and interests issued in respect of those FPA Shares for which they have accepted this Offer to Haier, without any additional consideration.

6.3 If, on or after the Notice Date, Fisher & Paykel Appliances makes any issue of ordinary shares to any person other than by way of bonus issue and:

- (a) the condition in paragraph 5.2(b) is waived by Haier;
- (b) this Offer is unconditional; or
- (c) this Offer becomes unconditional,

then this Offer will be deemed to be extended to and include such ordinary shares and the consideration payable for them will be as provided in paragraph 2.1.

6.4 If, on or after the Notice Date, all or any of the FPA Shares are subdivided or consolidated by Fisher & Paykel Appliances, or the number of FPA Shares is reduced other than by way of subdivision or consolidation by Fisher & Paykel Appliances, then:

- (a) this Offer will be interpreted to take into account that subdivision, consolidation or reduction and will be deemed to be for the FPA Shares resulting from that subdivision, consolidation or reduction;
- (b) to the extent it has not already been adjusted under clause 6.1, the consideration per Share offered under this Offer will be increased or reduced, as the case may require, in proportion to that subdivision, consolidation or reduction; and
- (c) each Acceptor will be bound to transfer those FPA Shares, as subdivided, consolidated or reduced, to Haier on the basis of the consideration so increased or reduced.

7. HOW TO ACCEPT THIS OFFER

7.1 To accept this Offer, you need only:

- (a) complete the relevant Acceptance Form in respect of FPA Shares enclosed with this Offer in accordance with the instructions on the Acceptance Form; and
- (b) return the completed Acceptance Form by email, fax or post (in the reply-paid envelope which is enclosed with this Offer) **AS SOON AS POSSIBLE** after receipt of this Offer, but in any event so that it is received by Haier no later than 5.00 pm on the Closing Date, to:

Haier New Zealand Investment Holding Company Limited
C/-Computershare Investor Services Limited
Private Bag 92119, Auckland 1142, New Zealand
Facsimile: +64 9 488 8787
Email: corporateactions@computershare.co.nz
or post to:

- Haier New Zealand Investment Holding Company Limited
C/-Computershare Investor Services Pty Limited
GPO Box 52, Melbourne, Victoria 8060 Australia
- (c) If you have sent the Acceptance Form by fax or email you should also send the original by post to one of the above addresses (although if you do not your acceptance will still be valid).
- (d) if you hold your FPA shares in a CHESS holding, to accept the offer you can either:
 - instruct your Controlling Participant directly – normally your share broker. If you do this, you will need to sign and return the Acceptance Form to your Controlling Participant; or
 - authorise Haier to contact your Controlling Participant on your behalf, which you can do by signing and returning the Acceptance Form to the address above so that it is received in sufficient time to allow your instruction to be acted upon by 5.00pm on 6 November 2012 (which will authorise Haier and Computershare to instruct your Controlling Participant to initiate acceptance of the Offer on your behalf). By signing and returning the Acceptance Form you will be deemed to have authorised Haier to contact your Controlling Participant directly via the CHESS system. Neither Haier nor Computershare will be responsible for any delays incurred by this process.

- (e) No acknowledgement of receipt of acceptances of this Offer will be issued. Any acceptance received by New Zealand Post, correctly stamped and addressed shall be deemed to be received by Haier.

7.2 Haier may, in its discretion, treat any Acceptance Form as valid notwithstanding that it is not accompanied by the relevant Common Shareholder Number (CSN), or that it does not otherwise comply with paragraph 7.1, or any instructions on the Acceptance Form, and may, in its discretion, rectify any errors in, or omissions from, any Acceptance Form to enable that form to constitute a valid acceptance of the Offer and to facilitate registration of the transfer of the relevant FPA Shares. Haier may, in its discretion, allow for acceptance in any other manner it wishes.

7.3 Acceptance of this Offer by each Acceptor constitutes a contract between that Acceptor and Haier on the terms and subject to the conditions of this Offer and the Takeovers Code. Other than in the circumstances set out in paragraph 2.3, an Acceptor may not withdraw their acceptance, whether or not there has been any variation of this Offer. Haier and every Acceptor shall be released from their obligations under this Offer, and arising from acceptance of this Offer, if this Offer:

- (a) is withdrawn with the consent of the Takeovers Panel; or
- (b) lapses as a result of any condition in paragraph 4 or paragraph 5 not being satisfied or waived by the Condition Date.

8. METHOD OF SETTLEMENT

If:

- (a) this Offer is declared unconditional; and
- (b) an Acceptor's Acceptance Form is in order and is accompanied by the relevant CSN (or any error or omission from the Acceptance Form is rectified by Haier or the Offer is otherwise accepted by Haier under paragraph 7.2),

then either a cheque will be sent (by ordinary mail) or an electronic transfer of cleared funds will be made (at the election of the Acceptor) by Haier for the aggregate amount payable (calculated based on the consideration offered per Share as set out in paragraph 2.1) to the Acceptor, by the date specified in paragraph 2.2. If an Acceptor does not select a method of payment, or the details that it provides are not sufficient to effect an electronic transfer, then that Acceptor will be paid by cheque or by direct credit to the Acceptor's existing NZ dollar nominated account already held with Computershare (if any). Notwithstanding the above, if you hold your FPA shares in a CHESS holding, you will be paid by cheque.

9. NOTICES

9.1 Notices given to Fisher & Paykel Appliances, the Takeovers Panel, NZX and ASX:

- (a) declaring this Offer unconditional; or
- (b) advising that this Offer is withdrawn in accordance with the Takeovers Code; or
- (c) advising that a term or condition of this Offer has been waived; or
- (d) advising that this Offer has lapsed in accordance with its terms or the Takeovers Code,

will, in each case, be deemed to be notice to all Fisher & Paykel Appliances' shareholders when so given.

9.2 Notice of any variation of this Offer will be sent to Fisher & Paykel Appliances, the Takeovers Panel, NZX, ASX and, except where not required in accordance with the Takeovers Code, to each Fisher & Paykel Appliances shareholder under this Offer.

10. FURTHER INFORMATION AND MISCELLANEOUS

10.1 Further information relating to this Offer, as required by Schedule 1 to the Takeovers Code, is set out in the Schedule to this Offer and forms part of this Offer document.

10.2 In this Offer document:

- (a) any reference to the Takeovers Code means the New Zealand Takeovers Code in force at the relevant time;
- (b) except if expressly defined in this Offer document, or where the context requires otherwise, terms defined in the Takeovers Code have the same meaning in this Offer document;
- (c) references to dollars and \$ are references to New Zealand dollars and all amounts payable under this agreement are payable in New Zealand dollars;
- (d) headings are for ease of reference only and will not affect the interpretation of this Offer document or any Acceptance Form;
- (e) references to any statutory provision are to statutory provisions in force in New Zealand and include any statutory provision which amends or replaces it, and any by-law, regulation, order, statutory instrument, determination or subordinate legislation made under it;
- (f) the singular includes the plural and vice versa;
- (g) unless otherwise specified, material and materiality will have their respective ordinary and customary meanings; and
- (h) a matter will be deemed to have a material adverse effect if such matter (if quantifiable) has an impact of \$7.5 million or more with respect to the assets, liabilities, financial position or performance, profits, losses or prospects of the Fisher & Paykel Appliances Group, taken as a whole.

10.3 This Offer may be varied by Haier in accordance with Rule 27 of the Takeovers Code.

10.4 This Offer and any contract arising from it shall be governed by and construed in accordance with the laws of New Zealand, and the parties to any such contract submit to the non-exclusive jurisdiction of the Courts of New Zealand.

10.5 The provisions set out in the Acceptance Form are part of the terms of this Offer.

10.6 If there is an inconsistency between the terms and conditions of this Offer and the provisions of the Takeovers Act 1993 or the Takeovers Code, the provisions of the Takeovers Act 1993 or the Takeovers Code (as the case may be) will prevail.

SCHEDULE A:

TAKEOVERS

CODE INFORMATION

The information required by Schedule 1 to the Takeovers Code, and not stated elsewhere in this Offer, is set out below. Where any information required by Schedule 1 is not applicable, no statement is made regarding that information. All of the following matters are stated as at the date of this Offer.

1. DATE

This Offer is dated 23 September 2012.

2. HAIER AND ITS DIRECTORS

2.1 The name and address of Haier are:

Haier New Zealand Investment Holding Company Limited
 C/- Simpson Grierson
 Level 24 HSBC Tower
 195 Lambton Quay
 Wellington Central
 Wellington, 6011
 New Zealand

2.2 The directors of Haier are:

Mr. Liang Haishan
 Ms. Tan Lixia
 Mr. Zhou Yunjie

3. TARGET COMPANY

The target company is Fisher & Paykel Appliances Holdings Limited.

4. OWNERSHIP OF EQUITY SECURITIES OF FISHER & PAYKEL APPLIANCES

4.1 The table below sets out the number, designation, and percentage of equity securities of any class of Fisher & Paykel Appliances held or controlled by –

- (a) Haier; and
- (b) any related company of Haier; and
- (c) any person acting jointly or in concert with Haier; and
- (d) any director of any of the persons described in paragraphs (a) to (c); and
- (e) any other person holding or controlling more than 5% of the class, if within the knowledge of Haier.

Holder	Description	Number of FPA Shares	Type of Equity Security	Percentage of Class
Haier ⁽⁴⁾	Shares held or controlled by Haier or a related company of Haier	144,847,032	Ordinary Shares	20.00%
Haier Singapore ⁽⁴⁾	Shares held or controlled by Haier or a related company of Haier	144,847,032	Ordinary Shares	20.00%
Allan Gray Australia Pty Ltd	Person holding or controlling more than 5%	126,438,231	Ordinary Shares	17.46%
Accident Compensation Corporation ⁽⁵⁾	Person holding or controlling more than 5%	54,407,522	Ordinary Shares	7.51%
AMP Capital Investors (New Zealand) Limited	Person holding or controlling more than 5%	37,458,541	Ordinary Shares	5.17%
New Zealand Central Securities Depository Limited	Person holding or controlling more than 5%	243,149,866	Ordinary Shares	33.57%
JP Morgan Nominees Australia Limited	Person holding or controlling more than 5%	40,234,019	Ordinary Shares	5.56%
National Nominees Limited	Person holding or controlling more than 5%	36,880,999	Ordinary Shares	5.09%

Notes:

- (1) All information in the above table has been derived from disclosures made in Fisher & Paykel Appliances' annual report for the year ended 31 March 2012 as updated by substantial security holder disclosures made available to the NZX Limited or advised by the relevant shareholder or by Fisher & Paykel Appliances, being the only such information within the knowledge of Haier.
- (2) The information in the table above and the confirmation in paragraph 5 below is based on information known at the date of this Offer.
- (3) The percentage numbers are rounded to two decimal places.
- (4) Haier Singapore is the registered owner of 144,847,032 FPA Shares. Haier Singapore has granted a power of attorney to Haier authorising Haier to exercise all of Haier Singapore's rights and powers in relation to those FPA Shares. Haier is therefore the controller of the FPA Shares which are currently owned by Haier Singapore.
- (5) Includes Nicholas Bagnall and Blair Cooper (employees and portfolio managers of Accident Compensation Corporation).

4.2 Except as set out in the table above, no person described in paragraphs 4.1(a) to 4.1(d) of this Schedule holds or controls equity securities of Fisher & Paykel Appliances.

5. TRADING IN FISHER & PAYKEL APPLIANCES' EQUITY SECURITIES

None of the persons referred to paragraphs 4.1(a) to 4.1(d) have acquired or disposed of any equity securities in Fisher & Paykel Appliances during the six month period before the date of this Offer.

6. AGREEMENTS TO ACCEPT OFFER

- 6.1** The following Fisher & Paykel Appliances shareholder (the **Lock-up Party**) has entered into an agreement with Haier under which the Lock-up Party has agreed to accept the Offer in respect of its holding of FPA Shares.

	Name	Number of FPA Shares as of the date of the Agreement	Date of Agreement
(a)	Allan Gray Australia Pty Limited	126,438,231	11 September 2012

- 6.2** The material terms of the agreement referred to above are:

- (a) Haier has agreed, subject to the satisfaction of certain conditions, to make the Offer;
- (b) the Lock-up Party has agreed to accept the Offer in respect of its entire holding of FPA Shares on or before the later of the date which is two business days after the date of despatch of the Offer and the business day after the Lock-up Party receives the Offer; and
- (c) the Lock-up Party retains the right to exercise and/or control the exercise of all voting rights attached to their FPA Shares until the Offer becomes unconditional.

- 6.3** Except as set out above, there are no persons who have agreed conditionally or unconditionally to accept the Offer.

7. ARRANGEMENTS TO PAY CONSIDERATION

- 7.1** Haier confirms that resources will be available to it sufficient to meet the consideration to be provided on full acceptance of this Offer and to pay any debts incurred in connection with the Offer (including the debts arising under Rule 49 of the Takeovers Code).
- 7.2** A statement setting out the rights of each Offeree under Rule 34 of the Takeovers Code, to withdraw acceptance for non-payment by Haier of the consideration, is set out in paragraph 2.3 of the terms and conditions of the Offer.

8. ARRANGEMENTS BETWEEN HAIER AND FISHER & PAYKEL APPLIANCES

- 8.1** Haier has advised Fisher & Paykel Appliances of its intentions to ensure business continuity for Fisher & Paykel Appliances. The following outlines Haier's current intentions:

- to retain the existing Fisher & Paykel Appliances brands and businesses in New Zealand, Australia and the United States;
- to support the direction of Fisher & Paykel Appliances' existing business strategy;
- to retain the office of the Chief Executive Officer and the corporate headquarters in New Zealand;
- to support the employment policies of Fisher & Paykel Appliances and to retain its key personnel;

- to retain the existing material businesses of the Fisher & Paykel Appliances group of companies (other than there could be a potential divestment of the Fisher & Paykel Finance business);
- to retain in New Zealand the existing Fisher & Paykel Appliances product development base and to support the future growth of Fisher & Paykel Appliances product development capabilities;
- to retain the existing operations currently operated by Fisher & Paykel Production Machinery Limited;
- to jointly manage any secondment programme to Fisher & Paykel Appliances;
- to maintain the existing ratio of New Zealand or Australian resident independent directors on the Fisher & Paykel Appliances board for at least two years after the Closing Date;
- to maintain open lines of communication, enhance commercial opportunities and improve the working relationship between Haier and Fisher & Paykel Appliances, including establishing a board sub-committee to oversee the execution of these intentions; and
- to retain and respect the organisational culture, history and achievements of Fisher & Paykel Appliances.

Haier reserves the right to make changes to the above intentions, but would only do so after consultation with the board of Fisher & Paykel Appliances.

- 8.2** Haier and Fisher & Paykel Appliances entered into a confidentiality agreement dated 6 September 2012, under which:

- (a) Haier agreed to keep confidential information disclosed to it by Fisher & Paykel Appliances in connection with its proposal to make a takeover offer for Fisher & Paykel Appliances and to use that information solely for that purpose; and
- (b) Haier agreed not to contact any of Fisher & Paykel Appliances' shareholders other than certain shareholders who Haier wished to approach to discuss the Offer and only after Fisher & Paykel Appliances had provided those shareholders on a confidential basis with certain of the information that had been provided to Haier.

- 8.3** As stated in the announcement made by Fisher & Paykel Appliances dated 12 September 2012, the Fisher & Paykel Appliances Independent Board is supportive of this Offer on the following basis:

- (a) the offer price must be within or above the valuation range as determined by the independent adviser;
- (b) there is no superior alternative for Fisher & Paykel Appliances and its shareholders; and
- (c) the terms and conditions of the Offer being acceptable.

- 8.4** Other than as described above, no agreement or arrangement (whether legally enforceable or not) has been made, or proposed to be made, between Haier or any associates of Haier, and Fisher & Paykel Appliances or any related company of Fisher & Paykel Appliances, in connection with, in anticipation of, or in response to, this Offer.

9. ARRANGEMENTS BETWEEN HAIER AND DIRECTORS AND OFFICERS OF FISHER & PAYKEL APPLIANCES

No agreement or arrangement (whether legally enforceable or not) has been made, or proposed to be made, between Haier or any associates of Haier, and any of the directors or senior officers of Fisher & Paykel Appliances or of any related company of Fisher & Paykel Appliances (including any payment or other benefit proposed to be made or given by way of compensation for loss of office, or as to their remaining in or retiring from office) in connection with, in anticipation of, or in response to, this Offer.

10. FINANCIAL ASSISTANCE

No agreement or arrangement has been made, or proposed to be made, under which Fisher & Paykel Appliances or any related company of Fisher & Paykel Appliances will give (directly or indirectly) financial assistance for the purpose of, or in connection with, this Offer.

11. LIKELIHOOD OF CHANGES IN FISHER & PAYKEL APPLIANCES

11.1 If Haier becomes entitled to invoke the compulsory acquisition provisions of the Takeovers Code, it intends to compulsorily acquire any outstanding FPA Shares and apply for the de-listing of Fisher & Paykel Appliances from NZX and ASX.

11.2 If Haier does not receive sufficient acceptances under this Offer to enable it to invoke the compulsory acquisition provisions of the Takeovers Code, but nevertheless declares this Offer unconditional, Haier will in due course seek appropriate board representation on the Fisher & Paykel Appliances board and will participate in decisions relating to Fisher & Paykel Appliances and its future (although, as described in paragraph 8.1 above, Haier's current intention is to maintain the existing ratio of New Zealand or Australian resident independent directors on the Fisher & Paykel Appliances board for at least two years after the Closing Date).

11.3 Haier values the technical expertise and capabilities of Fisher & Paykel Appliances, its management and its employees. Accordingly, as described in paragraph 8.1 above, Haier's current intention is:

- to retain the existing Fisher & Paykel Appliances brands and businesses in New Zealand, Australia and the United States;
 - to support the direction of Fisher & Paykel Appliances' existing business strategy;
 - to retain the office of the Chief Executive Officer and the corporate headquarters in New Zealand;
 - to support the employment policies of Fisher & Paykel Appliances and to retain its key personnel;
 - to retain the existing material businesses of the Fisher & Paykel Appliances group of companies (other than there could be a potential divestment of the Fisher & Paykel Finance business);
 - to retain in New Zealand the existing Fisher & Paykel Appliances product development base and to support the future growth of Fisher & Paykel Appliances product development capabilities;
 - to retain the existing operations currently operated by Fisher & Paykel Production Machinery Limited;
 - to jointly manage any secondment programme to Fisher & Paykel Appliances;
- to maintain the existing ratio of New Zealand or Australian resident independent directors on the Fisher & Paykel Appliances board for at least two years after the Closing Date;
 - to maintain open lines of communication, enhance commercial opportunities and improve the working relationship between Haier and Fisher & Paykel Appliances, including establishing a board sub-committee to oversee the execution of these intentions; and
 - to retain and respect the organisational culture, history and achievements of Fisher & Paykel Appliances.
- Haier reserves the right to make changes to the above intentions, but would only do so after consultation with the board of Fisher & Paykel Appliances.
- 11.4** Other than paragraphs 11.1 to 11.3 above, Haier does not currently intend to make any material changes in the business of Fisher & Paykel Appliances or its subsidiaries. Haier reserve the right to make changes to this intention, but would only do so after consultation with the board of Fisher & Paykel Appliances.

12. PRE-EMPTION CLAUSES IN FISHER & PAYKEL APPLIANCES' CONSTITUTION

As at the date of this Offer, there are no restrictions on the right to transfer equity securities to which the Offer relates that:

- (a) are contained in the constitution of Fisher & Paykel Appliances; and
- (b) have the effect of requiring the holders of the securities to offer the securities for purchase to members of Fisher & Paykel Appliances or to any other person before transferring the securities.

13. ESCALATION CLAUSES

13.1 Haier is the wholly owned subsidiary of Haier Singapore. Haier Singapore is the registered owner of 144,847,032 FPA Shares.

13.2 During the period between the Notice Date and the date of this Offer, Haier Singapore has agreed to provide loans to Haier to enable it to pay the consideration payable on acceptance of this Offer and certain expenses incurred in connection with the Offer. These loans provided by Haier Singapore to Haier will be funded by loans borrowed by Haier Singapore from third party lenders on arm's length commercial terms and/or other cash resources available to Haier Singapore. Haier has agreed to guarantee Haier Singapore's obligations in relation to the third party borrowing.

13.3 In connection with the above, Haier entered into loan agreements with Haier Singapore on or around the date of this Offer under which:

- Haier Singapore agreed to lend to Haier loans for Haier to pay the consideration payable on acceptance of this Offer and certain expenses incurred in connection with the Offer;
- Haier agreed to repay those loans upon the demand of Haier Singapore at any time or as otherwise agreed between Haier Singapore and Haier;
- Haier agreed to pay Haier Singapore interest on those loans funded by third party borrowings at a rate which is the aggregate of a fixed interest rate and a floating

interest rate prevailing in the London interbank market and reflects current market rates applicable to loans borrowed by Haier Singapore from third party lenders, while those loans funded by Haier Singapore's own cash resources bear zero interest; and

- with the consent of Haier Singapore, Haier may capitalise amounts payable or repayable with respect to those loans into shares of Haier.

13.4 As at the date of this Offer, other than as described above, there are no agreements or arrangements (whether legally enforceable or not) under which:

- any existing holder of equity securities in Fisher & Paykel Appliances will or may receive in relation to, or as a consequence of, this Offer any additional consideration or other benefit over and above the consideration set out in this Offer; or
- any prior holder of equity securities in Fisher & Paykel Appliances will or may receive any consideration or other benefit as a consequence of this Offer.

14. CLASSES OF SECURITIES


No report is required under Rule 22 of the Takeovers Code (which, if the offer is for more than one class of securities, requires a report by an independent adviser on the fairness and reasonableness of the consideration and terms of the offer as between different classes of securities).

15. CERTIFICATE

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying the offer document is, in all material respects, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the offeror under the Takeovers Code.



LIANG HAISHAN
Chief Executive Officer
Haier New Zealand Investment Holding Company Limited



TAN LIXIA
Chief Financial Officer
Haier New Zealand Investment Holding Company Limited



LIANG HAISHAN
Director
Haier New Zealand Investment Holding Company Limited



ZHOU YUNJIE
Director
Haier New Zealand Investment Holding Company Limited



ACCEPT THIS OFFER

OFFER OPENS: 23 SEPTEMBER 2012
OFFER CLOSES: 6 NOVEMBER 2012

www.haier.com

ACCEPTANCE FORM

Haier New Zealand Investment Holding Company Limited
Full cash takeover offer for all shares in Fisher & Paykel Appliances Holdings Limited

Broker stamp

SHAREHOLDER (Acceptor)

SECURITYHOLDER DETAILS

Sub register

Number of FPA shares held as at

Total consideration (at NZ\$1.20 per FPA share)

Holder Number or CSN

ACCEPTANCE OF THE OFFER:

By signing this form the Transferor hereby:

- (a) accepts the full cash takeover offer (Offer) dated 23 September 2012 by Haier New Zealand Investment Holding Company Limited (Transferee) for the shares in Fisher & Paykel Appliances Holdings Limited (FPA Shares) described above held by the Transferor;
- (b) subject to the terms and conditions of the Offer, transfers the Transferor's FPA Shares to the Transferee; and
- (c) as set out on the reverse of this form, appoints the Transferee the attorney of the Transferor.

The Transferee hereby agrees to take the Transferor's FPA Shares subject to the terms and conditions of the Offer.

METHOD OF PAYMENT

Payment will be made either by cheque or by electronic transfer directly into the Transferor's bank account. Please select a Method of Payment by ticking the appropriate box below. Note that all payments will be made in New Zealand dollars.

Method of Payment (please tick one):

Cheque Electronic Payment

Note: If you do not select a Method of Payment, or the details that you provide are not sufficient to effect an electronic transfer, you will be paid by cheque or by Direct Credit to your existing New Zealand dollar nominated account already held with Computershare (if any). If you hold your FPA Shares in a CHES holding, you will be paid by cheque.

Electronic Transfer Details: Please complete the details below if you wish to be paid by electronic transfer:

New Zealand Bank Account:

Account Name:

Bank

Branch

Account Number

Suffix No.

<input type="text"/>	-	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	-	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	-	<input type="text"/>	<input type="text"/>	<input type="text"/>
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Please note that all future payments made by Computershare on behalf of their clients will be made by direct credit to this bank account.

Overseas Bank Account:

Bank Name:

Bank Address:

Swift Code/Sort Code/
BSB Code:

(only overseas Transferors need to complete)

Other Information:

(Overseas Transferors to provide any other information required to effect an electronic transfer to them)

FOR AN INDIVIDUAL OR JOINT HOLDERS / ATTORNEY

For a COMPANY / BODY CORPORATE

Signed by the Transferor(s):

Signed by the Transferor(s) by:

Signature

Director

Signature

Director/ Duly Authorised Person

Dated and executed the

day of

2012.

NOTES AND INSTRUCTIONS FOR COMPLETION

- TO ACCEPT THE OFFER:** Complete and sign this form where marked "Signed by the Transferor(s)". Companies must sign in accordance with the Companies Act 1993.
- METHOD OF PAYMENT:** You should select a Method of Payment. If you do not, or if you do not provide sufficient details to enable an electronic transfer to you, you will be paid by cheque or by Direct Credit to your existing New Zealand dollar nominated account already held with Computershare (if any). Overseas Transferors should take particular care to provide all information that is required to make an electronic transfer to them. If they do not, payment will be made by cheque to them, and neither the Transferor nor Computershare has any responsibility to verify any such details. Overseas Transferors who have not provided a New Zealand bank account number and that elect to be paid by electronic transfer will need to make their own arrangements with their bank to ensure that their designated account is capable of receiving a funds transfer in New Zealand dollars. Notwithstanding the above, if you hold your FPA Shares in a CHESSESS holding, you will be paid by cheque.
- JOINT HOLDERS:** If the FPA Shares are registered in the names of joint holders, all must sign the form.
- SHARES HELD BY NOMINEES:** If your FPA Shares are held through a nominee, advise your nominee that you wish to sell all or part of your FPA Shares and instruct your nominee to complete accordingly, sign and return this Acceptance Form to the Offeror in accordance with the instructions contained in this Acceptance Form.
- CHESSESS HOLDING:** If you hold your FPA Shares in a CHESSESS holding (see "sub register" above), to accept the Offer you can either:
 - Instruct your Controlling Participant directly – normally your share broker. If you do this, you will need to sign and return this Acceptance Form to your Controlling Participant; or
 - Authorise the Transferee to contact your Controlling Participant on your behalf, which you can do by signing and returning this form to the address below so that it is received in sufficient time to allow your instruction to be acted upon by 5.00pm on 6 November 2012 (which will authorise the Transferee and Computershare Investor Services Pty Limited to instruct your Controlling Participant to initiate acceptance of the Offer on your behalf). By signing and returning this form you will be deemed to have authorised the transferee to contact your Controlling Participant directly via the CHESSESS system. Neither the Transferee nor Computershare Investor Services Pty Limited will be responsible for any delays incurred by this process.
- POWER OF ATTORNEY:** If the form is signed under a power of attorney, the relevant power of attorney must be submitted with the form for noting and return, and the certificate printed below must be completed. Where such power of attorney has already been noted by Computershare, then this fact must be stated under the signature of the attorney.
- ON COMPLETION:** Place the signed form in the enclosed reply-paid envelope post to the Transferor at one of the addresses below, email the signed form to the email address provided or fax the signed form to the number provided, as soon as possible, but in any event so as to be received not later than the closing date for the Offer (which is, at the date of the Offer, 5.00 pm on 6 November 2012, but which may be extended under the Takeovers Code).

Haier New Zealand Investment Holding Company Limited
c/-Computershare Investor Services Limited
Private Bag 92119, Auckland 1142, New Zealand
Telephone within New Zealand: 0800 222 061
Telephone outside New Zealand: +64 9 488 8777
Facsimile: +64 9 488 8787
Email: corporateactions@computershare.co.nz

or post to:
Haier New Zealand Investment Holding Company Limited
C/-Computershare Investor Services Pty Limited
GPO Box 52, Melbourne, Victoria 8060 Australia

If you have sent the signed form by fax or email you should also send the original by post to one of the above addresses (although if you do not your acceptance will still be valid).
- PREVIOUS SALE:** If you have sold all your FPA Shares, please pass this form together with the Offer documents to your share broker or the purchaser(s) of such FPA Shares. If you have sold part of your shareholding, record that fact on this form by amending the number of FPA Shares noted as being held by you on the face of this form.
- SALE OF PART OF HOLDING ONLY:** If you want to accept the Offer for part of your holding only, please alter the total holding (above) on this form to the number of FPA Shares which you wish to sell before returning the form to the Transferee.
- INTERPRETATION:** In this form references to the Transferor in the singular shall include the plural.

IF THIS FORM IS SIGNED UNDER POWER OF ATTORNEY, THE ATTORNEY(S) SIGNING MUST SIGN THE FOLLOWING CERTIFICATE:

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I/WE _____
(insert name of attorney signing)

of _____
(address of occupation of attorney signing)

Hereby certify that:

- THAT by a Power of Attorney dated the _____ day of _____, the Transferor named and described on the face of this form (Donor) appointed me his/her/its/their attorney on the terms and conditions set out in that Power of Attorney.
- THAT I/we have executed the form printed on the face of this document as attorney under that Power of Attorney and pursuant to the powers thereby conferred upon me/us.
- THAT at the date hereof I/we have not received any notice or information of the revocation of that Power of Attorney by the death (or winding up) of the Donor or otherwise.

Signed at _____ this _____ day of _____ 2012

Signature(s) of Attorney(s)

Note: Your signature does not require witnessing.