

HISENSE HOME APPLIANCES GROUP CO., LTD.

Terms of Reference for Audit Committee of the Board of Directors

(Considered and adopted at the 2025 third extraordinary meeting of the twelfth session of the board of directors of the Company on 30 May 2025)

Chapter 1 General Provisions

Article 1. In order to perfect the functions of the board of directors (the “**Board**”) to achieve an integration of various supervision methods, including external and internal audits, to ensure effective supervision of the Company by the Board and to improve corporate governance structure, the Company has specially established an audit committee (the “**Audit Committee**”) under the Board and formulated these rules pursuant to The Company Law of the People’s Republic of China, Code of Corporate Governance for Listed Companies in China, Rules Governing the Listing of S tocks on the Shenzhen Stock Exchange, Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Self-Regulatory Guidelines No. 1 for Listed Companies on the Shenzhen Stock Exchange - Standardized Operation of Main Board Listed Companies and other relevant provisions, and the requirements of the Articles of Association.

Article 2. The Audit Committee is a specialized working body established under the Board, which shall be responsible to the Board and perform its duties in accordance with the Articles of Association and the authorization of the Board.

Chapter 2 Composition

Article 3. The Audit Committee shall consist of three independent directors, all of whom shall have the expertise and business experience to perform the duties of the Audit Committee. A former partner of the audit firm currently responsible for auditing the Company's accounts shall not serve as a member of the Audit

Committee for a period of two years from the later of the following dates:

- (1) the date on which such person ceases to be a partner of the audit firm; or
- (2) the date on which such person ceases to have a financial interest in the audit firm.

Article 4. The members of the Audit Committee shall be nominated by the chairman of the Board, one-half or more of the independent directors or one-third or more of the directors and elected by the Board.

Article 5. The Audit Committee shall have one chairman (convener) who must be an independent director with accounting expertise. The chairman (convener) shall lead the work of the committee and shall be elected among the committee members and such election shall be reported to the Board for approval.

Article 6. The term of office of the Audit Committee members shall be consistent with their term as directors on the Board. If any member ceases to serve as a director of the Company during their term, they shall automatically lose their committee membership. The Board shall fill the vacancy in the Committee by following the provisions of Article 3 to 5 above.

Where the resignation of an independent director will cause the proportion of independent directors on the Audit Committee to fail to meet the requirements, or where there is a lack of accounting professionals among the independent directors, the resigning independent director shall continue to perform their duties until the date when a new independent director assumes office. The Company shall complete the by-election of independent directors within 60 days from the date of the resignation.

Chapter 3 Duties and Authority

Article 7. The Audit Committee shall be responsible for reviewing the financial information of the Company and its disclosure, supervising and evaluating the internal and external audit work and internal control. The following matters

shall be submitted to the Board for deliberation only after obtaining the consent of more than half of all members of the Audit Committee:

- (1) disclosure of financial information in financial accounting reports and regular reports and evaluation report on internal control;
- (2) appointment or termination of the accounting firms engaged in auditing matters of the Company;
- (3) appointment or dismissal of the Company's Chief Financial Officer;
- (4) changes in accounting policies and accounting estimates or correction of significant accounting errors due to reasons other than changes in accounting standards;
- (5) Other matters as prescribed by laws and regulations, relevant provisions of the stock exchange and the Articles of Association.

Article 8. The audit department of the Company is the office for day-to-day work of the Audit Committee and carries out the daily work of audit, inspection and supervision for internal control according to the decisions made or authorization given by the Audit Committee. The audit department is accountable to the Audit Committee and reports to the Audit Committee. The Audit Committee shall perform the following major duties in supervising and evaluating the work of the Audit Department:

- (1) to guide and supervise the establishment and implementation of the internal audit system;
- (2) to review the Company's annual internal audit work plan;
- (3) To urge the implementation of the Company's internal audit plan;
- (4) to guide the effective operation of the internal audit department. The Company's audit department shall report its work to the Audit Committee. All types of audit reports submitted by the audit department to the management,

rectification plans and rectification status for audit issues, shall be reported to the Audit Committee simultaneously;

(5) to report to the Board on the progress, quality and major issues identified in the internal audit work;

(6) to Coordinate the relationship between the audit department and external audit entities such as accounting firms and national audit institutions.

Article 9. The Audit Committee shall review the Company's financial accounting reports and express an opinion on the truthfulness, accuracy and completeness of the financial accounting reports, focusing on significant accounting and auditing issues in the Company's financial accounting reports, with particular attention to the possibility of fraud, fraudulent acts and material misstatements related to the financial accounting reports, and to oversee the rectification of problems in the financial accounting reports.

When the Audit Committee makes recommendations to the Board for the appointment or replacement of the external auditor, reviews the audit fees and terms of engagement of the external auditor, it should not be unduly influenced by the Company's major shareholders, actual controllers or directors and senior management.

The Audit Committee shall urge the external auditors to be honest, trustworthy and diligent, to strictly comply with the business rules and industry self-regulatory practices, to strictly implement the internal control system, to verify and validate the financial accounting reports of the Company, to perform special attention obligations and to express professional opinions prudently.

Article 10. If the directors and senior management of the Company discover that there are false entries, misleading statements or material omissions in the financial accounting reports issued by the Company and report to the Board or the Audit Committee, or if the independent financial advisor or external auditor points

out to the Board or the Audit Committee that there are false entries, misleading statements or material omissions in the financial accounting reports of the Company, the Board shall promptly report to the Shenzhen Stock Exchange and disclose the same.

If the Company discloses relevant information in accordance with the preceding paragraph, it shall disclose the material problems existing in the financial accounting report, the consequences that have been or may be caused, and the measures taken or intended to be taken in the announcement.

The Audit Committee shall urge the relevant responsible departments of the Company to formulate rectification measures and the timing of rectification, conduct follow-up reviews, supervise the implementation of the rectification measures and disclose the completion of the rectification in a timely manner.

Chapter 4 Internal Audit Oversight

Article 11. The Audit Committee shall supervise the Company's audit department to conduct inspections of the following matters at least once every six months, issue inspection reports, and submit them to the Audit Committee. Where the inspections reveal that the Company has violated laws or regulations or is engaged in irregular operations, the Audit Committee shall promptly report such findings to the Shenzhen Stock Exchange:

(i) the implementation status of major events, including the use of the Company's raised funds, provision of guarantees, connected transactions, securities investments and derivatives transactions, provision of financial assistance, purchase or sale of assets, and external investments;

(ii) large-value fund flows of the Company, as well as fund flows with directors, senior executives, controlling shareholders, actual controllers, and their related parties.

The Audit Committee shall, based on the internal audit reports and relevant

information submitted by the audit department, issue a written assessment of the effectiveness of the Company's internal controls and report to the Board. Where the Audit Committee identifies material deficiencies or significant risks in the Company's internal controls, or where an independent financial adviser or accounting firm identifies material weaknesses in the effectiveness of the Company's internal controls, the Board shall promptly report such matters to the stock exchange and make a disclosure thereof. The Company shall disclose in the announcement the material deficiencies or significant risks in internal controls, the consequences that have occurred or may occur, and the measures that have been taken or are planned to be taken.

Article 12. The Audit Committee shall issue an annual internal control evaluation report based on the evaluation report issued by the audit department and relevant information. The internal control evaluation report shall include at least the following:

- (i) a statement by the Board on the authenticity of the internal control report;
- (ii) an overview of the internal control evaluation work;
- (iii) the basis, scope, procedures, and methods for the internal control evaluation;
- (iv) internal control deficiencies and their identification;
- (v) the rectification status of internal control deficiencies from the previous year;
- (vi) the proposed rectification measures for internal control deficiencies in the current year;
- (vii) a conclusion on the effectiveness of internal control.

Article 13. The Board shall form a resolution on the internal control evaluation report while considering the annual report. The Audit Committee shall express its opinion on the internal control evaluation report, and the independent financial adviser (if any) shall verify the internal control evaluation report and issue a verification opinion.

The Company shall disclose the internal control evaluation report and the internal control audit report in designated media at the same time as the disclosure of the annual report, unless otherwise provided by laws and regulations.

Chapter 5 Decision-making Process

Article 14. The audit department shall be responsible for preparing preliminary work prior to the Audit Committee's decision-making and shall provide the following written materials to the Committee:

- (1) relevant financial reports of the Company;
- (2) work reports of internal and external auditing institutions;
- (3) external audit contracts and related work reports;
- (4) the Company's public disclosure of information;
- (5) audit reports on major connected transactions of the Company;
- (6) other relevant matters.

Article 15. The Audit Committee shall evaluate the reports provided by the audit department at its meetings and submit relevant written resolutions to the Board for discussion, including:

- (1) evaluation of the external audit firm's performance, and the appointment or replacement of the external audit firm;
- (2) Whether the Company's internal control system has been effectively implemented, and whether the financial reports are comprehensive and truthful;
- (3) Whether the Company's publicly disclosed financial reports and other information are objective and truthful, and whether major connected transactions comply with relevant laws and regulations;

(4) evaluation of the work of the Company's finance department and audit department, including their respective heads;

(5) other relevant matters.

Article 16. The Company shall disclose the annual performance of the Audit Committee in the annual report, including mainly the specific performance of its duties and the convening of the Audit Committee meetings. If the Audit Committee makes recommendations to the Board on matters within the scope of its duties and responsibilities, and the Board does not adopt such recommendations, the Company shall disclose such matters and fully explain the reasons.

Article 17. If the accounting firm issues a non-standard audit report, an attestation report with a qualified opinion or adverse opinion on the effectiveness of the Company's internal control (if any), or identifies material weaknesses in the Company's non-financial reporting internal controls, the Board and Audit Committee shall provide a special statement on the matters involved, which shall include at least the following:

- (1) basic facts of the matters involved;
- (2) the impact of the matters on the effectiveness of the Company's internal controls;
- (3) the opinions of the Board and Audit Committee on the matters;
- (4) specific measures to eliminate the matters and their impacts.

Chapter 5 Rules for Proceedings of Meetings

Article 18. The Audit Committee shall hold at least one meeting per quarter. Each meeting shall be chaired by the convenor, who may delegate the chairmanship to another member if the convenor is unable to attend.

Article 19. Meetings of the Audit Committee shall only be held when two-thirds or more of members are present. Each member shall have one vote. Resolutions made at the meeting shall be passed by more than half of all members.

- Article 20.** Audit Committee meetings shall, in principle, be held in person. Provided that all participating members can fully communicate and express their views, meetings may, when necessary, be convened by video conference, telephone, or other means in accordance with the prescribed procedures.
- Article 21.** Voting at Audit Committee meetings shall be by show of hands or ballot. Ad hoc meetings may be convened by written communication, and resolutions may be adopted by written vote.
- Article 22.** Members of the auditing team may attend the meetings of the Audit Committee. Where necessary, directors and senior management of the Company may be invited to be present at the meetings.
- Article 23.** The Company shall provide the Audit Committee with necessary working conditions and assign dedicated personnel or a dedicated department to handle daily tasks such as work liaison, meeting organisation, material preparation, and file management. The Company's management and relevant departments shall cooperate with the Audit Committee in the discharge of its duties.
- The Audit Committee may, when necessary, engage intermediary institutions to provide professional opinions, and the related expenses shall be borne by the Company.
- Article 24.** The convening procedures, voting methods, and resolutions adopted at Audit Committee meetings shall comply with relevant laws and regulations, the Articles of Association, and these rules.
- Article 25.** Minutes shall be taken for the meetings of the Audit Committee. Drafts and final versions of minutes of the meetings should be sent to all committee members for their comments and records respectively, in both cases within reasonable time periods after the meetings. Members present at the meeting, the Board Secretary, and the minute-taker shall sign the final version of the meeting minutes. The meeting minutes shall be maintained by the Board Secretary of the Company.

Article 26. The resolutions passed at and voting results of the meetings of the Audit Committee shall be reported to the Board in written form.

Article 27. Members attending the meetings are under an obligation to keep confidential the matters discussed at the meetings and shall not disclose any relevant information without prior authorization.

Chapter 7 Supplementary Provisions

Article 28. These rules shall come into effect on the date of adoption by resolution of the Board.

Article 29. Any matters not addressed in these rules shall be governed by relevant PRC laws and regulations, the Listing Rules, and the Articles of Association. In the event of any conflict between these Rules and any laws or regulations subsequently promulgated by the PRC, or with the Articles of Association as amended through lawful procedures, the provisions of such PRC laws, regulations, and the Articles of Association shall prevail. These rules shall be promptly amended and submitted to the Board for review and approval.

Article 30. The Board shall be responsible for the interpretation of these rules.

The English version of these rules is for reference only and if there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Hisense Home Appliances Group Co., Ltd.

30 May 2025