

Stock Code: 600690 **Stock Name:** Haier Smart Home **No.:** L2019-075

Convertible Bond Code: 110049 **Convertible Bond Name:** Haier Convertible Bonds

Convertible Stock Code: 190049 **Convertible Stock Name:** Haier Converted Stocks

Haier Smart Home Co., Ltd.

Announcement on Resolutions of the 5th Meeting of the Tenth Session of the Board of Directors

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.

The 5th Meeting of the Tenth Session of the Board of Directors of Haier Smart Home Co., Ltd. (formerly known as “Qingdao Haier Co., Ltd.”, hereinafter referred to as “Haier Smart Home”, “Listed Company” or the “Company”) was convened at Meeting Room 202, Board Building, Haier Information Industrial Park (海尔信息产业园董事局大楼 202 会议室) in the afternoon of 21 November 2019, with the due count of the directors being 9 and the actual count being 9. The meeting was convened by the way of conference calls. The attendance was in compliance with the requirements under applicable laws and regulations as well as the *Articles of Association*. Notice of the meeting was dispatched by Email on 21 November 2019, and the supervisors and the senior management of the Company sat in on the meeting. The notification and convening of the meeting complied with the requirements under the *Company Law* and the *Articles of Association*. The Meeting was held by Mr. Liang Haishan, the chairman of the board. The following resolutions have been considered and approved after prudent review of the attending directors:

I. The Proposal on Early Redemption of “Haier Convertible Bonds” of Haier Smart Home Co., Ltd. (Poll Result: For: 9; Against: 0; Abstain: 0)

Given that the closing price of Haier Smart Home from 1 November 2019 to 21 November 2019 is no less than 120% of the prevailing conversion price (RMB14.20

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each) of “Haier Convertible Bonds (110049)” (hereinafter referred to as “Haier Convertible Bonds”) (namely no less than RMB17.04 each) during 15 trading days out of 30 consecutive trading days, the redemption terms of Convertible Corporate Bonds have been triggered according to the *Prospectus in relation to the Public Issuance of A Share Convertible Corporate Bonds of Qingdao Haier Co., Ltd.*.

The Board of Directors agreed to exercise the right of early redemption of “Haier Convertible Bonds” to redeem all “Haier Convertible Bonds” which appeared on the register on the redemption record date.

For details, please refer to the *Indicative Announcement on Early Redemption of “Haier Convertible Bonds ” of Haier Smart Home Co., Ltd.* (No.: L2019-077) published on the same day of this announcement.

II. Consideration and Approval of the *Proposal of Haier Smart Home Co., Ltd. on Capital Increase by Haier Group to the Subsidiaries of the Company and Related-Party Transaction* (Poll Result: For: 6; Against: 0; Abstain: 0)

In order to solve the issues of defective land and real estate of Hefei Haier Air-conditioning Co., Ltd. (hereinafter referred to as "Hefei Air-conditioning"), Hefei Haier Plastics Co., Ltd. (hereinafter referred to as "Hefei Plastic"), Wuhan Haier Freezer Co., Ltd. (hereinafter referred to as "Wuhan Freezer") and Wuhan Haier Electric Appliance Co., Ltd. (hereinafter referred to as "Wuhan Air-conditioning"), subsidiaries of Haier Smart Home, and earnestly implement the relevant commitments issued by Haier Group Corporation (hereinafter referred to as "Haier Group") and Haier Smart Home on solving the defective property rights, Hefei Air-conditioning, Hefei Plastic, Wuhan Freezer and Wuhan Air-conditioning intends to make a private placement of registered capital to Haier Group for purchasing the relevant lands held by Haier Group in Hefei and Wuhan (hereinafter referred to as the "Transaction"). Upon completion of the Transaction, Hefei Air-conditioning, Hefei Plastic, Wuhan Freezer and Wuhan Air-conditioning will remain as the partially owned subsidiaries of Haier Smart Home.

The specific transaction plan is as follows:

1. Haier Group intends to increase the capital of Hefei Air-Conditioning with the land of 60,158.97 square meters (90.24mu) and 23,217.60 square meters (34.83mu) space for the plant of Hefei Air-Conditioning corresponded to the land use right of He Jing Kai Guo Yong (2008) No. 090 held by Haier Group. According to the historical

commitments of Haier Group and relevant asset evaluation reports and through friendly consultation of all parties, the total amount of the capital increase is RMB12,229,500, of which RMB94,600 is recorded in the registered capital of Hefei Air-Conditioning and RMB12,134,900 is recorded in the capital reserve of Hefei Air-Conditioning. According to the historical commitments of Haier Group, the capital increase of 90.24 mu Hefei land is RMB1,804,800 (namely only RMB20,000/mu based on the historical commitments), and the relevant taxes involved in the capital injection shall be undertaken by Hefei Air-Conditioning actually.

2. Haier Group intends to increase the capital of Hefei Plastic with the land of 65,977.10 square meters (98.96 mu) for the plant of Hefei Plastic corresponded to the land use right of He Jing Kai Guo Yong (2008) No. 090 held by it. According to the relevant asset evaluation report and through friendly consultation of all parties, the amount of capital increase is RMB29,689,700, of which RMB7,366,100 is recorded in the registered capital of Hefei Plastic, and RMB22,323,600 is recorded in the capital reserve of Hefei Plastic.

3. Haier Group intends to increase the capital of Wuhan Freezer with the land 57,779.45 square meters (86.66 mu) for the plant of Wuhan Freezer corresponded to the land use right of Wu Kai Guo Yong (2015) No. 48 held by it. According to relevant asset evaluation report and through friendly consultation of all parties, the amount of capital increase is RMB41,774,500, of which RMB7,130,200 is recorded in the registered capital of Wuhan Freezer, and RMB34,644,300 is recorded in the capital reserve of Wuhan Freezer.

4. Haier Group intends to increase the capital of Wuhan Air-Conditioning with the land 68,115.72 square meters (102.17 mu) for the plant of Wuhan Air-Conditioning corresponded to the land use right of Wu Kai Guo Yong (2015) No. 48 held by it. According to the historical commitment of Haier Group, the capital increase of 102.17 mu Wuhan land, Haier Group intends to inject in Wuhan Air-Conditioning this time, is RMB1,532,600 (namely only RMB15,000/mu based on the historical commitments), and the relevant taxes involved in the capital injection shall be undertaken by Wuhan Air-Conditioning actually.

As of the date of this meeting, the appraisal report on relevant assets of Wuhan Air-Conditioning remains to be filed and confirmed by the state-owned assets supervision and administration department; the capital increase of Wuhan Air-Conditioning remains to be approved by the Shareholders' General Meeting of Wuhan

Air-Conditioning and the state-owned assets supervision and administration department (if necessary); and it remains to be further communicated and negotiated with the relevant shareholders and the competent state-owned assets supervision and administration department on whether other shareholders of Wuhan Air-Conditioning, including Wuhan State-Owned Assets Management Limited Company, Wuhan Construction Investment Company Limited and Wuhan Urban Collective & Cooperative Industrial Center, shall synchronously participate in the capital increase. In order to improve the transaction efficiency, the Chairman of the Company has been authorized by the Board of Directors to further carry out the follow-up matters of the capital increase to Wuhan Air-Conditioning, including but not limited to negotiating with relevant parties and execution of relevant legal documents, for a term until the completion of Capital Increase by Haier Group to Wuhan Air-Conditioning and the completion of land and property change procedures.

Haier Group is the de facto controller of Haier Smart Home. Pursuant to the *Listing Rules*, Haier Group is the related party of Haier Smart Home, so the Transaction constitutes a Related-party Transaction with the Company. As Liang Haishan, Tan Lixia and Li Huagang are directors of the Company and shall abstain from voting on this proposal, there are 6 directors present and voting in fact.

In accordance with the *Guidelines for the Implementation of Related Party Transactions of Listed Companies of the Shanghai Stock Exchange* (No. 5 (2011) of the Shanghai Stock Exchange) (hereinafter referred to as the "*Guidelines for the Implementation of Related Party Transactions*"), the related party transaction does not constitute a material related party transaction specified in the *Guidelines for the Implementation of Related Party Transactions*.

The total amount of non-routine related party transactions between the Company and Haier Group within the 12 months prior to the date of convening the meeting that have not been reviewed by the Shareholders' General Meeting of the Company and this related party transaction accounted for less than 5% of the latest audited net assets of the Company. In accordance with the *Listing Rules*, the *Guidelines for the Implementation of Related Party Transactions* and the *Articles of Association* of Haier Smart Home, the Transaction is not required for submission to the Shareholders' General Meeting of the Company for review.

The book value of the underlying assets or the transaction amount (whichever is higher) of the Transaction accounts for less than 50% of the total assets and net assets of Haier Smart Home audited in the last accounting year, not meeting the standards for material asset restructuring as stipulated in the *Measures for the Administration of Material Asset Restructuring of Listed Companies*. Therefore, the Transaction does not constitute a material asset restructuring.

To ensure the smooth progress of the Transaction, the Chairman of the Company has been authorized by the Board of Directors to sign the *Capital Increase Agreement* and other legal documents related to the Transaction, and relevant personnel have also been authorized to handle all specific matters such as delivery, approval and filing, related to the Transaction.

Independent Directors have given independent opinions. For details, please refer to the *Independent Opinions Given by the Independent Directors on the Relevant Issues at the 5th Meeting of the Tenth Session of the Board of Directors of Haier Smart Home Co., Ltd.* published on the same day of this announcement.

For details of this proposal, please refer to the *Announcement of Haier Smart Home Co., Ltd. on Capital Increase by Haier Group to the Subsidiaries of the Company and Related-Party Transaction* (No.: L2019-78) published on the same day of this announcement.

III. Consideration and Approval of the *Proposal on Amending the “Articles of Association” of Haier Smart Home Co., Ltd.* (Poll Result: For: 9; Against: 0; Abstain: 0)

Pursuant to the *Reply of the State Council on the Adjustment of the Notice Period of the Shareholders’ General Meeting and Other Matters Applicable to the Overseas Listed Companies* (Guo Han [2019] No. 97) (《国务院关于调整适用在境外上市公司召开股东大会通知期限等事项规定的批复》(国函〔2019〕97号)), the Company, as a joint stock limited company registered in China and listed abroad, intends to modify the relevant contents of the *Articles of Association* concerning the notice period for convening the Shareholders' General Meeting, the shareholders' proposal and the convening procedures.

The Proposal is subject to consideration and approval of the Shareholders' General Meeting.

For details of this proposal, please refer to the *Announcement on Amending the “Articles of Association” of Haier Smart Home Co., Ltd.* (No.: L2019-079) published on the same day of this announcement.

IV. Consideration and Approval of the Proposal on Amending the “Rules of Procedure for the Shareholders' General Meeting” of Haier Smart Home Co., Ltd.
(Poll Result: For: 9; Against: 0; Abstain: 0)

Pursuant to the *Reply of the State Council on the Adjustment of the Notice Period of the Shareholders' General Meeting and Other Matters Applicable to the Overseas Listed Companies* (Guo Han [2019] No. 97), the Company, as a joint stock limited company registered in China and listed abroad, intends to modify the relevant contents of the *Rules of Procedure for the Shareholders' General Meeting* concerning the notice period for convening the Shareholders' General Meeting, the shareholders' proposal and the convening procedures. For details of the amendments, please refer to the appendix of this announcement: *Proposed Amendments on the “Rules of Procedure for the Shareholders' General Meeting of Haier Smart Home Co., Ltd.”*.

The Proposal is subject to consideration and approval of the Shareholders' General Meeting.

It is hereby notified the above.

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

21 November 2019

Appendix: Proposed Amendments on the Rules of Procedure for the Shareholders' General Meeting of Haier Smart Home Co., Ltd.

According to the *Reply of the State Council on the Adjustment of the Notice Period of the Shareholders' General Meeting and Other Matters Applicable to the Overseas Listed Companies* (Guo Han [2019] No. 97) (《国务院关于调整适用在境外上市公司召开股东大会通知期限等事项规定的批复》(国函〔2019〕97号)) and the *Articles of Association* proposed to amend, the Company, as a joint stock limited company registered in China and listed abroad, intends to revise the relevant contents of the *Rules of Procedure for the Shareholders' General Meeting* concerning the notice period for convening the shareholders' general meeting, the shareholders' proposal and the procedures for convening the meeting, details of which are as follows:

No.	Original Provisions	Provisions after Amendments	Reason for Amendments
1	Article 1 For the purpose of regulating the general meetings of Haier Smart Home Co., Ltd. (hereinafter referred to as the "Company") and the actions of attendees thereof, improving the procedural efficiency of the general meetings, ensuring the legitimacy of the procedures and resolutions of the general meetings, and sufficiently safeguarding the legitimate rights and interests of all shareholders, these Rules are formulated in accordance with the <i>Company Law of the People's Republic of China</i>	Article 1 For the purpose of regulating the shareholders' general meetings of Haier Smart Home Co., Ltd. (hereinafter referred to as the "Company") and the actions of attendees thereof, improving the procedural efficiency of the shareholders' general meetings, ensuring the legitimacy of the procedures and resolutions of the shareholders' general meetings, and sufficiently safeguarding the legitimate rights and interests of all shareholders, these Rules are formulated in accordance with the <i>Company Law of the</i>	the <i>Reply of the State Council on the Adjustment of the Notice Period of the Shareholders' General Meeting and Other Matters Applicable to the Overseas Listed Companies</i> (Guo Han [2019] No.

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<p>(hereinafter referred to as the <i>Company Law</i>), the <i>Securities Law of the People's Republic of China</i> (hereinafter referred to as the <i>Securities Law</i>), <i>Rules for the General Meeting of Listed Companies</i> (hereinafter referred to as the <i>Rules</i>), <i>Special Regulations of the State Council concerning the Offering and Listing of Shares Overseas by Joint Stock Limited Companies</i>, the <i>German Securities Trading Act</i> (hereinafter referred to as the <i>German Securities Trading Act</i>), the <i>Listing Rules of Frankfurt Stock Exchange</i> (hereinafter referred to as the <i>Frankfurt Listing Rules</i>) (the <i>German Securities Trading Act</i>, the <i>Frankfurt Listing Rules</i> and the relevant regulations of European Union on securities issuance and trading collectively referred to as the “Related Listing Requirements of Frankfurt Stock Exchange”) and the <i>Articles of Association of Haier Smart Home Co., Ltd.</i> (hereinafter referred to as the <i>Articles of Association</i>), and</p>	<p><i>People's Republic of China</i> (hereinafter referred to as the <i>Company Law</i>), the <i>Securities Law of the People's Republic of China</i> (hereinafter referred to as the <i>Securities Law</i>), <i>Rules for the Shareholders' General Meeting of Listed Companies</i> (hereinafter referred to as the <i>Rules</i>), <i>Special Regulations of the State Council concerning the Offering and Listing of Shares Overseas by Joint Stock Limited Companies</i>, the Reply of the State Council on the Adjustment of the Notice Period of the Shareholders' General Meeting and Other Matters Applicable to the Overseas Listed Companies, the <i>German Securities Trading Act</i>, the <i>Listing Rules of Frankfurt Stock Exchange</i> (hereinafter referred to as the <i>Frankfurt Listing Rules</i>) (the <i>German Securities Trading Act</i>, the <i>Frankfurt Listing Rules</i> and the relevant regulations of European Union on securities issuance and trading collectively referred to as the “Related Listing Requirements of Frankfurt</p>	<p>97)</p>
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	relevant existing national laws, regulations, and normative documents.	Stock Exchange”) and the <i>Articles of Association of Haier Smart Home Co., Ltd.</i> (hereinafter referred to as the <i>Articles of Association</i>), and relevant existing national laws, regulations, and normative documents.	
2	<p>Article 14 When a meeting of class shareholders is to be held, a written notice shall be given 45 days in advance to all shareholders registered as holders of that class in the register, stating the matters to be considered at such meeting and the date and venue of the meeting. A shareholder intending to attend the meeting shall deliver his/her written reply to the Company 20 days prior to the meeting.</p> <p>The Company may convene the meeting of class shareholders if the number of voting shares at the meeting represented by the shareholders intending to attend the meeting accounts over 1/2 of the total number of voting shares of that class at the meeting; otherwise,</p>	<p>Article 14 When the Company is to hold a meeting of shareholders of different categories, it shall issue a notice by reference to the notice period requirements for convening the shareholders’ general meeting set out in the Article 29 of the Rules, informing all the registered shareholders of that category of the matters to be deliberate on at the meeting as well as the date and place of the meeting.</p>	<p><i>the Reply of the State Council on the Adjustment of the Notice Period of the Shareholders’ General Meeting and Other Matters Applicable to the Overseas Listed Companies</i> (Guo Han [2019] No. 97)</p>

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	<p>the Company shall notify shareholders again of the matters to be considered and the date and venue of the meeting via announcement within 5 days, and the Company may convene the meeting of class shareholders after the notification by announcement.</p>		
3	<p>Article 29 When a general meeting is to be held by the Company, a written notice shall be given 45 days in advance to all shareholders registered in the register, stating the matters to be considered at such meeting and the date and venue of the meeting. A shareholder intending to attend the general meeting shall deliver his/her written reply to the Company 20 days prior to the meeting. When the Company calculates the period of the meeting, the date of the meeting shall not be included.</p> <p>The notice of general meeting shall be served on shareholders (regardless of whether such shareholders are entitled to</p>	<p>Article 29 When the Company decides to convene an annual general meeting, it shall issue written notice 20 days prior to the meeting; and when the Company decides to convene an extraordinary general meeting, it shall issue written notice 15 days prior to the meeting, informing all registered shareholders of the matters to be deliberated at the meeting as well as the date and venue of the meeting.</p> <p>The notice of a shareholders' general meeting shall be delivered to the shareholders (whether or not entitled to vote thereat) by personal delivery or postage paid mail to the recipient's address shown in the register of shareholders. For shareholders of domestic shares, the notice of a shareholders' general meeting may also be given by announcement.</p> <p>The public announcement referred to in the preceding paragraph that shall be</p>	<p><i>the Reply of the State Council on the Adjustment of the Notice Period of the Shareholders' General Meeting and Other Matters Applicable to the Overseas Listed Companies (Guo Han [2019] No. 97)</i></p>

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<p>vote at the meeting) by personal delivery or prepaid mail to the address of the shareholder as shown in the register of shareholders. For shareholders of domestic shares, the notice of general meeting may also be issued by way of public announcement.</p> <p>The term "announcement" referred to in the preceding paragraph shall be published in one or more national newspapers designated by the CSRC within the period of 45 to 50 days before the date of the meeting. After the publication of such announcement, the holders of domestic shares shall be deemed to have received the notice of the relevant general meeting.</p> <p>For the shareholders of foreign shares, the Company may notify them in an appropriate way in accordance with the relevant regulations of the Company's overseas listing place.</p> <p>The Company shall, based on the written replies received 20 days before the date of the</p>	<p>published in one or more newspapers or periodicals designated by the CSRC. Once the announcement is made, all shareholders of domestic shares shall be deemed to have received the notice of the relevant shareholders' general meeting.</p> <p>For foreign shareholders, the Company may notify it in an appropriate manner in accordance with the relevant provisions of the place where the Company's overseas shares are listed.</p> <p>An extraordinary general meeting shall not decide on the matters not stated in the notice for the meeting.</p> <p>The announcement mentioned in the preceding paragraph refers to publication of the relevant matters requiring a shareholders' general meeting on the <i>Shanghai Securities News</i>, and another newspaper designated by the CSRC, and a medium required by the listing rules of stock exchange where the Company's shares are listed. Once the notice of meeting is announced, it shall be deemed that all registered</p>	
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<p>general meeting from the shareholders, calculate the number of voting shares represented by shareholders intending to attend the meeting. The Company may convene the general meeting if the number of voting shares at the meeting represented by the shareholders intending to attend the meeting accounts over 1/2 of the total number of voting shares of the Company; otherwise, the Company shall notify shareholders again of the matters to be considered and the date and venue of the meeting via announcement in 5 days, and the Company may convene the general meeting after the notification by announcement. An extraordinary general meeting shall not decide on the matters not stated in the notice for the meeting.</p> <p>The announcement mentioned in the preceding paragraph refers to publication of the relevant matters requiring a general meeting on the <i>Shanghai Securities News</i>, and another newspaper designated</p>	<p>shareholders of the Company have received the notice of the shareholders' general meeting.</p>	
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	<p>by the CSRC, and a medium required by the listing rules of stock change where the Company's shares are listed. Once the notice of meeting is announced, it shall be deemed that all registered shareholders of the Company have received the notice of the general meeting.</p>	
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