

Midea





Corporate Snapshot

Worldwide outstanding business summary



2023

373.7 B RMB

Total Revenue

2023

33.7 B RMB

Net Profit

CY 2023

190k

Number of Employees

Credit Ratings

A/A2/A

S&P/Moody's/Fitch



277

2024 Fortune
Global 500

Forbes
GLOBAL 2000
2024

205

2024 Forbes
Global 2000

Global 500
Brand Finance
2023

198

Brand Finance 2023
Top 500
Most Valuable Brands

Brand Finance
Tech100
2023

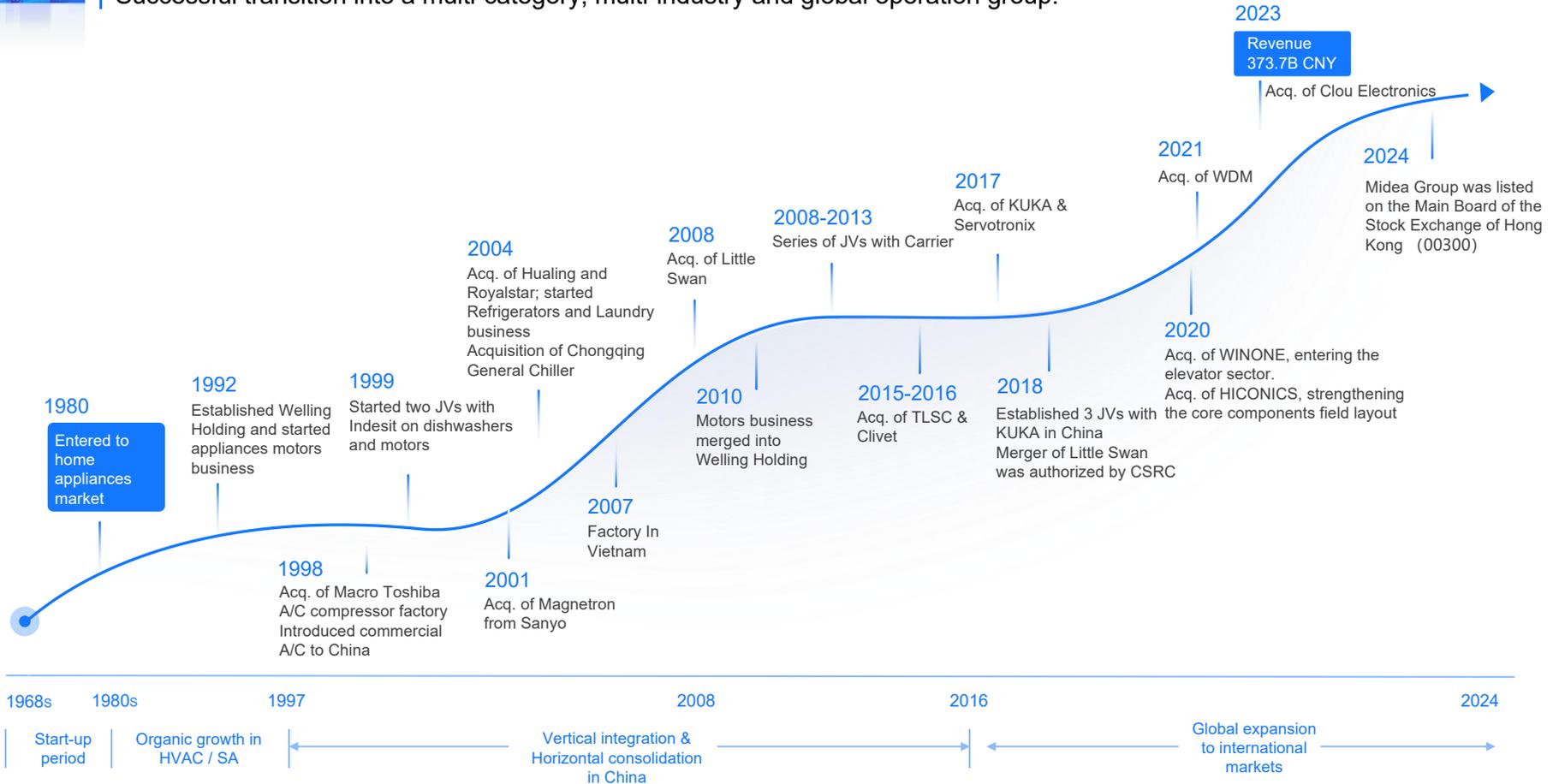
36

Brand Finance 2023
Top 100
Most Valuable Tech Brands



Milestones

Successful transition into a multi-category, multi-industry and global operation group.





Vision, Mission, Value

Carried on traditional culture and embrace future



Mission

Integrate with the world,
to inspire your future

+



Vision

Bring great innovations to life

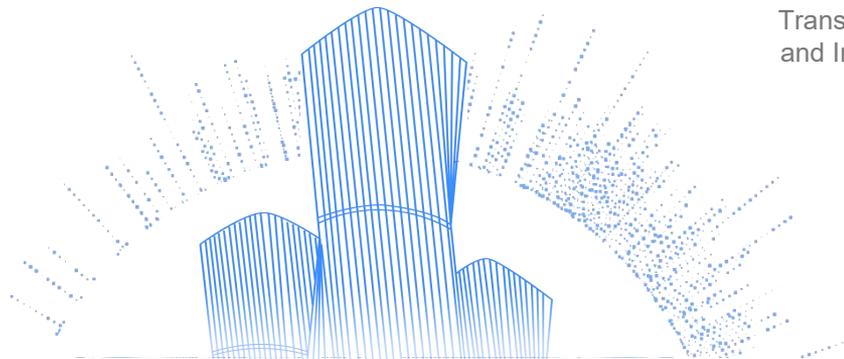
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Value

Embrace what's next

- Aiming High
- Customer first
- Transformation and Innovation
- Tolerance and partnership
- Dedication and commitment





Business Segments

Forming a "1+3+N" business mix with the combination of both our ToC and ToB businesses



Smart Home	Industrial Technology	Healthcare And Medical
 <p>We provide the best-experience smart home appliances and services.</p>	 <p>In the area of green energy and key industrial components, we provide green, efficient and smart products and technological solutions for global pan-industrial customers.</p>	<p>We aim to be a provider of first-rate medical equipment and services.</p> 
<p>COLMO Midea WAHIN</p> <p>TOSHIBA LittleSwan 金悦金意小天鹅 eureka</p> <p>CUCHEN 酷晨 MK Master Kitchen comfee</p>	<h3 data-bbox="830 480 1101 513">Building Technology</h3>  <p>We provide holistic solutions and services for buildings.</p> <p>Midea 鲲鹏 RWING MJ CLIVET</p> <p>TOSHIBA LINVOL WINONE WAHIN</p> <p>iBUILDING 智慧建筑生态联盟</p>	<h3 data-bbox="1477 480 1671 513">Smart Logistics</h3> <p>We provide end-to-end smart supply chain solutions.</p> 
	<h3 data-bbox="801 737 1130 769">Robotics And Automation</h3>  <p>We provide automation solutions based on robotics, the foundation of smart manufacturing.</p> <p>KUKA SWIEELOG swisslog healthcare</p>	<h3 data-bbox="1420 737 1729 769">Autonomous Businesses</h3> <p>Midea Cloud 美云智数 Midea 美智光电</p> <p>美的幸福 ALSO</p>



Midea Industrial Tech.

Green Energy + Core Industrial Components



Green Energy

Energy Supply

Distributed PV



Energy Distribution

Distribution equipment



Energy Regulation

Large-scale Energy Storage
Household Energy Storage



Energy Consumption

Thermal management
Electric drive
Chassis execution



Energy Managemet

Smart Measurement



HICONICS

Welling

MOTINOVA

Core Industrial Components

Consumer Appliance

Compressor+



Motor+



IC



Cooling Parts



Industry Automation

Controller



Driver



Reducer



HV&LV Converters



GMCC Welling



MSCT

TOSHIBA



HICONICS



Business Segment – Building Technologies

Smart in one — Focus on Related Products & Services of Buildings



Building Ecology

Platform Establishment



Green & Low Carbon

Low-carbon practitioners



Intelligent User Experience

The builder of intelligent space

Jointly build a sustainable smart space



Equipment

HVAC |

Elevator |

Building self-control |



System

Efficient machine room

Intelligent environmental control system

Building management platform



Low Carbon

Carbon counseling

Comprehensive energy conservation and emission reduction services

Flexible building energy saving services



Intelligence

iBUILDING
Digital platform

Intelligent building top-level design

Intelligent operation



Business Segment – Robotics & Automation

The cornerstone of intelligent manufacturing. Automation solutions based on robots.

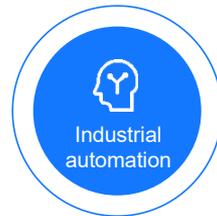
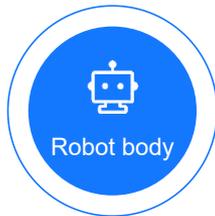


KUKA

SWISSLOG



4 Development Areas





Business Segment – Healthcare

To be a world-class medical equipment and service provider



WDM 万东



Large Medical Imaging Equipment

[Midea-Wandong
Beijing]



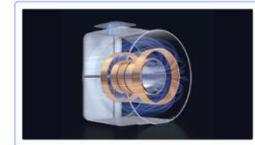
Imaging Diagnostic Service

[Wanlicloud
Beijing]



Ultrasound Diagnostic Products

[Wandong-Esaote
Suzhou]



MRI Core Components

[Suzhou Wanying
Suzhou]

Strong Resources

As a pioneer in Chinese medical imaging industry, integrating top-level scientific research resources globally, sharing advanced medical technology with the world.

Independent Innovation

Master core technology know-how of X-ray, CT, and MRI.
With collaboration across industries, universities, research institutes, and medical clinics to achieve full industry chain independent and controllable.

Intellect Imaging

Relying on cutting-edge technology to advance the digitalization and intelligence of healthcare, empowering clinical practices to improve quality and efficiency across all aspects.



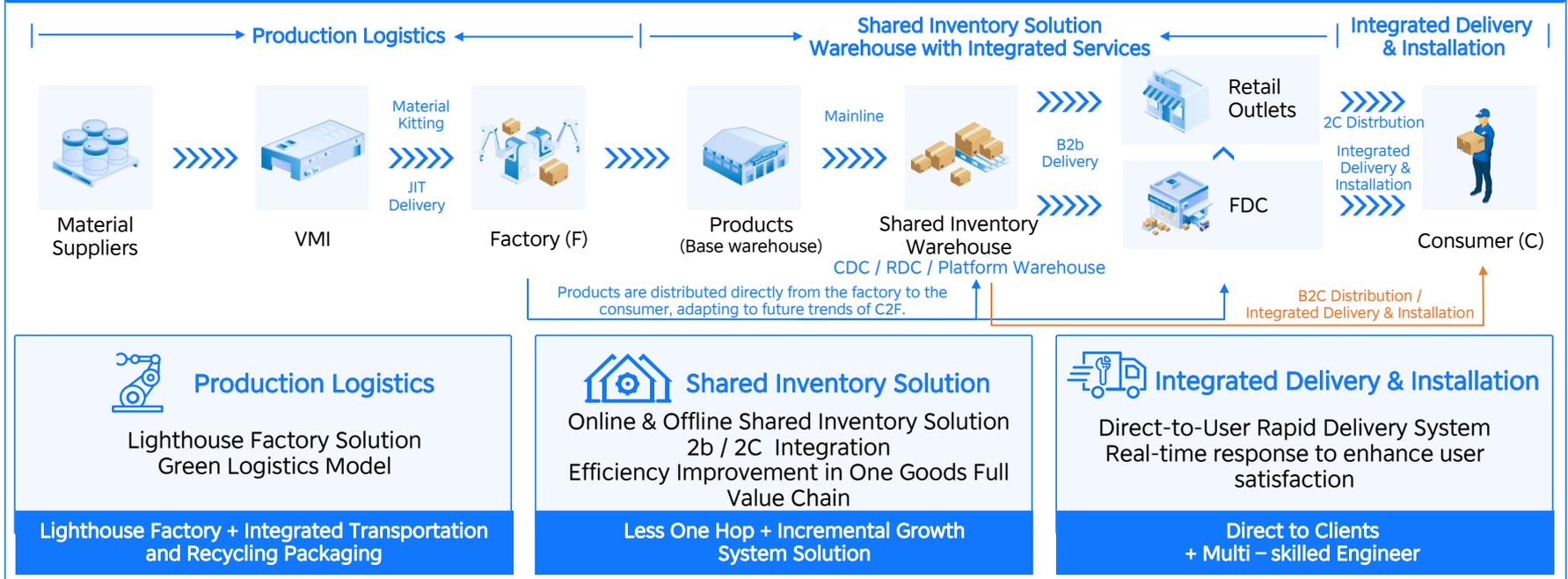
Business Segment - Smart Logistics

Creating additional value for partners through end-to-end digital supply chain (logistics) solutions



安得智联 ANNTO

1+3 Service Model (1: End-to-End Process 3: Production logistics、Shared Inventory、Integrated Delivery & Installation)



Fast moving consumer goods industry

Daily Chemical Industry

Food Industry

Beverage Industry

Alcohol Industry

Personal Care and Home Care Industry

Home Appliance Industry

Home Industry

New Energy Industry

E-commerce Industry

Pan household appliance industry



Four Strategy Focus

Establish core competitiveness in the new period



Technology
Leadership

Enhance the strength of R&D. Increase the layout and investment in core and cutting-edge technologies.



Digitization &
Intelligence Driven

Full digitalization & intelligence allows internal efficiency improvement and external user attraction.



Global Impact

Seek breakthroughs in market, channels and business models for key areas to serve global users.



Direct to Clients
(DTC)

Adapt existing value chains and business models, to realize direct access to user's mind

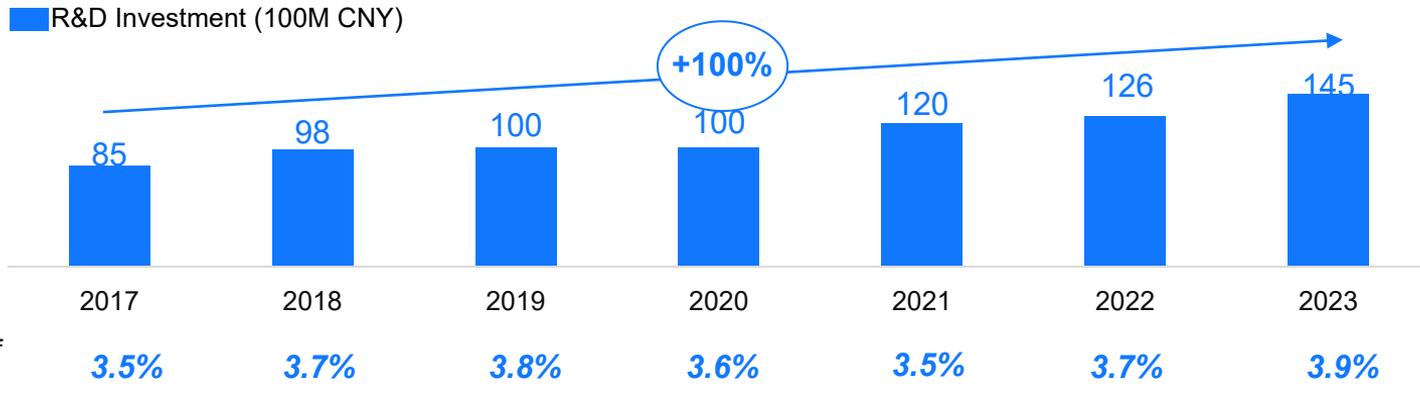


Strategy Focus - Technology Leadership

Streamline and scale up R&D advantages



R&D Investment: Nearly 60B CNY across 5 years



Percentage of revenue

R&D personnel

>23,000 people
Over 40% in 2023

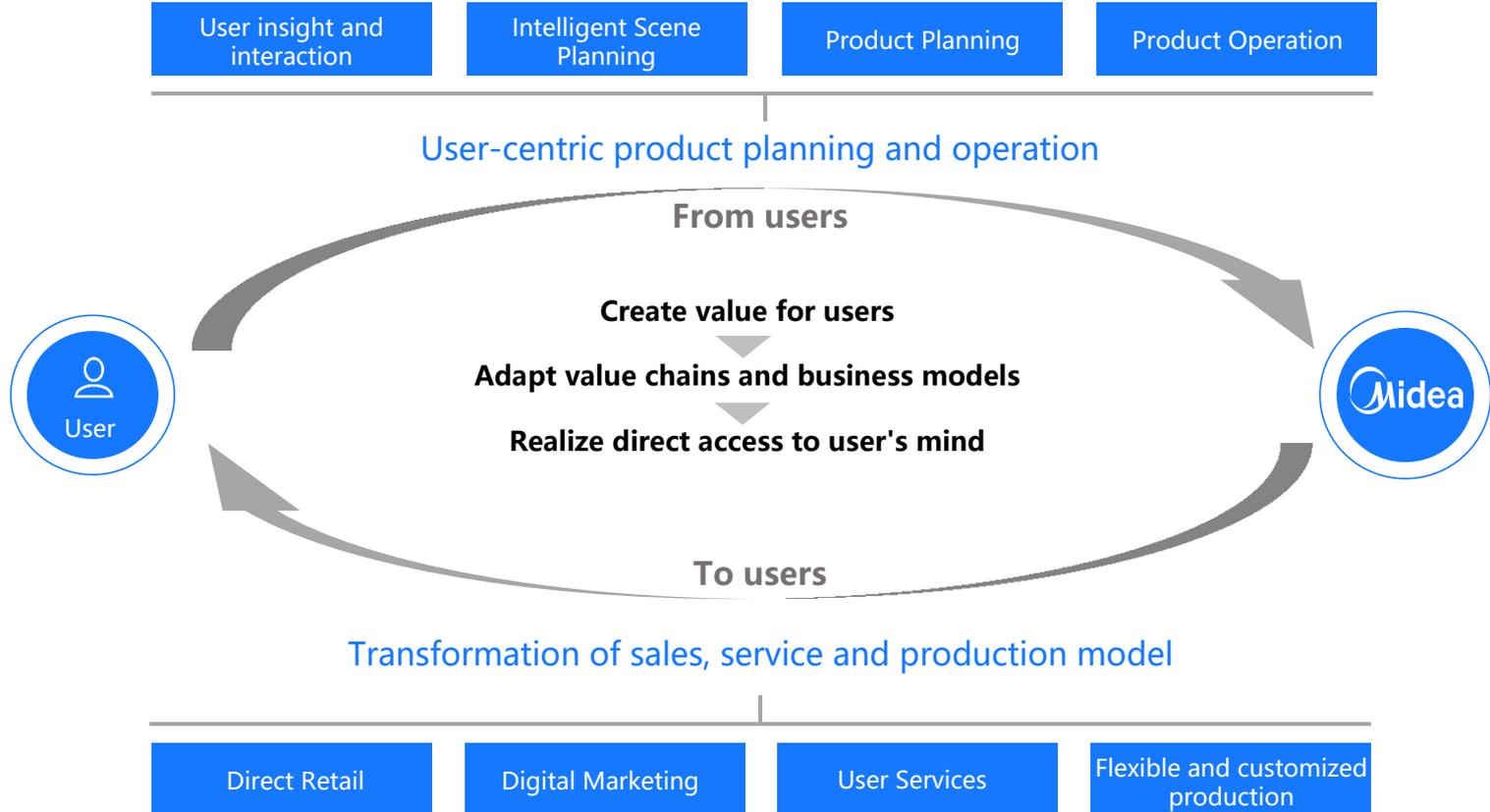
Patent info

100,000+ patent applications
80,000+ Patents granted
Patent family holdings 8th in the world, 2st among Chinese enterprises(US IFI 2023 Ranking)



Strategy Focus - Direct to Clients (DTC)

Adapt existing value chains and business models, to realize direct access to user's mind, making Midea's products and services user's first choice.





Strategy Focus - Digitization & Intelligence Driven

Digitalization & Intelligence promotes business model innovation



Work Mode Changes

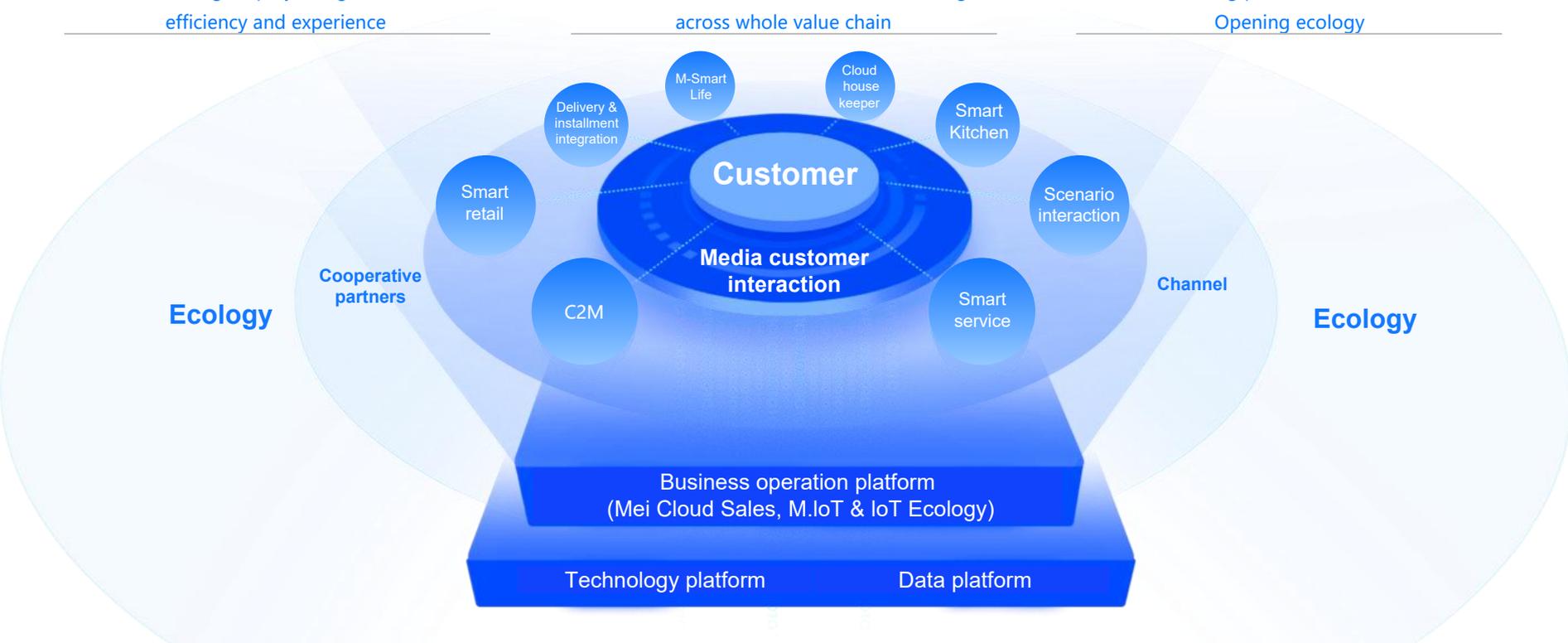
Enhancing employee digitization
efficiency and experience

Business Model Changes

Data-driven collaborative decision making
across whole value chain

Business Model Innovation

Innovating products and services
Opening ecology



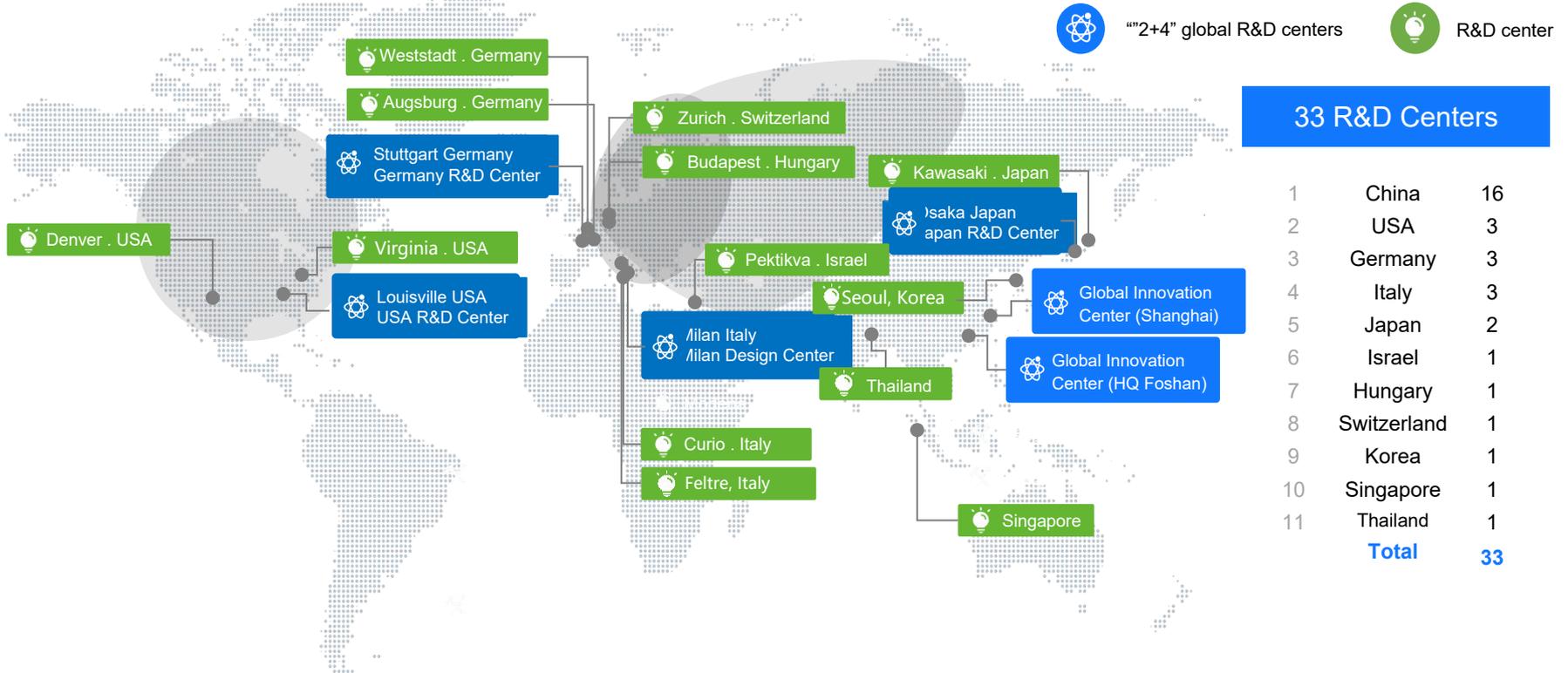


Strategy Focus - Global Impact

Building “2+4+N” globalized R&D networks to exert Midea R&D scale advantage.



The “2+4+N” layout of global R&D network





Strategy Focus - Global Impact

Complementary domestic and international production capacity, global industrial supply chain optimization.

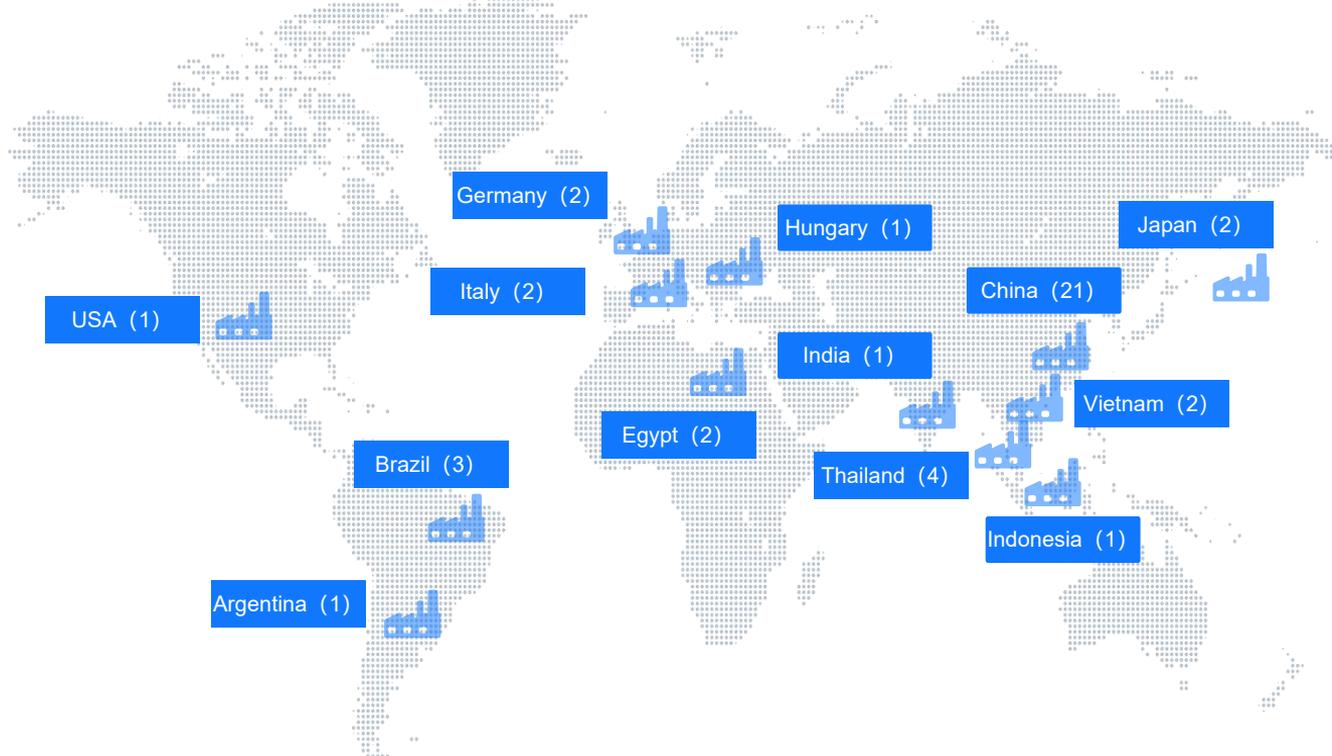


The layout of global production



Production center

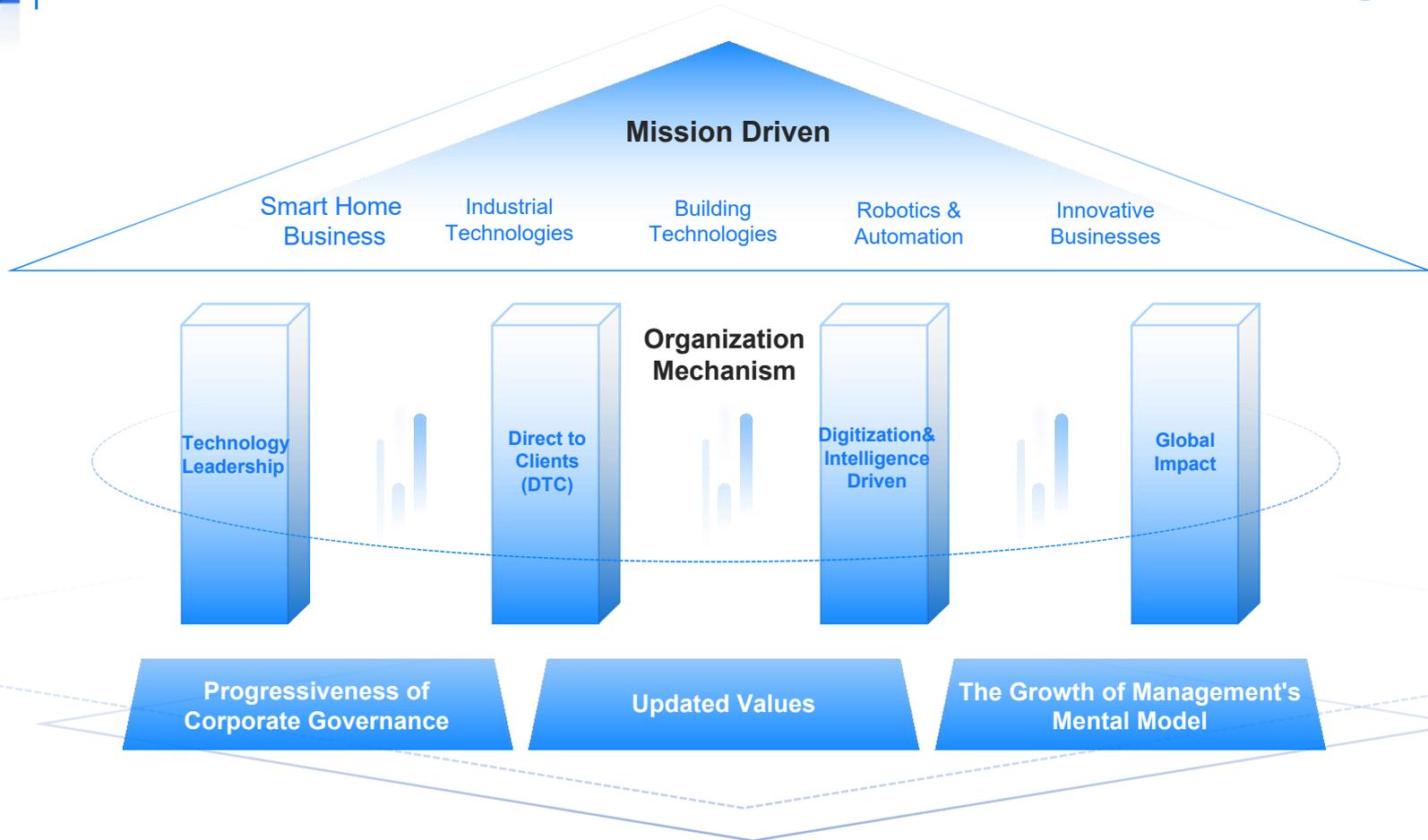
43 Production Centers



1	China	21
2	Thailand	4
3	Brazil	3
4	Egypt	2
5	Germany	2
6	Italy	2
7	Japan	2
8	Vietnam	2
9	Hungary	1
10	India	1
11	USA	1
12	Argentina	1
13	Indonesia	1
	Total	43



Sustaining Competitive Advantage





Aided pages

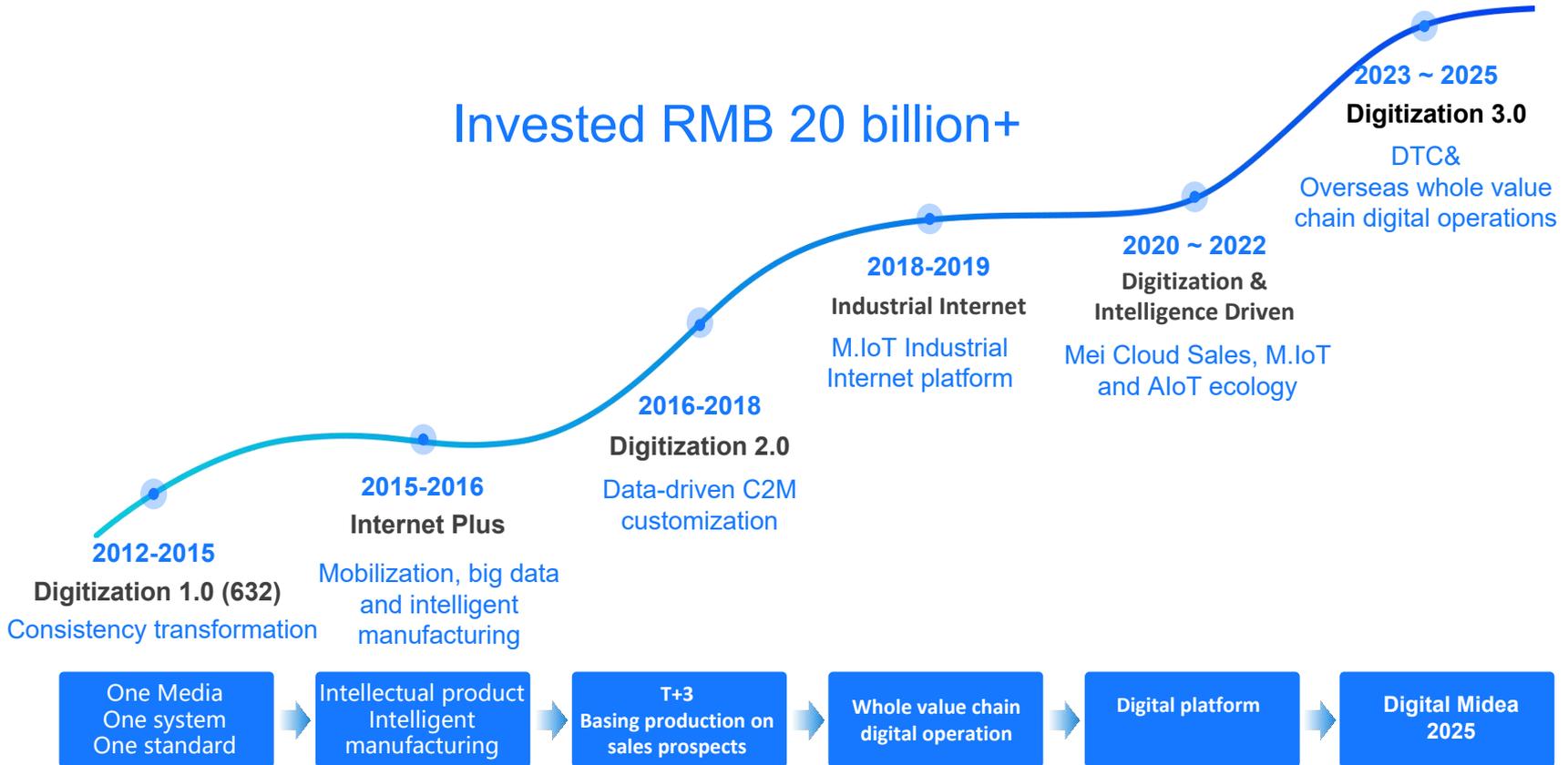
The following are aided pages. You can choose to use according to your needs.





The Digital Transformation Process of Midea

Invested RMB 20 billion+



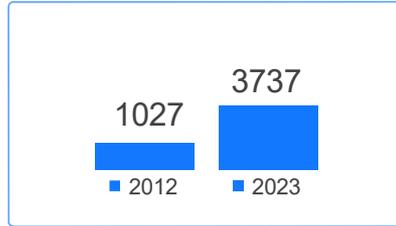


Phased achievements of digital transformation of Midea (2012 vs 2023)

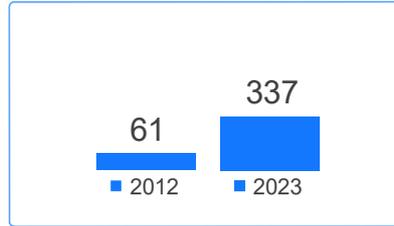


Revenue steadily improved, and operating efficiency, self-owned capital and asset status significantly improved

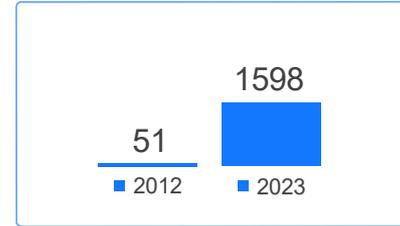
Operating revenue
(100 million) **+264%**



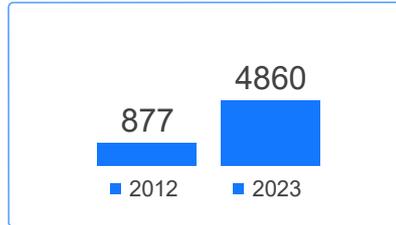
Net profit
(100 million) **+453%**



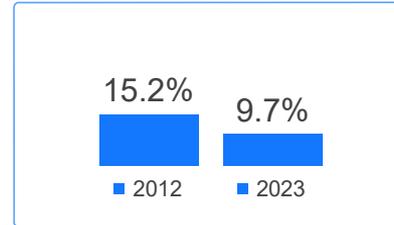
Owned capital
(100 million) **+3034%**



Total assets
(100 million) **+454%**



Inventory proportion **-5.5%**



Days of capital turnover **-25.1days**





Digital Midea 2025

Business Digitalization

DTC Digital Platform, 100%
Digital Operation in Whole
Value Chain

Data Business

Driving Business with User
Perspective
Reaching High-tech Industry
Standards

Technology Leadership

Building Core Technology
Barriers
Maintaining Industry
Leadership

AIoT

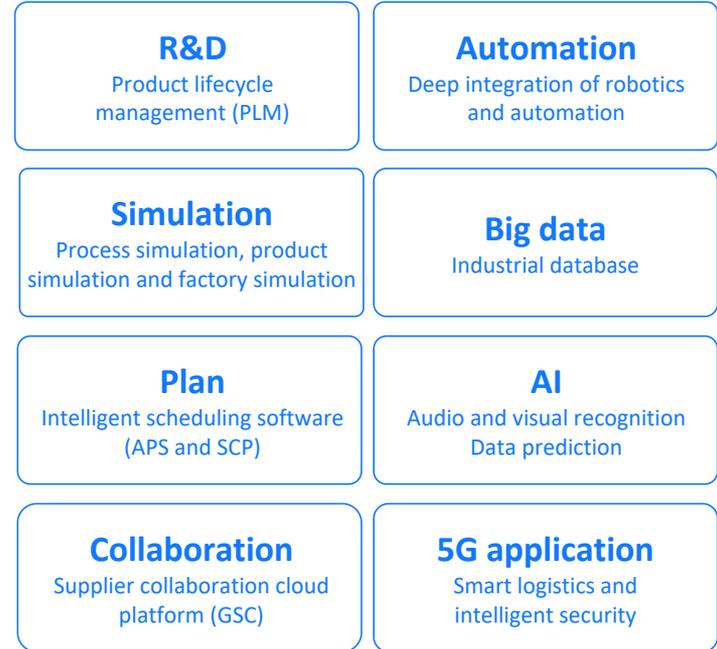
First Choice in Global Smart
Home Industry

Digital Innovation

Integrating Digital
Technology into Business
Development to Innovate
Business Model

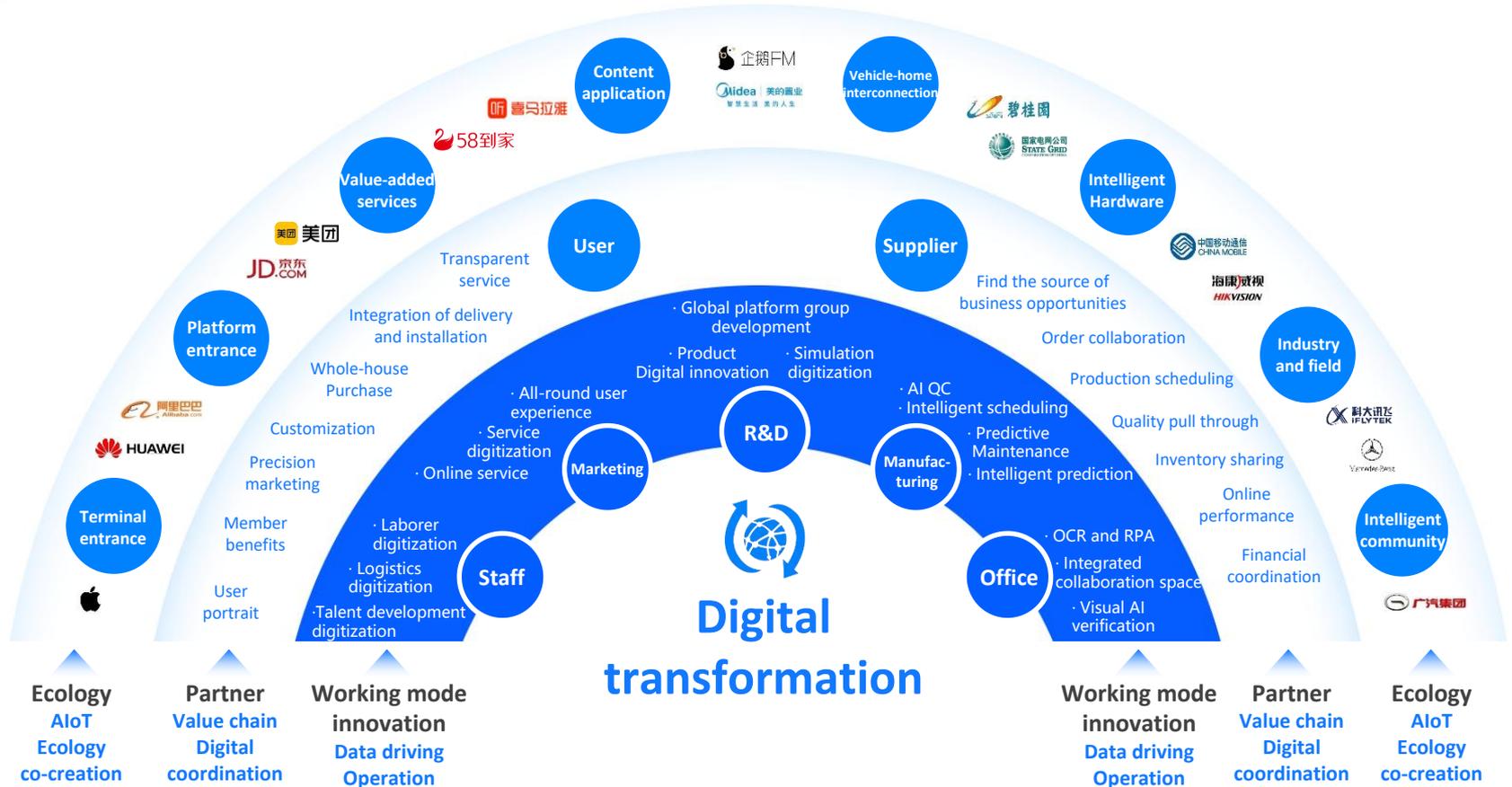


Comprehensive independent R&D of industrial software for external output, enabling enterprises





Digital Transformation of Midea Group promoting business model innovation





Green Strategy



Vision

**Build a green global supply chain,
provide green products and services, and build a green homeland.**

Mission

Promote "3060" strategy to achieve carbon peak by 2030 and carbon neutrality by 2060

**Six
Pillar**

Green Design

- 1. Green technology
- 2. Green products
- 3. Green standard

Green Procurement

- 1. Fulfil social responsibility
- 2. Purchase green material
- 3. Green supply integration
- 4. Global green procurement

Green Manufacturing

- 1. Land integration
- 2. Harmless raw material
- 3. Clean production environment material
- 4. Waste recycling
- 5. Energy low carbonization

Green Logistics

- 1. Green energy utilization
- 2. Intelligent logistics
- 3. Green packaging
- 4. Green cooperation

Green Recycling

- 1. Reliable replacement
- 2. Convenient recycling channel
- 3. Green disassembly and scrap traceable

Green Service

- 1. Smart Building solution
- 2. Energy integration solution

System

Energy saving; Water saving; Material saving; Land saving; LC; Environmental protection; New energy; Recycling; Ecology; Health; Security; Sustainable

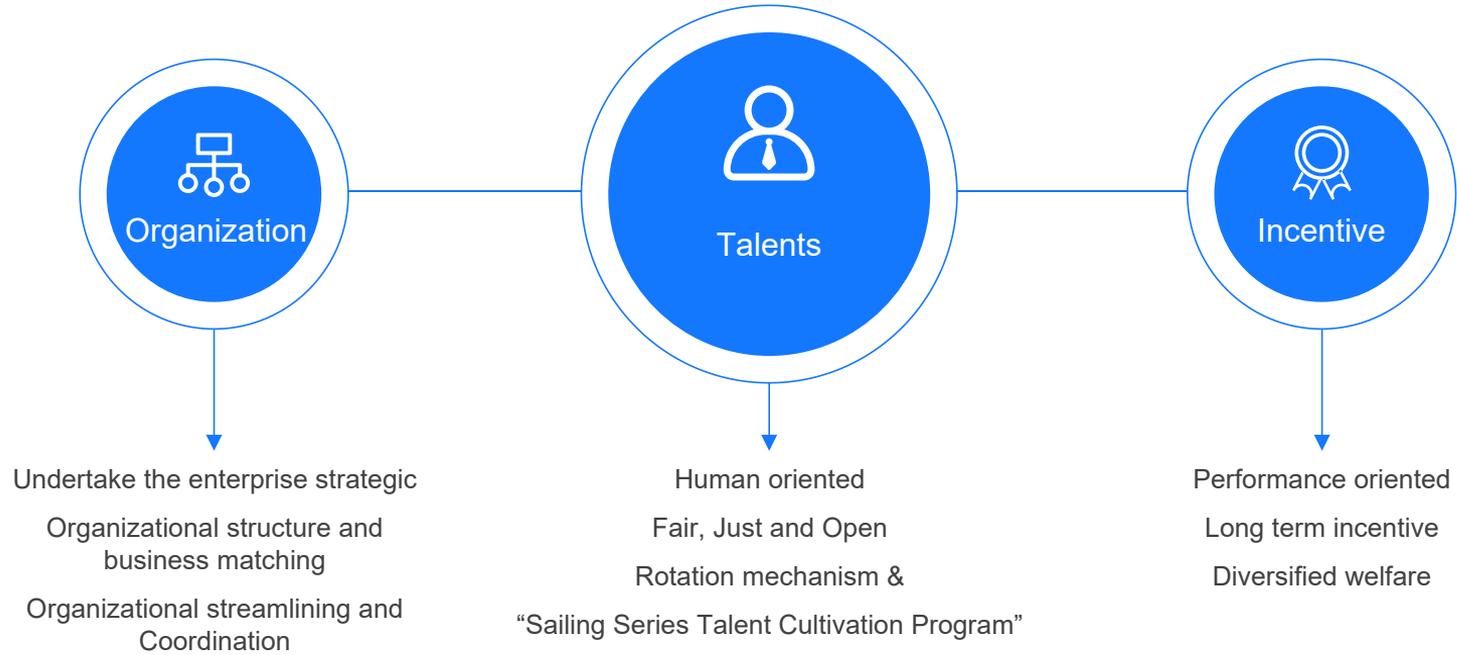
**Founda
tion**

Construct enterprise green technology standard system and operation management



Organizational Talent Concept

Center on employee experience, promote employee efficiency and enhance organizational culture inclusiveness.



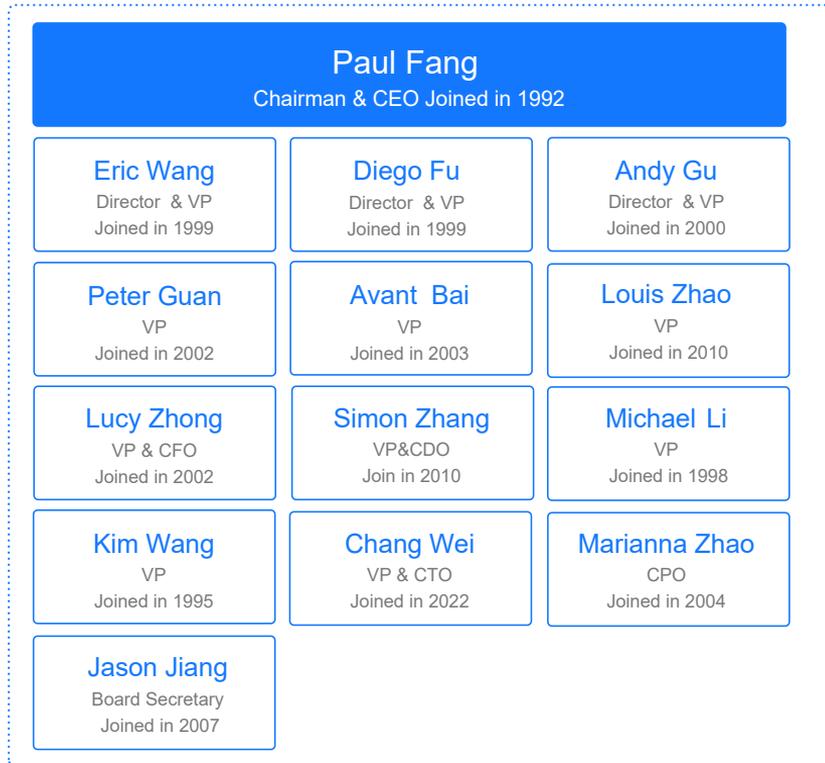


Management Handover

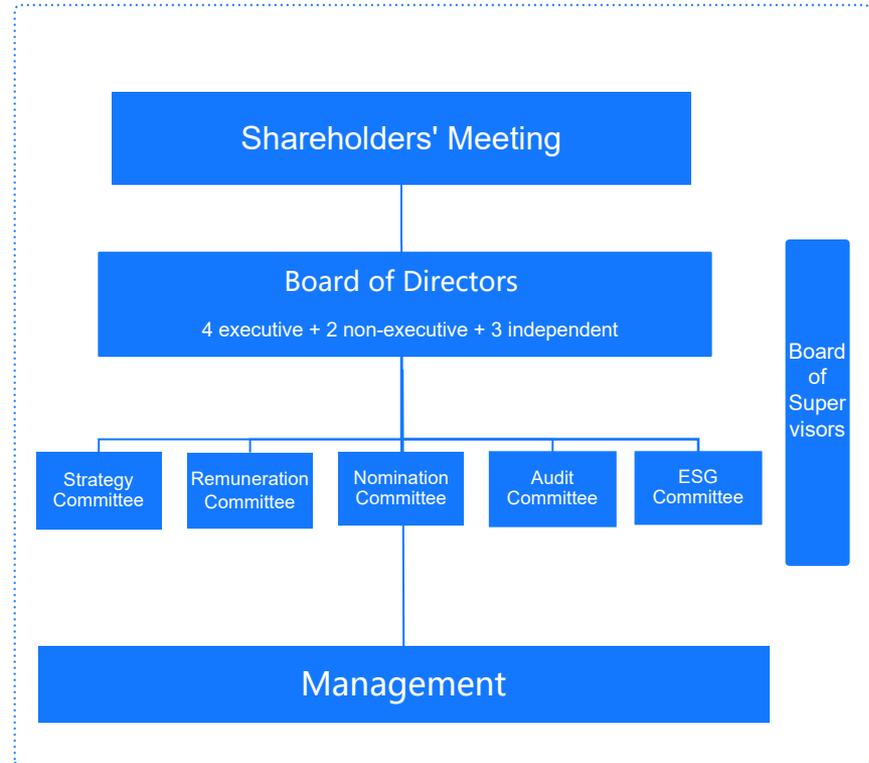
A professional management system based on modern enterprise system



In 2012, professional manager team came on board



Corporate Governance Structure





Corporate Governance

Optimize the right distribution of enterprise stakeholders and build a modern enterprise governance mechanism.



Diversified ownership structure

Reasonable and suitable ownership structure;
The company's interests are the first priority

Manager team

Professional manager management based
on modern enterprise system

Highly authorized management mechanism

High authorization, high performance and high return
Decentralization vitalizes the organization



Entrepreneurship

“ The determination to change ”

Decision-making Mechanism of Board of Directors / Executive Committee

Build an open, transparent collective
deliberation and decision-making mechanism

Incentive mechanism

Performance-oriented and long-term incentives to
ensure the interests of shareholders and executives
are consistent

Open employment mechanism

Human-oriented, incentivize talents by mechanism
and safeguard talents by systems



Organization Structure

Establish a user-centered organization horizontally and vertically



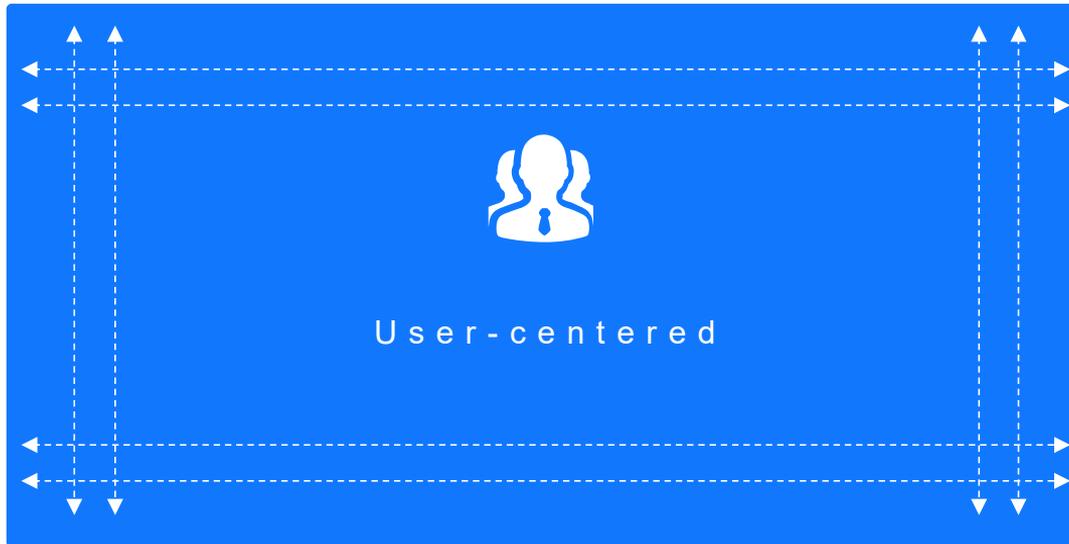
Midea Group

Business Unit

It mainly builds core capabilities and carries out technological innovation around users and products, undertakes specific operations of corresponding product lines or user groups, and achieves sustainable development and profit maximization of the enterprise.

Collaboration Platform

It mainly serves business units, cultivates and builds future-oriented professional abilities.



Functional Department

Positioned as the management subject of each professional field, it is responsible for the formulation, improvement and implementation consistency of the processes, systems and rules of corresponding professional field. Meanwhile, it is responsible for the capacity building, risk control, collaborative work promotion and staff professional competence improvement in the field.



Business Indicators

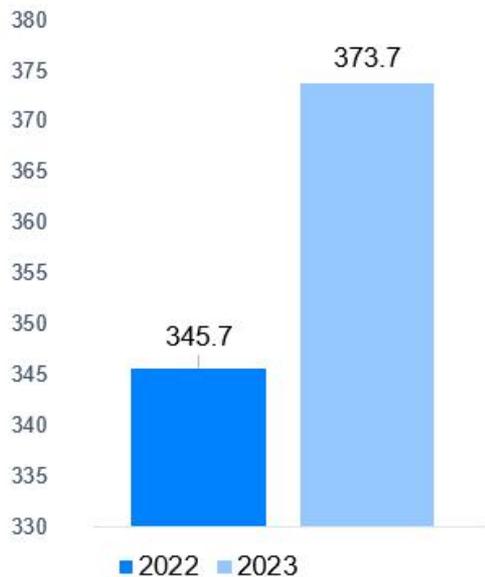
Net profit attributable to the listed company's shareholders



Own Funds

↑ +8.1%

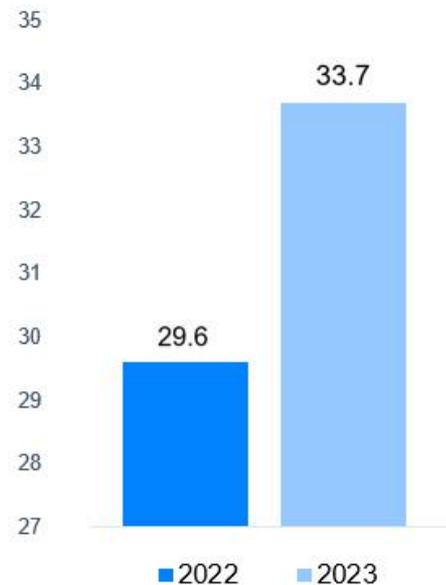
Unit/Currency:
billion/RMB



Net profit attributable to the listed company's shareholders

↑ +14.1%

Unit/Currency:
billion/RMB





Return to Shareholders

Consistently high dividend returns to shareholders



20.8B	30	61.6%	134.7B	>40%	27.1B
Total dividend Payments (2023)	Cash dividend per 10 shares (2023)	Dividend payout ratio	Cumulative dividend payments since Group listing	Dividend payout ratio each year since Group listing	Cumulative share repurchase since Group listing

Total Dividend Payments Since Group Listing





Incentive Schemes

Long-term incentives to ensure consistent shareholder and management interests



Stock Option Incentive Scheme

- Eight terms of Stock Option Incentive Schemes for about 12500 employees
- Mainly management in R&D and manufacturing



Restricted Share Incentive Scheme

- Five terms of Restricted Share Incentive Schemes for around 1800 employees
- Mainly senior management in the business units



Partner Scheme

- Eight terms of Global Partner Schemes
- Five terms of Business Partner Schemes
- For core management personnel
- From “professional manager” to “business partner”

Combination of motivations and restraints: three levels of appraisal (corporate, departmental and individual) with “red lines”

Thanks

