

2021

Q2

RESULTS

The 2021

Semi-Annual Results  
of Midea Group

in a Snapshot

## Performance Overview for H1/2021

## Steady Growth

Revenue &amp; Profitability

Total Revenue (BN)  
**+ 25.1%** 174.8

Net Profit Attributable to Shareholders of Company (BN)  
**+ 7.8%** 15.0

Net Profit Attributable to Shareholders of the Company before Non-recurring Gains and Losses (BN)  
**+ 8.8%** 14.6

ROE 12.6%

ESP: 2:17

Domestic (BN)  
**+ 29.3%** 99.9

Overseas (BN)  
**+ 19.6%** 74.0

Abundant Cash Flow  
& Solid Operation

Own Funds (BN)  
**123.0**

Operating Cash Flow ( (BN)  
**20.2**

Balanced  
Development

in ToB &amp; ToC Business

HVAC (BN)  
**+ 19.3%** 76.4

Consumer Appliance (BN)  
**+ 22.5%** 65.0

Robotics, Automation Systems and Other  
Manufactured Products(BN)  
**+ 33.3%** 12.7

KUKA's

Turnaround &  
Rapid Growth

in China Business

## KUKA

Order Received  
€1888.2M **+ 52.2% YoY**

Sales Revenue  
€1529.7M **+ 30.9% YoY**

## KUKA

China

Order Received  
€357.1M **+ 43.2% YoY**

Sales Revenue  
€262.3M **+ 97.2% YoY**

Launched  
**6 new products**

Accounting for nearly  
**10% of overall orders**

in 21H1

Pulling ahead  
in Online Sales

Online Retail Sales of (BN)  
**52.0**

YoY  
**>20%**

**Best-selling**  
home appliance manufacturer onTmall,  
JD and Suning for

**9 consecutive years**

Pinduoduo, Douyin, Kuaishou  
**a rapid growth of  
sales and users**

Leading  
Market Share

**Air-Con**  
online **37.6%**

offline **36.5%**

**Washing Machine**  
online **35.5%**

offline **27.7%**

**Refrigerator**  
online **18.8%**

offline **14.7%**

**Other<sup>1</sup>**  
online **21.2%**

offline **16.8%**<sup>1</sup> Other home appliances refer to all other common home appliances than air-con, washing machine and refrigerator

Source: AVC (by Value)

Steady Improvement  
Product Competitiveness

## COLMO

Retail Revenue (BN)  
>1.55 **+ 380% YoY**

Market Share of Main Mid and  
High-End Products

**Air-Con**  
Unit Price > 13K  
online **13.0% + 4.8% YoY**

offline **22.5% + 2.0% YoY**

**Washing Machine**  
Unit Price > 12K  
online **17.7% + 7.6% YoY**

offline **16.6% + 5.6% YoY**

**Refrigerator**  
Unit Price > 17K  
online **5.3% + 1.7% YoY**


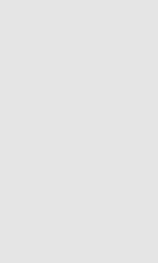
offline **8.1% + 3.1% YoY**

## New Strategic Focus

# Technology Leadership

- 21H1 R&D investment  
5.3BN **+ 20.5% YoY**
- Valid patents held by Midea (inclusive of TLSC) **> 66,000**
- Global patent applications in H1 **> 5,000**
- Invention patents granted in H1 **> 2,000**
- Overseas invention patents granted in H1 **> 5,000**
- Standards formulated and revised **1,062**
- State-level corporate technology centers and industrial design centers **8**
- Province-level corporate technology engineering and design centers **~ 40**

# Awards

-  Red Dot Design Awards **23**
-  iF Design Awards **39**

# Direct to Users

Create value for users

Focus on "user experience" and improve the user experience of the whole value chain guided by the Net Promoter Score (NPS), with the overall NPS value increasing by **12% YoY**

**Realize direct access to user's mind**

The cumulative number of registered members exceeded **80 million**, and the MSmartLife App has served **37 million** families

**Adapt value chains and business models**

Through vertical efficiency improvement, over **90%** of the offline franchise retailers can place orders directly to Midea, reducing the inventory-to-sales ratio by **20%**

# Digitization & Intelligence Driven

Midea Group provides an overall intelligent solution for customers in five spaces and has in-depth cooperation with over 100 ecological partners

- Smart Living Room
- Smart Kitchen
- Smart Bedroom
- Smart Bathroom
- Smart Balcony

- Over **100** categories of products are connected to the Midea IoT Developers' Platform, nearly **200,000,000** smart scene executions have been carried out
- Midea has **102** types of **HarmonyOS** based household appliances so far

## M-Smart's industry-leading level of data security

In May 2021, M.IoT issued the **White Paper on Distribution Network Technology of "One Touch Smart Link" Appliance** which redefines the standard of "link", which realizes user insensitive distribution network and improves user experience

In June 2021, Midea Group became the first enterprise in the industry to obtain the **IT Security EAL4+ certificate**, which is evident of M-Smart's industry-leading level of data security

# Global Impact

**ToC**  
To be the top brand for smart home appliances

**ToB**  
To be the top partner for clients

- Brand Impact
- Product Impact
- Channel Breakthrough
- Supply and Service Breakthrough
- Organization Capabilities Breakthrough

In the first half of 2021, Midea Group made headway towards the Global Impact strategy that has focused on the **United States, Brazil, Germany, Japan and ASEAN**

Achieved **150%** sales growth during the Amazon Prime Day promotion

Held more than **500** joint promotions across regions and markets in multiple categories

Established over **18,000** new OBM retail outlets overseas

## Consistent Dividend Payouts & Active Share Repurchase

Carried out series of forward cash dividend plans with a total amount of nearly **RMB 58 billion** since listing in 2013

Till 30 Aug, Midea has used approximately **RMB 13.6 billion** for share repurchases in 2021

**Apr 2021**  
Completed repurchase plan with an amount of around 8.6 billion

**Aug 2021**  
Completed repurchase plan with an amount of around 5 billion

## Brand Honors

**#288**  
on the **2021 Fortune Global 500**

**#183**  
on the **2021 Forbes Global 2000**

**#33**  
on the **2021 Brand Finance Tech 100**

Humanizing Technology — **2021**