

Stock Name: Qingdao Haier **Stock Code:** 600690 **No.:** L2019-021

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

Qingdao Haier Co., Ltd.

Announcement on Amending the “Articles of Association”

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.

I. Major contents

On 29 April 2019, Qingdao Haier Co., Ltd. (hereinafter referred to as the “Company”) convened the 27th meeting of the 9th session of the Board of Directors of Qingdao Haier Co., Ltd. (Details of the meeting are set out in the *Announcement on Resolutions of the 27th Meeting of the Ninth Session of the Board of Directors of Qingdao Haier Co., Ltd.*, No.:L2019-014), on which considered and approved the *Proposal on Amending the “Articles of Association” of Qingdao Haier Co., Ltd.* and agree to revise the contents of the *Articles of Association of Qingdao Haier Co., Ltd.* (hereinafter referred to as the “*Articles of Association*”) at the voting result of For: 9 votes; against:0 vote; abstain:0 vote, details of which are as follows:

No.	Original Provisions	Provisions after Amendments	Reason for Amendments
1	/	Article 14 Pursuant to the requirements under the Company Law and the Party Constitution, the Company set up organizations of the Communist Party of China to perform core political functions and established related working organizations of the Party equipped with sufficient number of Party staff and to maintain sufficient funds for the work of	Amended according to actual situation

		the Party organizations.	
2	<p>Article 34 The Company may, under any of the following circumstances, buy back its shares pursuant to the provisions of laws, administrative regulations, ministry rules, the Articles of Association and approval by the relevant authorities: (1) reduction and cancellation of its registered capital; (2) merging with another company which holds its shares; (3) award of the Company's shares to its employees; (4) a shareholder who objects to the resolution on the Company's merger or division passed by the shareholders' general meeting requests that the Company buy back his/her/its shares; or (5) any other circumstance permitted by laws and administrative regulations.</p>	<p>Article 34 The Company may, under any of the following circumstances, buy back its shares pursuant to the provisions of laws, administrative regulations, ministry rules, the Articles of Association and approval by the relevant authorities: (1) reduction of its registered capital; (2) merging with another company which holds its shares; (3) utilising shares for employees stock ownership scheme or share incentive plan; (4) a shareholder who objects to the resolution on the Company's merger or division passed by the shareholders' general meeting requests that the Company buy back his/her/its shares; (5) utilising the shares for conversion of corporate bonds which are convertible into shares issued by the Company; (6) where it is necessary for the Company to safeguard the value of the Company and the interests of its shareholders; or (7) any other circumstance permitted by laws and administrative regulations.</p>	<p>Paragraph 1(1), 1(3), 1(5) and 1(6) of Article 142 of the <i>Company Law of the People's Republic of China</i> (amended on 26 October 2018)</p>
3	<p>Article 35 The Company, by approval by the relevant authorities, may buy back its owns hares by any of the following means:</p> <p>(1) making buy-back offers in the same proportion to all shareholders;</p> <p>(2) open transactions at a stock exchange;</p> <p>(3) agreements outside a stock exchange; or</p> <p>(4) any other method stipulated by laws and administrative regulations and that examined and approved by the competent authorities.</p>	<p>Article 35 The Company, by approval by the relevant authorities, may buy back its owns hares by any of the following means:</p> <p>(1) making buy-back offers in the same proportion to all shareholders;</p> <p>(2) open transactions at a stock exchange;</p> <p>(3) agreements outside a stock exchange; or</p> <p>(4) any other method stipulated by laws and administrative regulations and that examined and approved by the competent authorities.</p> <p>If the Company acquires its own shares under the circumstances as required in (3), (5) and (6) of Article 34 of these Articles of Association, it shall be carried out by open and centralized trade.</p>	<p>Paragraph 4 of Article 142 of the <i>Company Law of the People's Republic of China</i> (amended on 26 October 2018)</p>

4	<p>Article 39 When the Company acquires its own shares due to any reason stipulated in item (1) to item (3) of Article 34, a resolution adopted by shareholders' general meeting is required. Where the Company acquires its own shares pursuant to the provisions of Article 34 and it falls under the circumstances set out in item (1) thereof, the shares shall be cancelled within 10 days after the date of buyback; where it falls under the circumstances set out in item (2) or item (4) thereof, the shares shall be transferred or cancelled within 6 months (after the date of buyback).</p>	<p>Article 39 When the Company acquires its own shares due to any reason stipulated in paragraph 1(1) to paragraph 1(2) of Article 34, a resolution adopted by shareholders' general meeting is required; When the Company acquires its own shares under the circumstances as required in (3), (5) and (6) of Article 34 of these Articles of Association after obtaining the authorization of the shareholders' general meeting, be approved by a resolution of the Board meeting where over two-thirds of the directors are present. Where the Company acquires its own shares pursuant to the paragraph 1 of Article 34 and it falls under the circumstances set out in item (1) thereof, the shares shall be cancelled within 10 days after the date of buyback; where it falls under the circumstances set out in item (2) or item (4) thereof, the shares shall be transferred or cancelled within 6 months (after the date of acquisition); falls under the circumstances set out in (3), (5) and (6) , the total Shares of the Company held by the Company itself shall not exceed 10% of its total Shares in issue and shall be transferred or cancelled within 3 years after the acquisition.</p>	<p>Paragraph 2 and 3 of Article 142 of the <i>Company Law of the People's Republic of China</i> (amended on 26 October 2018)</p>
5	<p>Article 40 A share buyback by the Company pursuant to the provisions of item (3) of Article 34 shall not exceed 5% of the total number of outstanding shares of the Company; the fund for the share buyback shall be disbursed from the Company's post-tax profits; and the shares acquired in the buyback shall be transferred to the (Company's) employees within 1 year.</p>	<p>Delete</p>	<p>These provisions are deleted by the <i>Company Law of the People's Republic of China</i> (amended on 26 October 2018)</p>
6	<p>Article 70 Any shareholder</p>	<p>Article 69 Any shareholder who is</p>	<p>Article 143</p>

<p>who is registered in the register of shareholders or any person who requires his name to be entered into the register of shareholders may apply to the Company for issuance of a replacement certificate in respect of his/her/its shares (hereinafter referred to as “the Relevant Shares”) if such relevant share certificate (hereinafter referred to as “the Original Share Certificate”) has been lost. Applications for the replacement of share certificates from domestic shareholders shall be dealt with in accordance with Article 144 of the Company Law. Applications for the replacement of share certificates from holders of foreign investment shares listed outside the People's Republic of China who have lost their share certificates may be dealt with in accordance with the laws, securities exchange regulations and other relevant provisions of the place where the original register of shareholders of foreign investment shares listed outside the People's Republic of China is kept. Applications for the replacement of share certificates from holders of foreign investment shares listed outside the People's Republic of China who have their certificates stolen, lost or destroyed may be dealt with in accordance with the laws,</p>	<p>registered in the register of shareholders or any person who requires his name to be entered into the register of shareholders may apply to the Company for issuance of a replacement certificate in respect of his/her/its shares (hereinafter referred to as “the Relevant Shares”) if such relevant share certificate (hereinafter referred to as “the Original Share Certificate”) has been lost. Applications for the replacement of share certificates from domestic shareholders shall be dealt with in accordance with Article 143 of the Company Law. Applications for the replacement of share certificates from holders of foreign investment shares listed outside the People's Republic of China who have lost their share certificates may be dealt with in accordance with the laws, securities exchange regulations and other relevant provisions of the place where the original register of shareholders of foreign investment shares listed outside the People's Republic of China is kept. Applications for the replacement of share certificates from holders of foreign investment shares listed outside the People's Republic of China who have their certificates stolen, lost or destroyed may be dealt with in accordance with the laws, securities exchange regulations and other relevant provisions of the place where the original register of shareholders of foreign investment shares listed outside the People's Republic of China is kept.</p>	<p>of the <i>Company Law of the People's Republic of China</i> (amended on 26 October 2018)</p>
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	securities exchange regulations and other relevant provisions of the place where the original register of shareholders of foreign investment shares listed outside the People's Republic of China is kept.		
7	<p>Article 204 The board of directors shall exercise the following powers and functions: (1) convening the shareholders' general meeting and submitting work reports to the shareholders' general meeting; (2) implementing resolutions of the shareholders' general meeting; (3) determining the Company's business plans and investment schemes; (4) formulating the Company' annual budgets and final accounts; (5) formulating the Company's profit distribution plan and plan for making up of losses; (6) formulating the Company's plans for increase or reduction of registered capital, issuance of bonds or other securities and listing plan; (7) formulating the Company's plans for significant acquisition, acquisition of the Company's shares or merger, division, dissolution and change of corporate form; (8) determining, within the scope of the mandate granted by the shareholders' general meeting, the Company's external investments, acquisition and sale of assets, mortgage of assets, external guarantees,</p>	<p>Article 203 The board of directors shall exercise the following powers and functions: (1) convening the shareholders' general meeting and submitting work reports to the shareholders' general meeting; (2) implementing resolutions of the shareholders' general meeting; (3) determining the Company's business plans and investment schemes; (4) formulating the Company' annual budgets and final accounts; (5) formulating the Company's profit distribution plan and plan for making up of losses; (6) formulating the Company's plans for increase or reduction of registered capital, issuance of bonds or other securities and listing plan; (7) formulating the Company's plans for significant acquisition, merger, division, dissolution and change of corporate form; (8) determine the Company's acquisition of its own shares under the circumstances as required in (3), (5) and (6) of Article 34 of these Articles of Association; (9) determining, within the scope of the mandate granted by the shareholders' general meeting, the Company's external investments, acquisition and sale of assets, mortgage of assets, external guarantees, entrusted wealth management, related party transactions, etc.; (10) determining setting up of the Company's internal</p>	<p>Article 142 of the <i>Company Law of the People's Republic of China</i> (amended on 26 October 2018)</p>

<p>entrusted wealth management, related party transactions, etc.; (9) determining setting up of the Company's internal management organizations; (10) appointment or dismissal of the Company's manager and the board secretary; appointment or dismissal of the senior management staff such as the Company's deputy manager or financial responsible person based on nomination by the manager, and determining their remunerations and incentives and penalties; (11) formulating the Company's basic management rules; (12) formulating plans for amendment of the Articles of Association; (13) managing information disclosure by the Company; (14) proposing to the shareholders' general meeting on appointment or replacement of accounting firm which provides audit services to the Company; (15) listening to the Company manager's work reports and inspecting the manager's work performance; (16) determining the Company's charitable and relief donations with the annual aggregate amount being no more than RMB 20 million (inclusive); and (17) any other duties and functions accorded by laws, administrative regulations, ministry rules or the Articles of Association. Resolutions by the board of directors on matters</p>	<p>management organizations; (11) appointment or dismissal of the Company's manager and the board secretary; appointment or dismissal of the senior management staff such as the Company's deputy manager or financial responsible person based on nomination by the manager, and determining their remunerations and incentives and penalties; (12) formulating the Company's basic management rules; (13) formulating plans for amendment of the Articles of Association; (14) managing information disclosure by the Company; (15) proposing to the shareholders' general meeting on appointment or replacement of accounting firm which provides audit services to the Company; (16) listening to the Company manager's work reports and inspecting the manager's work performance; (17) determining the Company's charitable and relief donations with the annual aggregate amount being no more than RMB 20 million (inclusive); and (18) any other duties and functions accorded by laws, administrative regulations, ministry rules or the Articles of Association. Resolutions by the board of directors on matters referred to in the preceding paragraph may be passed by the affirmative vote of more than half of the directors with the exception of resolutions on matters referred to in Items (6), (7), (8) and (13), which shall require the affirmative vote of more than two-thirds of the directors.</p>	
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	referred to in the preceding paragraph may be passed by the affirmative vote of more than half of the directors with the exception of resolutions on matters referred to in Items (6), (7) and (12), which shall require the affirmative vote of more than two-thirds of the directors.		
8	Article 335 The Articles of Association has been approved by a special resolution of the Company's shareholders' general meeting, it shall become effective on the date of the initial public offering and trading of the Company's shares at China Europe International Exchange AG (CEINEX) D-Share Market. The original Articles of Association of the Company and all amendment thereto shall automatically become invalid upon the date when the Articles of Association become effective.	Article 332 The Articles of Association has been effective after approved by a special resolution of the Company's shareholders' general meeting of the Company. The original Articles of Association of the Company and all amendment thereto shall automatically become invalid upon the date when the Articles of Association become effective.	Amended according to actual situation
9	/	Each section will be renumbered	/

Above amendments to the *Article of Association* shall be submitted to 2018 Annual General Meeting of the Company for consideration and approval.

II. Documents available for inspection:

1. *Resolutions of the 27th Meeting of the Ninth Session of the Board of Directors of Qingdao Haier Co., Ltd..*

It is hereby notified the above.

The Board of Directors of Qingdao Haier Co. Ltd.

29 April 2019