

Haier Smart Home Co., Ltd

Administrative Institution of Information Disclosure for Debt Financing Instruments in the Inter-bank Bond Market

Chapter I General Provisions

Article 1 In order to regulate the information disclosure of Haier Smart Home Co., Ltd. (hereinafter referred to as "the Company") issuing debt financing instruments in the inter-bank bond market, strengthen the management of information disclosure affairs, promote the Company's operations in accordance with the laws, and safeguard the lawful rights and interests of Company and investors, the Company formulates this institution in accordance with the *Company Law of the People's Republic of China*, *Administrative Measures for Debt Financing Instruments of Non-Financial Enterprises in the Inter-bank Bond Market* and the *Rules on Disclosure for Debt Financing Instruments of Non-financial Enterprises in the Inter-bank Bond Market* (hereinafter referred to as "*the Rules for Information Disclosure*") promulgated by National Association of Financial Market Institutional Investors (hereinafter referred to as the "Investors Association") and the *Articles of Association of Haier Smart Home Co., Ltd.* and other relevant regulations.

Article 2 This institution applies to the Company and its subsidiaries and its branches.

Article 3 The Company and its all directors, supervisors and senior management shall warrant that the information disclosed is true, accurate, complete and timely, promise that there are no false representations, misleading statements or material omissions, and bear severally and jointly legal liabilities. Information disclosure is the

Company's ongoing responsibility, and the Company should perform its obligation of ongoing information disclosure faithfully and with integrity.

Article 4 Before the disclosure of insider information according to law, any insider shall not disclose or divulge the information, and shall not use the information for insider trading.

Article 5 The "information" in this institution refers to: as a registered member of the Investors Association, the Company may affect investors' judgment of investment value and investment risks during the issuance and existence of debt financing instruments, or the Company may have significant matters that may affect its debt paying ability and information required by the regulatory authorities of debt financing instruments. "Public disclosure" means that the Company and relevant person-in-charge of information disclosure announce information on the media recognized by the Investors Association in accordance with laws, administrative regulations, *the Rules for Information Disclosure* and other relevant regulations.

When disclosing information, the Company uses descriptive language of facts, which is concise and easy to understand, highlighting the substance of the event, and shall not contain any words of propaganda, advertisement, flattery or slander.

Article 6 Information disclosure documents are in Chinese.

Chapter II Contents and Standards of Information Disclosure

Article 7 During the duration of the debt financing instruments that the Company is preparing to issue or has issued but has not yet paid, it will perform the obligation of public disclosure of information in accordance with this institution.

Article 8 The Company shall publish current issuance documents of debt financing instruments through the website recognized by the Investors Association, and the issuance documents shall include at least the following information:

(I) Issuance plan and commitment letter;

(II) Prospectus;

(III) Credit rating reports and follow-up rating arrangements;

(IV) Legal opinions;

(V) The audited financial reports of the last three years and the latest accounting statements.

The Company's public issuance of debt financing instruments shall publish the current issuance documents through a platform recognized by the Investors Association. For the initial public issuance of debt financing instruments, the issuance documents shall be announced at least three business days before the date of issuance; for the non-initial public issuance of debt financing instruments, the issuance documents shall be announced at least two business days before the date of issuance; for public issuance of super and short-term commercial paper, the issuance documents shall be announced at least one business day before the date of issuance.

Regarding the preparation and disclosure of the disclosure documents of above-mentioned information, the Company should comply with the relevant self-regulatory rules of the Investors Association and obtain the consent of the Investors Association.

The Company shall announce the actual issuance size, price, term and other information of the current debt financing instruments through the website recognized by the Investors Association, at the latest, on and after the business day following the ex-right registration date.

Article 9 The company shall publish matters of principal redemption and interest payment through the website recognized by the Investors Association on the first five business days of the principal redemption date of the debt financing instrument.

Article 10 During the duration of the debt financing instrument, the Company shall continue to disclose information according to the following requirements:

(I) Before 30 April of each year, disclose the annual report and audit report of the previous year;

(II) Before 31 August of each year, disclose the balance sheet, profit statement and cash flow statement for the first half of the year;

(III) Before 30 April and 31 October of each year, disclose the balance sheet, profit statement and cash flow statement for the first and third quarter of the year.

The time of information disclosure in the first quarter shall not be earlier than the time of information disclosure in the previous year. The time of disclosure of the above information shall not be later than the time of public disclosure of the Company on the stock exchange, designated media or other occasions.

The disclosure standards of the Company's periodic reports shall conform to the disclosure format of the websites recognized by Investors Association.

Article 11 During the duration of the Company's issued debt financing instruments, it shall promptly disclose to the market any significant matters that may affect the Company's solvency. The significant matters mentioned above include but are not limited to:

(I) Significant changes in Company's name, business policy and business scope;

(II) Significant changes in the external conditions of the Company's production and operation;

(III) Major contracts of the Company that may have a significant impact on its assets, liabilities, interests and operating results;

(IV) Assets' Mortgage, pledge, sell, handover, transfer or write off incurred to the Company that may affect its solvency;

(V) Major debt incurred by the Company and default on any major debt due;

(VI) The Company has a large amount of compensation liability or the compensation liability affects the normal production and operation and is difficult to eliminate;

(VII) Major deficit or significant losses incurred by the Company more than 10% of net assets;

(VIII) The Company cancels debts of others for more than a certain amount at a time, which may affect its solvency;

(IX) Changes in more than one-third of the Company's directors, more than two-thirds of the supervisors, chairman or general manager; failure in performing duties by chairman or general manager;

(X) Decision on capital reduction, merger, division, dissolution or application for bankruptcy, or falling in bankruptcy procedures or being ordered to close down by the Company in accordance with law;

(XI) Market rumors that need to be explained involved by the Company;

(XII) Major litigation and arbitration involved by the Company;

(XIII) Investigated by a competent authority due to suspicion of violating laws and regulations, or subject to criminal punishment or major administrative punishment; the Company's directors, supervisors, and senior management personnel are suspected of violating laws and disciplines and are investigated by the competent authority or take compulsory measures;

(XIV) The Company's assets that may affect its solvency have been sealed up, seized, or frozen; the Company's main or entire business has stalled, which may affect its solvency;

(XV) Major guarantees to the outside by the Company;

(XVI) Other material matters that may affect the Company's solvency.

Article 12 The Company shall fulfill the obligation of information disclosure of major events, and the disclosure time shall be no later than the time of the Company's public disclosure on the stock exchange, designated media or other occasions, and explain the cause, current conditions and possible impact within 2 business days from the date of the following events:

(I) When the decision-making authorities form a resolution on this material matter;

(II) When the relevant parties sign a letter of intent or agreement on this material matter;

(III) When directors, supervisors or senior management are aware of the occurrence of this material matter and are obliged to report it;

(IV) When receive a decision or notification from the relevant competent department.

Article 13 If one of the following situations occurs before occurrence of the event specified in Article 12, the Company shall disclose the current condition of the relevant events and the risk factors that may affect the progress of the event within 2 business days from the date of the event:

(I) This material matter is difficult to keep secret;

(II) This material matter has been leaked or appeared rumors in the market.

Article 14 After the Company discloses material matter, if there are progresses or changes that may have a significant impact on the Company's solvency, the disclosed progresses or changes shall be disclosed within 2 business days from the date of the above progresses or changes.

Article 15 After the Company discloses the information, if it corrects the disclosed information errors and changes its accounting policies and accounting estimates, the use of proceeds or the medium-term note issuance plan, it shall

promptly disclose the relevant change announcement. The announcement includes at least the following:

(I) Reasons for change, relevant information before and after the change and their changes;

(II) Changes are in compliance with national laws, regulations and policies and approved by the Company's authorized decision-making authorities;

(III) The impact of changes on the company's solvency and repayment arrangements;

(IV) Professional opinions issued by relevant agencies on changes;

(V) Other information related to changes and has an important impact on investors to judge the investment value and investment risk of debt financing instruments.

Article 16 The Company shall correct the errors in the disclosed financial information. In addition to disclosing the change announcement, it shall also meet the following requirements:

(I) Correct unaudited financial information and disclose the changed financial information at the same time;

(II) Correct the audited financial report, and the relevant explanation and the corrected financial report issued by the original auditing responsible party on the corrected matter shall be disclosed simultaneously. The Company shall engage accounting firms to audit the corrected financial report and disclose relevant audit reports within thirty business days from the date of the announcement;

(III) Changes of the financial information in the previous period have an impact on the financial information in the subsequent period, at least disclosing the affected annual financial report (if any) in recent year, and the changed lately quarter financial statement (if any).

Article 17 The documents that have disclosed information and been publicly disclosed before the change by the Company shall be retained on the original disclosure website, and shall not be changed or replaced.

Article 18 When The Company changes the use of proceeds of debt financing instruments , it shall disclose the change announcement at least five business days before the change.

Article 19 When the Company changes its issuance plan of medium-term note, it shall disclose the change announcement at least five business days before the expiration date of the original issuance plan.

Article 20 Investors believe that the changes will have a significant impact on the judgment of the investment value and investment risk of the relevant debt financing instruments, and shall proposal to convene a holder’s meeting of debt financing instrument in accordance with the *Rules of Procedure for Holder's Meeting for Debt Financing Instruments of Non-Financial Enterprises in the Inter-bank Bond Market*.

Chapter III Information Disclosure Management

Section I Responsible Persons and Responsibilities for Information Disclosure

Article 21 The chairman is the first responsible person for the Company’s information disclosure, and the board secretary is responsible for handling information disclosure. The securities department is the information disclosure management department, which is directly managed and guided by board secretary to complete the information disclosure work. Directors, supervisors, senior management and other personnel of the Company shall not publish undisclosed information of the Company without the written authorization of the board of directors.

Article 22 Directors, supervisors, senior management, functional departments, subsidiaries, and branches are obliged to provide information in accordance with the information disclosure requirements of the Investors Association, so as to provide the convenience for information disclosure management department to perform their duties and guarantee the promptness, accuracy, fairness and completeness of information disclosure.

Article 23 The responsibilities of directors, supervisors and senior management in information disclosure:

(I) Directors, supervisors and senior management of the Company shall be diligent and responsible, and pay attention to the preparation of information disclosure documents, ensure that periodic information disclosure and non-periodic information disclosure are disclosed within the stipulated period, and cooperate with the Company and other Information disclosure obligators to perform information disclosure obligations.

(II) Directors shall understand and continue to pay attention to the Company's production and operation, financial conditions, and material matters and its effect that have occurred or may occur in the Company, and actively investigate and obtain the necessary information for decision-making.

(III) Supervisors shall oversee the conducts of directors and senior management of the Company in performing their duties for information disclosure ; supervisors shall pay attention to the Company's information disclosure and discover that if there are violations of laws and regulations in the information disclosure, they shall investigate and make suggestions for handling.

(IV) Senior management shall promptly report the progress, change and relevant information of the material and disclosed events in terms of the Company's operations or finances.

(V) When understanding the occurrence of major events, directors, supervisors and senior management of the Company shall immediately fulfill their reporting

obligations in accordance with the Company's regulations; the chairman shall report to the board of directors immediately after receiving the report, and urge the board secretary to organize the disclosure of the temporary report.

Article 24 The board secretary is responsible for organizing and coordinating the Company's information disclosure in the information disclosure management, compiling the information that the Company shall disclose and reporting to the board of directors.

Section II Information Disclosure Management

Article 25 The securities department is responsible for the management of the relevant information disclosure documents and information materials of the Company, and promptly reports information in relation to the Company to the board secretary.

Article 26 For major events occurring in the Company, all departments, subsidiaries and branches must perform reporting duties to the board secretary within 24 hours after the occurrence of major events, and provide relevant complete information simultaneously.

Section III Information Disclosure Procedures

Article 27 For undisclosed information that needs to be disclosed in periodic reports or temporary reports, its preparation, review and disclosure procedures: the board secretary organizes the preparation of periodic reports and temporary reports in accordance with the relevant regulations of the Company, and submits them to the board of directors or other authorized decision-making authorities for approval and discloses them according to the relevant requirements of the Shanghai Stock Exchange, as well as discloses them on the website recognized by the Investors Association under the cooperation of the relevant functional departments of the company, underwriting institutions and other relevant institutions, the disclosure will be made.

Section IV Archiving and Storage of Documents

Article 28 The securities department is responsible for the establishment of archives related to information disclosure in that year, and the term of retention period is ten years.

Article 29 If directors, supervisors, senior management of the Company or staffs of other departments need to borrow the information disclosure documents, they must go through the relevant borrowing procedures with the securities department and return the borrowed documents in a timely manner. The borrower shall bear corresponding responsibility if the document is lost due to improper storage.

Chapter IV Confidentiality Measures

Article 30 The Company shall adopt strict confidentiality measures for undisclosed information.

Article 31 The Company strictly controls the scope of information-informed personnel based on the scope and confidentiality of information. Information insiders should strictly follow the Company's *Registration System for Persons Who Have Access to Insider Information* for registration.

Article 32 For the Company's undisclosed information, directors, supervisors, senior management of the Company and other staff who have access to this part of the information due to work relations are obliged to keep the information confidential.

Article 33 Directors, supervisors, senior management of the Company and other insiders should take necessary measures to control the insiders of the information to the minimum before the Company's information is publicly disclosed.

Article 34 The scope of insider information insiders is subject to the Company's *Registration System for Persons Who Have Access to Insider Information*. Insiders of the Company's inside information are obliged to keep confidential the undisclosed

material information they have learned and shall not disclose it in any form without authorization.

Article 35 The Company shall strictly manage internal journals, websites, promotional materials, etc. to prevent the leakage of undisclosed material information.

Article 36 If the consultants hired by the Company, the staff of professional agencies and the connected person disclose the Company's information without authorization and cause losses to the Company, the Company will pursue its legal responsibility according to laws and regulations.

Chapter V Internal Control and Supervisory Mechanism

Article 37 The Company's finance department must strictly implement internal control system of the Company's financial management and accounting and auditing to ensure the authenticity and accuracy of financial information and prevent the leakage of financial information.

Article 38 The internal control departments of the Company shall conduct regular or irregular audit, supervision and evaluation to the establishment and implementation of the Company's internal control system.

Article 39 The annual finance report of the Company must be audited by the accounting firm with qualification of business relating to securities.

Article 40 If a non-standard audit report is issued in the finance accounting report, directors, supervisors and senior management of the Company shall make special explanations on the matters involved in the audit opinion.

Chapter VI Information Communication

Article 41 The secretary of the board of directors is responsible for organizing the relationship communication between the Company and investors.

Article 42 Specific objects such as investors, professional agencies, medias, etc. visited the Company's site, communicated with them, implemented an appointment

system, and the Company appointed a person to accompany, receive, answer questions, and record the content of the communication.

Chapter VII Accountability and Punishment

Article 43 The board of directors of the Company shall, in light of the seriousness of the circumstances and the losses and impacts caused to the Company, punish the persons responsible for the disclosure of major information or other persons who are informed of the information in violation of the rules and regulations, and shall investigate the legal liabilities in accordance with the laws and regulations.

Article 44 If the consultants hired by the Company or the staff of professional agencies disclose the Company's information without authorization and cause losses to the Company, the Company reserves the right to pursue its responsibility.

Chapter VIII Supplementary Provisions

Article 45 Matters not covered in this system shall be implemented in accordance with applicable laws and regulations and relevant regulations of the People's Bank of China and Investors Association. If this system conflicts with laws, regulations and self-regulatory rules of the Investors Association, they shall be implemented in accordance with laws, regulations and self-regulatory rules of the Investors Association.

Article 46 The board of directors is responsible for the interpretation of this system.

Article 47 This system is effective from the date of deliberation and approval by the board of directors, and is the same when it is revised.

28 April 2020