

Announcement pursuant to Section 50 para. 1 no. 2 German Securities Trading Act (WpHG)

Indicative Announcement on the Joint Announcement Issued by the Company and Haier Electronics Group Co., Ltd.

Qingdao / Shanghai / Frankfurt, 28 August 2020 - Haier Smart Home Co., Ltd. (the “Company”, D-Share ISIN CNE1000031C1, A-Share ISIN CNE000000CG9) published an indicative announcement on the Shanghai Stock Exchange with regard to the joint announcement issued by the Company and Haier Electronics Group Co., Ltd. (the “HEG”, 01169.HK) on the Hong Kong Stock Exchange website.

The Company and HEG issued a joint announcement (the “**Joint Announcement**”) regarding the proposed privatization of HEG on the Hong Kong Stock Exchange website (<http://www.hkexnews.hk>) on 28 August 2020. The main contents of the Joint Announcement include:

I. The meeting of exchangeable bondholders approved the EB-to-CB Proposal

According to the Joint Announcement, the meeting of exchangeable bondholders was held on 28 August 2020 to approve the EB-to-CB Proposal. For the relevant information of the EB-to-CB proposal, please refer to the EGM resolution 28 and the second resolution of A Shares Class Meeting and D Shares Class Meeting regarding the Proposal of the Adjustment Proposal of Exchangeable Bonds Issued by the Company through Overseas Wholly-Owned Subsidiaries as disclosed by the company in the Meeting Materials of the Second Extraordinary General Meeting in 2020, the First A Shares Class Meeting in 2020, and the First D Shares Class Meeting in 2020 of the Company on the Shanghai Stock Exchange website on 25 August 2020.

II. Change of HEG shareholding structure

According to the Joint Announcement, FLOURISHING REACH LIMITED (the “**FRL**”, a wholly-owned overseas subsidiary of the Company) and Haier Shareholdings (Hong Kong) Limited (the “**HS (HK)**”, another wholly-owned overseas subsidiary of the Company) has entered into a sale and purchase agreement, under which HS (HK) has agreed to sell and FRL has agreed to purchase all the HEG shares (accounting for approximately 31.74% of the issued HEG shares) held by HS (HK) (the “**Intra-group Transfer**”). The Intra-group Transfer does not affect the offer terms of the privatization proposal of HEG, and the Company will continue to directly and indirectly hold approximately 45.68% of the issued share capital of HEG upon completion of the Intra-group Transfer. The Intra-group Transfer has been approved at the 10th meeting of the tenth Session of the Board of Directors of the Company. For basic information, please refer to Resolution 44 of the Announcement on the Resolutions of the 10th Meeting of the tenth Session of the Board of Directors of Haier Smart Home Co., Ltd. (No.: Lin 2020-050) disclosed by the Company on the website of the Shanghai Stock Exchange on 1 August 2020.

For more information about the Joint Announcement, please refer to the Hong Kong Stock Exchange website.

The Company will perform its information disclosure obligations in a timely manner in accordance with relevant regulations. Investors are requested to invest rationally and pay attention to investment risks.

Board of Directors
Haier Smart Home Co., Ltd.

28 August 2020