

Haier Smart Home Co., Ltd.*

**VOLUNTARY ANNOUNCEMENT IN RELATION TO RECYCLING
INITIATIVES**

The board of directors and all directors of the Company warrant that there are no false representations and misleading statements contained in, or material omissions from this announcement, and accept the legal responsibility for the truthfulness, accuracy and completeness of the contents of this announcement.

To promote environmental protection, carbon peaking and carbon neutrality, fulfill social obligations and enhance the sustainable development of Haier Smart Home Co., Ltd., (the “Company”), the Company has established its recycling industry department, which takes decomposing household appliances for recycling as the starting point. It has invested in the establishment of “Recycling Network Plant”, which endeavors to construct the industrial recycling system consisting of “recycle-decompose-remodel-reproduce”, an attempt to explore a new model of economic development in relation to green recycling in the industry. The plant has recently commenced operation.

The recycling network plant can decompose old appliances including refrigerators, air conditioners and washing machines, and remodel them into useful materials including parts, metals (including copper, iron and aluminum) and plastics, realizing recycling and reusing. The plan is scheduled to decompose 3 million household appliances per year and produce 30,000 tonnes of plastic granules per year. The investment amount for our recycling network plant was approximately RMB369 million.

The recycling network plant uses photovoltaics to generate power and employs a series of green designs including the use of recycled building materials, thermal insulation panels, heat recovery system, and water reusing system. As for the treatment of waste gas, the plant uses a thermal storage and combustion system to reduce the emission of waste gas to zero, becoming the first green plant in the recycling industry of the PRC to fulfill the goal of “carbon neutrality”.

The operation of the recycling network plant expedites the process for our users to replace old appliances, promotes the sales of products and enhances the connection between the Company’s upstream and downstream value chain, which also represents the Company’s positive response to the national policy of “carbon peaking and carbon neutrality”, an important step to enhancing the Company’s sustainable development. The plant is expected to bring good economic returns, which will further improve the Company’s overall competitiveness and profitability.

Recently, based on our outstanding ESG performance, in particular, our achievements in electronic waste recycling and treatment, the Company has been named in Fortune China's first ESG Impact List.

Hereby notify the above.

The Board of Directors of
Haier Smart Home Co., Ltd.*

23 October 2022

**For identification purpose only*