

Stock Name: Qingdao Haier

Stock Code: 600690

No.: L2019-015

Bond Name: Haier Convertible Bonds

Bond Code: 110049

Qingdao Haier Co., Ltd.

Announcement on Resolutions of the 23th Meeting of the Ninth Session of the Board of Supervisors

The Board of Supervisors of the Company and all members of the Board warrant that there are no false representations, misleading statements and material omissions in this announcement, and are severally and jointly responsible for the authenticity, accuracy and completeness of the content herein.

The 23th Meeting of the Ninth Session of the Board of Supervisors of Qingdao Haier Co., Ltd. was convened at Meeting Room 203-1, Board Building, Haier Information Industrial Park(海尔信息产业园董事局大楼【203-1】会议室) on the morning of 29 April 2019, with the due count of supervisors being three and the actual count being three, representing 100% of the supervisors of the Company, which is in compliance with the requirements on quorum under the *Articles of Association*. The senior management of the Company sat in on the meeting. Notice of the meeting was dispatched by Email on 20 April 2019 and the notification and convening of the meeting are both in compliance with the requirements under the *Company Law* and the *Articles of Association*. The meeting was held by Mr. Wang Peihua, the chairman of the Board of Supervisors. The following resolutions have been considered and approved after prudent review of the attending supervisors:

I. The *Work Report of the Board of Supervisors in 2018 of Qingdao Haier Co., Ltd.* (Poll Result: For: 3; Against: 0; Abstain: 0)

The work report of the Board of Supervisors in 2018 of Qingdao Haier Co., Ltd. is as follows:

1. Work of the Board of Supervisors

During the reporting period, the Board of Supervisors held 11 meetings and attended the Annual General Meeting, Extraordinary General Meeting and Board meetings. The Board of Supervisors heard the Company's position on production and operation, investment activities and financial operations, participated in the

decision-making procedure for material events of the Company, and reviewed the Company's periodic report and relevant matters for the year in strict compliance with requirements of the regulatory authorities.

2. Independent opinion of the Board of Supervisors on the Company's operation according to law

(I) Independent opinion of the Board of Supervisors on the Company's operation according to law

The Board of Supervisors of the Company supervised the procedures for convening the Company's general meetings and Board meetings, matters for resolution, implementation of the resolutions of the general meeting by the Board of Directors, activities performed by senior management of the Company, the management system of the Company and the decision-making approval procedure of related-party transaction in according with the State relevant laws and regulations. By attending each Board meeting and general meeting, the Board of Supervisors performed their supervisory duties and considered that the Company's decision-making procedure is legal, a relatively comprehensive corporate governance structure had been established, relevant internal control systems had been formed and the directors and senior management of the Company did not violate any laws, regulations and Articles of Association or damage the interests of the Company.

(II) Independent opinion of the Board of Supervisors on inspecting the financial position of the Company

During the reporting period, the Board of Supervisors of the Company carefully reviewed the audit opinion on 2017 financial report issued by Shandong Hexin Certified Public Accountants LLP from the standpoint of ensuring the Company's standardize operation and the legal interests of the majority shareholders, and believes that it truly reflects the financial position, operation result and cash flow of the Company which is objective and fair.

(III) Independent opinion of the Board of Supervisors on related-party transactions of the Company

During the reporting period, the related-party transactions between the Company and the related shareholders are performed on the basis of the market pricing without prejudicing the interests of the Company and the shareholders. In conducting the

voting on the related-party transaction, the Board of Directors of the Company performed the fiduciary obligations. The way in which the related-party transaction conducted is fair and reasonable and the procedure are both in compliance with the provisions of the Company Law, *Rules Governing the Listing of Stocks on Shanghai Stock Exchange* and *Articles of Association*.

(IV) Independent opinion of the Board of Supervisors on the self-assessment report on internal control of the Company

During the reporting period, the Board of Supervisors reviewed the *2017 Self-assessment Report on Internal Control Effectiveness of Qingdao Haier Co., Ltd.* carefully in accordance with the State relevant laws and regulations, and believes that its truly, objectively and fairly reflects the implementation and effect of the Company's internal control.

(V) Independent opinion of the Board of Supervisors on matters such as the Employees Stock Ownership Scheme

During the reporting Period, the Board of Supervisors reviewed the Phase III stock ownership scheme of the Core Employees Stock Ownership Scheme, and believed that the Stock Ownership Scheme for Current Phase of the Company can further improve the remuneration incentive mechanism of the Company, fully arouse the enthusiasm of the Company's key employees, achieve all-rounded combination of the long-term development of the Company and the interests of the employees, and is beneficial to the Company's operation as a going concern. The reviewing procedures and decisions of proposals on the Stock Ownership Scheme for Current Phase conducted by the Company is legal and valid, without undermining the interest of all shareholders. Implementation of the Stock Ownership Scheme for Current Phase are participated by the employees in compliance with the laws and regulations, and on the basis of voluntary participation and self-assumption of risks, without compelling the employees to participate in the Stock Ownership Scheme for Current Phase by way of apportion and compulsory allocation. And the Company does not have any plans or arrangements on providing loans, loan guarantees or any other financial assistance to the holders of employee stock ownership scheme in violation of the laws and regulations.

The Proposal is subject to consideration and approval of the 2018 Annual General Meeting of the Company.

II. The 2018 Final Financial Report of Qingdao Haier Co., Ltd. (Poll Result: For: 3; Against: 0; Abstain: 0)

For details, please refer to the *2018 Annual Report of Qingdao Haier Co., Ltd.* published on the website of Shanghai Stock Exchange on the same day of this announcement.

The Proposal is subject to consideration and approval of the 2018 Annual General Meeting of the Company.

III. The Report on the Review of the “2018 Annual Report of Qingdao Haier Co., Ltd. and its Summary” (Poll Result: For:3; Against: 0; Abstain: 0)

Pursuant to the requirements of related laws and regulations such as the Article 68 of the *Securities Law*, the *Regulation on the Preparation of Information Disclosure Contents and Formats of Information Disclosure by Listed Companies No. 2 – Contents and Formats of Annual Reports (Revised in 2017)* and the *Notice in Relation to the Endeavour on Disclosure of the 2018 Annual Report of the Listed Companies* of Shanghai Stock Exchange, we, having carefully studied and reviewed the 2018 Annual Report of the Company, are of the opinion that:

1. The preparation and audit procedure of the 2018 Annual Report and its summary of the Company are in compliance with the laws, regulations and relevant provisions of *Articles of Association*.

2. The content and form of the 2018 Annual Report and its summary of the Company are in compliance with the relevant provisions of the China Securities Regulatory Commission and Shanghai Stock Exchange, and the information contained can accurately and objectively reflect the financial position and operation result of the Company during the reporting period from all aspects.

3. Before arriving at this opinion, no person participating in preparation and audit of the 2018 Annual Report had been found acting in breach of the rules of confidentiality

Therefore, we promise that there are no false or misleading statements contained in or material omissions from the information contained in the *2018 Annual Report of*

Qingdao Haier Co., Ltd. and the *Summary of the 2018 Annual Report of Qingdao Haier Co., Ltd.*. We jointly and severally accept full responsibility for the authenticity, accuracy and completeness of the information thereof.

The Proposal is subject to consideration and approval of the 2018 Annual General Meeting of the Company.

IV. The 2018 Internal Control Audit Report of Qingdao Haier Co., Ltd. (Poll Result: For:3; Against: 0; Abstain: 0)

For details, please refer to the *Internal Control Audit Report of Qingdao Haier Co., Ltd.* published on the website of Shanghai Stock Exchange on the same day of this announcement.

The Proposal is subject to consideration and approval of the 2018 Annual General Meeting of the Company.

V. The Proposal of Profit Distribution in 2018 of Qingdao Haier Co., Ltd. (Poll Result: For: 3; Against: 0; Abstain: 0)

The 2018 Profit Distribution Proposal prepared by the Company is to distribute the cash dividend of RMB3.51 (tax included) to all shareholders for every 10 shares based on the total share capital on the registration date when the distribution plan is implemented in the future. The remaining reserved profits of the Company will be mainly used for project construction, foreign investment, R&D investment and daily operations related to the Company's principal business and therefore to maintain sustainable and stable development and to bring more benefits for investors. For details, please refer to the *2018 Annual Report of Qingdao Haier Co., Ltd.* published on the website of Shanghai Stock Exchange on the same day of this announcement.

The Proposal is subject to consideration and approval of the 2018 Annual General Meeting of the Company.

VI. The Proposal on Prediction on Daily Related-party Transaction in 2019 of Qingdao Haier Co., Ltd. (Poll Result: For: 3; Against: 0; Abstain: 0)

For details, please refer to the *Announcement on Prediction on Daily Related-party Transaction in 2019 of Qingdao Haier Co., Ltd.* (No.: L2019-017)

published on the website of Shanghai Stock Exchange on the same day of this announcement.

The Proposal is subject to consideration and approval of the 2018 Annual General Meeting of the Company.

VII. The Proposal on Prediction on Providing Guarantees for Subsidiaries in 2019 of Qingdao Haier Co., Ltd. (Poll Result: For: 3; Against: 0; Abstain: 0)

For details, please refer to the *Announcement on Prediction on Providing Guarantees for Subsidiaries in 2019 of Qingdao Haier Co., Ltd.* (No.: L2019-018) published on the website of Shanghai Stock Exchange on the same day of this announcement.

The Proposal is subject to consideration and approval of the 2018 Annual General Meeting of the Company.

VIII. The Proposal on Conducting Foreign Exchange Funds Derivatives Business of Qingdao Haier Co., Ltd. (Poll Result: For: 3; Against: 0; Abstain: 0)

For details, please refer to the *Announcement on Conducting Foreign Exchange Funds Derivatives Business of Qingdao Haier Co., Ltd.* (No.: L2019-019) published on the website of Shanghai Stock Exchange on the same day of this announcement.

The Proposal is subject to consideration and approval of the 2018 Annual General Meeting of the Company.

IX. The Proposal on Conducting Hedging Business of Bulk Materials of Qingdao Haier Co., Ltd. (Poll Result: For: 3; Against: 0; Abstain: 0)

For details, please refer to the *Announcement on Conducting Hedging Business of Bulk Materials of Qingdao Haier Co., Ltd.* (No.: L2019-020) published on the website of Shanghai Stock Exchange on the same day of this announcement.

X. The 2018 Internal Control Evaluation Report of Qingdao Haier Co., Ltd. (Poll Result: For: 3; Against: 0; Abstain: 0)

For details, please refer to the *2018 Internal Control Evaluation Report of Qingdao Haier Co., Ltd.* published on the website of Shanghai Stock Exchange on the same day of this announcement.

XI. The 2018 Corporate Social Responsibility Report of Qingdao Haier Co., Ltd. (Poll Result: For: 3; Against: 0; Abstain: 0)

For details, please refer to the *2018 Corporate Social Responsibility Report of Qingdao Haier Co., Ltd.* published on the website of Shanghai Stock Exchange on the same day of this announcement.

XII. The *Phase IV Stock Ownership Scheme of Core Employees Stock Ownership Scheme of Qingdao Haier Co., Ltd. (Draft) and its Summary* (Poll Result: For: 3; Against: 0; Abstain: 0)

In accordance of relevant requirements under laws and regulations such as the *Company Law of People's Republic of China*, the *Guiding Opinions on the Implementation of the Pilot Program on Employee Stock Ownership Plans by Listed Companies* issued by the China Securities Regulatory Commission, the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, and the *Guidelines of Information Disclosure on Employee Stock Ownership Plan of Listed Companies*, we, as the supervisors of the Company, express the following opinions on related matters such as the Phase IV Stock Ownership Scheme of Core Employees Stock Ownership Scheme of the Company (hereinafter referred to as the “Stock Ownership Scheme for Current Phase”) after careful reviewing related information such as the *Phase IV Stock Ownership Scheme of Core Employees Stock Ownership Scheme of Qingdao Haier Co., Ltd.* and its summary:

1. The *Phase IV Stock Ownership Scheme of Core Employees Stock Ownership Scheme of Qingdao Haier Co., Ltd. (Draft)* complies with the relevant requirements under laws and regulations such as the *Guiding Opinions on the Implementation of the Pilot Program on Employee Stock Ownership Plans by Listed Companies*, and the *Guidelines of Information Disclosure on Employee Stock Ownership Plan of Listed Companies*, and does not undermine the interest of all shareholders of the Company.

2. We have not identified any prohibition on implementation of Employees Stock Ownership Scheme by the Company in accordance with the laws and regulations such as the *Guiding Opinions on the Implementation of the Pilot Program on Employee Stock Ownership Plans by Listed Companies*.

3. The Stock Ownership Scheme for Current Phase of the Company can further improve the remuneration incentive mechanism of the Company, fully arouse the enthusiasm of the Company's key employees, achieve all-rounded combination of the long-term development of the Company and the interests of the employees, and is

beneficial to the Company's operation as a going concern. The reviewing procedures and decisions of proposals on the Stock Ownership Scheme for Current Phase conducted by the Company is legal and valid, without undermining the interest of all shareholders. Implementation of the Stock Ownership Scheme for Current Phase are participated by the employees in compliance with the laws and regulations, and on the basis of voluntary participation and self-assumption of risks, without compelling the employees to participate in the Stock Ownership Scheme for Current Phase by way of apportion and compulsory allocation. And the Company does not have any plans or arrangements on providing loans, loan guarantees or any other financial assistance to the holders of employee stock ownership scheme in violation of the laws and regulations.

4. Participants of the Stock Ownership Scheme for Current Phase including directors (excluding independent directors), supervisors and senior management of the Company and regular employees who serve at the Company and its subsidiaries and sign employment contracts with the Company or its subsidiaries and receive remuneration from them. Holders proposed in the Stock Ownership Scheme for Current Phase are in compliance with the relevant laws, rules and regulatory documents such as the *Guiding Opinions on the Implementation of the Pilot Program on Employee Stock Ownership Plans by Listed Companies*, and are in compliance with the range prescribed in the *Phase IV Stock Ownership Scheme of Core Employees Stock Ownership Scheme of Qingdao Haier Co., Ltd. (Draft)*. Therefore, it is legal and effective that these people are regarded as the subject qualification of the holders of the Company's Stock Ownership Scheme for Current Phase.

5. Agree the Company to implement the Stock Ownership Scheme for Current Phase.

For details, please refer to the *Phase IV Stock Ownership Scheme of Core Employees Stock Ownership Scheme of Qingdao Haier Co., Ltd. (Draft)* and its *Summary* published on the website of Shanghai Stock Exchange on the same day of this announcement.

XIII. The Report on the Review of the "First Quarterly Report of 2019 of Qingdao Haier Co., Ltd." (Poll Result: For:3; Against: 0; Abstain: 0)

Pursuant to the relevant requirements of the *Securities Law* and the *Preparation Rules for Information Disclosure by Companies Offering Securities to the Public No. 13—Contents and Formats of Quarterly Reports (Revised in 2016)*, we, as the supervisor of the Company, having carefully studied and reviewed the First Quarterly Report of 2019 of the Company, are in the opinion that:

1. The preparation and audit process of the First Quarterly Report of 2019 of the Company complies with all provisions of laws, regulations, the *Articles of Association* and the internal management system;

2. We warrant that the information contained in the First Quarterly Report of 2019 of the Company is true, accurate and complete, and that there are no false or misleading statements contained in or material omissions from the report. We jointly and severally accept full responsibility for the authenticity, accuracy and completeness of the information contained in the report;

3. Prior to issuing the opinion, no one involved in the preparation and audit of the First Quarterly Report of 2019 of the Company has been found to have breached secrecy provisions.

XIV. The Proposal on Election of a New Session of the Board of Supervisors of Qingdao Haier Co., Ltd. (Poll results: For:3; Against: 0; Abstain: 0)

Given that the term of office of the 9th session of the Board of Supervisors of the Company is going to expire in May 2019, the Board of Supervisors of the Company decided to hold a general election. 2 candidates are proposed to be the member of the new session of the Board of Supervisors in accordance of the relevant requirements under the *Company Law* and the *Articles of Association*, who would constitute the 10th session of the Board of Supervisors of the Company together with 1 employee supervisor selected at the 2nd meeting of 2019 Employee Representatives Meeting of the Company. The resumes of proposed supervisors are as follows:

Wang Peihua: Male, born in 1957, senior political analyst, has served as the deputy secretary of Party Committee of Haier Group Air-Conditioner Head Office (海尔集团空调本部), Washing Machine Head Office (洗衣机本部), and Haier Group Freezer & Heater Head Office (海尔集团冷柜电热本部), chairman of the labor union of Haier Group Technology and Equipment Head Office, deputy secretary of

Discipline Inspection Committee etc.. He is the head of the Organizational Department of Haier Group and the president of the 9th session of the Board of Supervisors of Qingdao Haier Co., Ltd..

Ming Guoqing: Male, born in 1960, senior political analyst, has served as the deputy secretary of Discipline Inspection Committee of Qingdao Refrigerator General Factory, party branch secretary and assistant manager of Qingdao Haier Transportation Company (青 岛 海 尔 运 输 公 司), head of the comprehensive department of Qingdao Haier Co., Ltd., deputy secretary of party committee and secretary of Discipline Inspection Committee of Haier Refrigerator Products Head Office (海尔冰箱产品本部) and chairman of the labor union. He is the chairman of the labor union of Haier Group, and the supervisor of the 9th session of the Board of Supervisors of Qingdao Haier Co., Ltd..

For details, please refer to the *Announcement on Election of a New Session of the Board of Supervisors of Qingdao Haier Co., Ltd.* (No.: L2019-023) and the *Announcement on General Election of Employee Supervisors of Qingdao Haier Co., Ltd.* (No.: L2019-024) published on the website of Shanghai Stock Exchange on the same day of this announcement.

The Proposal is subject to consideration and approval of the 2018 Annual General Meeting of the Company.

XV. The Proposal on Changing Part of the Investment Projects of Funds Raised from Convertible Corporate Bonds of Qingdao Haier Co., Ltd. (Poll Result: For: 3; Against: 0; Abstain: 0)

The Company has publicly issued convertible corporate bonds with aggregate nominal amount of RMB3,007.49 million to the society (hereinafter referred to as the “convertible corporate bonds”) on January 2019, among which some raised funds were originally intended to be used in the sub-project “Construction Project on the Home Appliances Intelligent Control Module Factory” under “Project on Leading Consumption Upgrade and Intelligent Manufacturing Upgrade of Production Lines such as Refrigerators and Air-conditioners”, as well as the sub-projects “Construction Project on Advanced R&D Laboratory of Intelligent Home Appliances ” and “Construction Project on Research Institute of Industrial Intelligence” under “Project

on Improving Innovation Capability, Construction of Advanced R&D Laboratory, COSMOPlat Industrial Internet Platform and U+ Smart Life Platform” (the above projects are collectively referred to as “original investment projects financed by proceeds”) with an amount of RMB 660.45 million.

According to the Company's market plan, India has important strategic significance for the Company's global layout. As one of the BRIC countries, India's economy is in a stage of rapid growth, low penetration rate of household appliances, and a huge user base, whose industrial development potential is huge. In recent years, the Company's business in India has achieved rapid growth with the income of 2016-2018 increased by 26%, 40% and 41%, respectively. Based on the current capacity, there will be a capacity gap in the Company in India by 2020. When the Company's convertible corporate bond issuance program was launched in 2017, the “Haier Industrial Park Project in North India” was still in the process of demonstration and did not fully meet the reporting conditions of the investment projects financed by proceeds, thus the project was not included in the investment projects financed by proceeds. On 30 August 2018, the 18th meeting of the 9th session of the Board of Directors of the Company considered and approved the *Proposal on Newly Constructing Industrial Park Project in North India of Qingdao Haier Co., Ltd.*, and the Company intended to implement the new “Haier North India Industrial Park Project” to further increase production capacity output, order response speed, save transportation and material costs, and strengthen the Company's local market competitiveness.

Now considering that the demand for funds in India's project is more urgent, and the construction period of the original investment projects financed by proceeds is relatively long whose need can be met by using the self-owned/self-raised funds, the Company intends to use the proceeds of RMB660.45 million which were planned to be used in original investment projects financed by proceeds for the “Haier North India Industrial Park Project (Phase I)” to better match the capital demand cycle of the Company's various projects and improve the efficiency of capital use and optimize the Company's overall business development needs.

For details, please refer to the *Announcement on Changing Some Investment Projects of Funds Raised from Convertible Corporate Bonds of Qingdao Haier*

Co.,Ltd. (No.: L2019-025) published on the website of Shanghai Stock Exchange on the same day of this announcement.

The Proposal still needs to be submitted to the first bondholders meeting in 2019 and 2018 Annual General Meeting of the Company for consideration.

XVI. Considered and approved the *Proposal on Using Capital Raised to Replace Self-raised Funds Pre-Invested in Investment Projects Financed by Proceeds of Qingdao Haier Co.,Ltd.* (Poll Result: For: 3; Against: 0; Abstain: 0)

In order to ensure the smooth progress of the fund-raising investment projects, the Company has made the initial investment in self-raised funds according to the actual situation of the project progress before the funds for the public issuance of convertible corporate bonds are in place. From 1 January 2019 to 19 April 2019, the amount pre-invested in fund-raising investment projects with self-raised funds that Qingdao Haier intends to replace aggregate amount to RMB102.52 million, among which, RMB75.64 million was pre-invested in "Russia Front Loading Washing Machine Manufacturing Base" project, and RMB26.88 million was pre-invested in "Vietnam Front Loading Washing Machine Production Center" project. The Company intends to use the raised funds RMB102.52 million to replace the self-raised funds that have been invested in the investment projects financed by proceeds in the early stage, thereby improving the efficiency of capital use and ensuring the interests of the Company's shareholders.

According to the *Authentication Report of Qingdao Haier Co.,Ltd. On Pre-investment in Investment Projects Financed by Proceeds with Self-raised Funds* (Hexin Zhuan Zi. (2019) No.000188) issued by Shandong Hexin Certified Public Accountants LLP on 29 April 2019, the amount required to be used to replace the self-raised funds invested in the investment projects financed by proceeds is RMB102.52 million. For details, please refer to the *Authentication Report of Qingdao Haier Co.,Ltd. On Pre-investment in Investment Projects Financed by Proceeds with Self-raised Funds* disclosed on the same day as this announcement.

The Company's sponsor institution, China International Capital Corporation Limited, issued a inspection opinions, the details of which please refer to the *Inspection Opinions of China International Capital Corporation Limited on Qingdao Haier Co.,Ltd. ' s Using Capital Raised to Replace Self-raised Funds Pre-Invested in*

Investment Projects Financed by Proceeds published on the same day of this announcement.

For details of the proposal, please refer to the *Announcement on Using Capital Raised to Replace Self-raised Funds Pre-Invested in Investment Projects Financed by Proceeds of Qingdao Haier Co.,Ltd.* (No.: L2019-026) published on the same day of this announcement.

It is hereby notified the above.

The Board of Supervisors of Qingdao Haier Co., Ltd.

29 April 2019