MideaGroup

humanizing technology

2022

SEMI-ANNUAL

RESULTS IN A SNAPSHOT

The 2022

Semi-Annual Results of Midea Group

in a Snapshot

Performance Overview for H1/2022

Steady Growth in Revenue & Profitability

Total Revenue (BN)

+5.0% 183.7

Net Profit Attributable to Shareholders of Company (BN)

+6.6% 16.0

Net Profit Attributable to Shareholders of the Company before Non-recurring Gains and Losses (BN)

+7.2% 15.7

Domestic (BN)

+5.0% 104.8

Overseas (BN)

+5.2% 77.8

Gross Profit Margin for Domestic Business

+1.4%

Gross Profit Margin
for Overseas Business

+0.9%

Abundant Cash Flow & Solid Operation

Own Funds (BN)

+10.4% vs. 2021

145.2

Operating Cash Flow (BN)

+6.0% YoY

21.4

Consistent Dividend

Payouts & Active Share Repurchase

Carried out series of forward cash dividend plans more than RMB69.5 billion since listing in 2013

Till 30 Aug, Midea has used approximately more than RMB1.8 billion for share repurchases in 2022

Balanced Development in ToB & ToC Business

Smart Home (BN)

+3.5%

125.9

Industrial Technology (BN)

+13.3%

12.1

Building Technologies (BN)

+33.1% 12.2

Robotic & Automation (BN)

+2.2% 12.2

Digital Innovation (BN)

+42.4% 5.2

Leading Market Share

Air Conditioner		Washing Machine	
Online	Offline	Online	Offline
35.6%	34.3%	33.4%	25.7%

Refrigerator		Other[1]	
Online	Offline	Online	Offline
18.5%	13.9%	18.2%	16.1%

[1] Other home appliances refer to all other common home appliances other than air conditioner, washing machine and refrigerator
Source: AVC (by Value)

Double premium brands strategy supports product upgrading

COLMO		TOSHIBA	
Retail Revenue (BN)	YoY	Retail Revenue (BN)	YoY
>4.0	>150%	>1.1	>110%

Industrial Technology

Core Component for Consumer Appliances

The global market share of residential air conditioner compressors increased to **44%,**

representing the first across the world

The unit sales of motors for residential air conditioners and laundry appliances accounted for **42%** of the global figures, leading the way in the industry

Data source: Industrial Online 2022

Industrial Automation

Continues to explore the application of existing products in new areas, including lithium batteries and 3C electronics

Over **40%** YoY growth in linear drive products

Green Energy

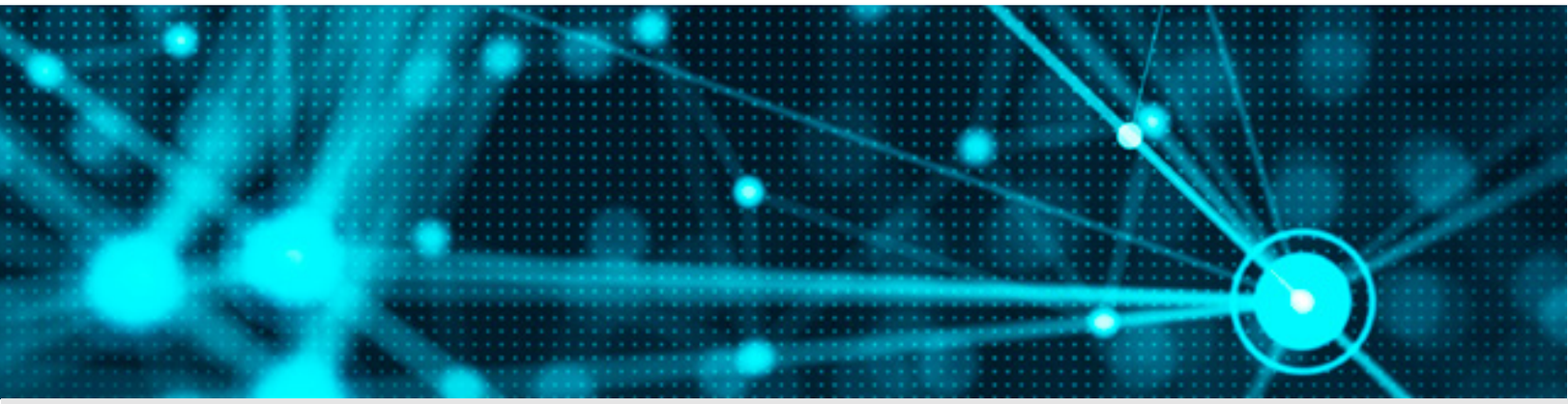
Made breakthroughs in intelligent micro-grid, energy storage and SVG dynamic reactive power compensation device, with orders totaling over RMB100 million

The High-Voltage Variable Frequency Drive HCA Series products completed verification, and the Household Energy Storage Integrated Machine and Solution HEC-S and container-type integrated energy storage products were launched

Intelligent Transportation

Obtained designated cooperation projects from various customers, which are expected to generate orders worth around billions of RMB, including cumulative shipment of more than **36,000** units so far

Acquired Wuhan TTium Motor in April 2022, officially entering the field of two-wheeled travel and expanding the core components of two-wheeled electric vehicles



Building Technology

HVAC

Commercial Air Conditioner has continued to rank first with respect to domestic market share

The export value of Midea's heat pump products grew by more than **200%** YoY, with its export volume ranking first in China's heat pump industry

Data Source: Industry Online 2022

Building Control

Released the "iBUILDING, Midea Building Digital Platform", whose business includes industrial parks to hospitals, health care and public facilities, etc.

Elevator

LINVOL, a digital and intelligent elevator brand under Midea Building Technologies, released two new villa elevators, "Tianlin" and "Tianyi", the first digital and intelligent passenger elevator series, "Yunhang" (without computer room) and "Yunling" (with computer room)

Robotic & Automation

Sustained Growth in KUKA's Business

Order Received (BN EUR)

+34.8% 2.55

Sales Revenue (BN EUR)

+13.5% 1.74

EBIT (MN EUR)

+43.8% 48.6

Data source: 22H1 KUKA financial report

KUKA CHINA

Revenue of KUKA China increased by **36%** YoY, **11** new products and applications including SCARA and AGV robots were launched

More than **20,000** robotics been ordered in new energy vehicle industry, and established cooperative relations with top customers

Redesigned and released the RDC (a core component of control cabinet), and promoted the localized production of key materials such as balance cylinder

Technology Leadership

22H1 R&D investment 5.9 BN / YoY

+10.4%

Valid patents held by Midea (inclusive of TLSC) over

77,000

Global invention patents filed over

2,000

International leading achievement certified

190

Standards formulated and revised

149

State-level corporate technology centers

10

Province-level corporate technology, engineering and design centers over

60

Direct to Clients

Focus on user experience

Improve the user experience of the whole value chain guided by the Net Promoter Score (NPS), with the overall NPS value increasing by **10%** YoY

Promote the establishment of membership system

Promote the intelligence and IoT of products, the cumulative number of registered members exceeded **120 million**

Enhance digitalized business decision-making

Develop the active service platform, with **21** active service scenes launched and more than **1.85 million** active service times

Digitalization & Intelligent Driven

With the protection of user privacy and data security as the core

Midea was the only home appliance business that won a case award for “the application of personal information security standards to smart home” on the 20th Anniversary Cybersecurity National Standard Excellent Practice

Enriching the cross-industry

ecological scenes

Approximately **5 million** home appliance products carrying the HarmonyOS system expect to be launched in 2022

“Customize a Smarter Midea Life for You”

Midea IoT had nearly **13 million** units of newly connected devices, and it provided services for more than **70 million** families, up by **87%** YoY

Midea’s smart scenes were executed more than **210 million** times, representing an increase of over **300%** YoY

Global Impact

Continuous improvement overseas channels distribution

Approximately **2,600** new active partners
More than **20,000** new sales outlets
Launched the pilot direct retail model in **Brazil** and **Philippines**

An overseas mechanism for smart

scenes co-creation

Shipment of IoT products in overseas markets has surpassed **1.4 million** units
More than **260,000** products activated
Completed the development of the MSmartLife app – a globally unified international platform for online support services

Establishment of a digital eco-system for user growth

Reached a total of **1.2 billion** people through foreign social media
Interacted with **17 million** users
More than **5.4 million** users registered on the official website

China-Based Supply for the World + Local Supply

Constructing manufacturing bases in **Egypt** to cover the Middle East and African markets
Constructing new manufacturing base in **Brazil** to cover several key categories
Initiated the Indian A/C compressor plant and the integration of the Thai compressor company

Brand Honors

No. 245
on the 2022 Fortune Global 500

No. 186
on the Global Brand Finance 2022

No. 36
on the 2022 Brand Finance Tech 100

In August 2022, Forbes China and the China Electronics Chamber of Commerce jointly released the list of “China Digital 100”, and Midea ranked No. 6 for its comprehensive strength in the area of digital economy