

Haier Smart Home Co., Ltd.

Announcement on the Progress of the Core Employee Stock Ownership Plan

The Board of Directors 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.

Haier Smart Home Co., Ltd. (hereinafter referred to as the “Company”) convened the 19th meeting of the Tenth session of the Board and the 15th meeting of the Tenth session of the Supervisory Committee on 25 May 2021, and convened the 2020 annual general meeting on 25 June 2021, considered and approved the relevant proposals, such as the *A-share Core Employee Stock Ownership Plan of Haier Smart Home Co., Ltd. (2021-2025) (Draft) and its Summary* (hereinafter referred to as “A-share Core Employee Stock Ownership Plan”), the *H-share Core Employee Stock Ownership Plan of Haier Smart Home Co., Ltd. (2021-2025) (Draft) and its Summary* (hereinafter referred to as “H-share Core Employee Stock Ownership Plan”). The Company agreed to implement A-share Core Employee Stock Ownership Plan (2021) and H-share Core Employee Stock Ownership Plan (2021). For details, please refer to the Company’s announcement published on the website of Shanghai Stock Exchange (www.sse.com.cn) on 26 May 2021 and 26 June 2021 by the Company. The First Holders’ Meeting of the A-share Employee Stock Ownership Plan (2021) and the First Holders’ Meeting of the H-share Employee Stock Ownership Plan (2021) are convened on 7 July 2021, considering and approving the relevant proposals, such as the *Management Measures of A-share Core Employee Stock Ownership Plan of Haier Smart Home Co., Ltd. (2021)*, and the *Management Measures of H-share Core Employee Stock Ownership Plan of Haier Smart Home Co., Ltd. (2021)*. For details, please refer to the Company’s announcement published on the website of Shanghai Stock Exchange (www.sse.com.cn)

on 8 July 2021 by the Company.

Pursuant to relevant requirements of *the Company Law of the People's Republic of China*, *the Securities Law of the People's Republic of China*, *the Guiding Opinions on the Pilot Implementation of Employee Stock Ownership Plan by Listed Companies*, and *the Information Disclosure Guideline on Employee Stock Ownership Plan of Listing Companies* issued by the Shanghai Stock Exchange and other laws, administrative regulations and normative documents, the Company hereby announces the implementation progress of A-share Core Employee Stock Ownership Plan(2021) and H-share Core Employee Stock Ownership Plan(2021) as follows:

A-share Core Employee Stock Ownership Plan(2021) and H-share Core Employee Stock Ownership Plan(2021) has been entrusted to the Industrial Securities Assets Management Co., Ltd., which is conducted by establishing the Single Asset Management Plan of the Industrial Securities Assets Management Xinzhong No.5 Employee Stock Ownership of Haier Smart Home, and the Single Asset Management Plan of the Industrial Securities Assets Management Xinzhong No.6 Employee Stock Ownership of Haier Smart Home respectively, and have completed the filing and opened corresponding securities accounts. The following procedures will be handled in accordance with the attached procedures:

(1) Pursuant to A-share Core Employee Stock Ownership Plan, the total amount of funds to participate in the A-share Core Employee Stock Ownership Plan of 2021 is RMB708 million. As the source of shares is the proposed transfer of shares repurchased from the designated securities repurchase account of Haier Smart Home, and the transfer price of such shares shall be determined in accordance with the average price of the accumulated repurchased shares in the repurchase account, the exact number of such repurchased shares will be determined in accordance with their average trading price at the time of their transfer. As of the date of disclosure in this announcement, the Company has repurchased 71,838,966 shares in its dedicated securities account at an average repurchase price of RMB 27.79 per share (including transaction fees, etc.).

Based on this calculation, the A-share Core Employee Stock Ownership Plan (2021)

will purchase 25,440,807 shares from the designated securities repurchase account of the Company, at an average purchase price of RMB27.79 per share, with an amount of RMB707,000,026.53(excluding related fees and taxes). The Company will handle the non-trading transfer procedures of the shares at the aforementioned price and number of shares in the near future.

(2) Pursuant to H-share Core Employee Stock Ownership Plan, the total amount of funds to participate in the H-share Core Employee Stock Ownership Plan of 2021 is RMB90 million. Source of shares under the Employee Stock Ownership Plan shall be H-share of the Company acquired through the Shanghai-Hong Kong Stock Connect on the secondary market by the Asset Manager. The Asset Manager, the Industrial Securities Assets Management Co., Ltd., shall complete the purchase of the Target Shares within 6 months after passing of the resolution at the general meeting.

The Company will promptly perform subsequent information disclosure obligations in accordance with relevant laws and regulations. Investors are advised to pay attention to risks.

It is hereby notified the above.

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

20 July 2021