Hisense 海信家電

HISENSE HOME APPLIANCES GROUP CO., LTD.

海信家電集團股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00921)

2026 INTERIM RESULTS ANNOUNCEMENT

The Board hereby announces the unaudited interim results of the Company and its subsidiaries for the six months ended 30 June 2026 (the "**Reporting Period**") together with comparative figures for the corresponding period in 2025. The unaudited interim results for the Reporting Period have been reviewed by the twelfth session of the audit committee of the Board (the "**Audit Committee**").

FINANCIAL INFORMATION PREPARED IN ACCORDANCE WITH CASBE

(Unless otherwise specified, all amounts are denominated in RMB)

Consolidated Balance Sheet

Items	Note	30 June 2026 *(Unaudited)*	1 January 2026 *(audited)*
Current assets:			
Cash at bank and on hand		5,265,445,893.88	3,496,408,124.80
Deposits with clearing institutions			
Loans to other financial institutions			
Financial assets held for trading		21,469,421,937.39	19,155,470,449.17
Derivative financial assets			
Notes receivable		125,461,429.97	133,966,706.98
Accounts receivable	5	11,697,537,830.43	9,389,095,596.70
Receivables financing		7,274,816,997.74	4,607,438,550.93
Prepayments		448,303,484.86	379,128,079.70
Insurance premiums receivable			
Receivables from reinsurers			
Receivable reinsurance contract reserves			
Other receivables		443,350,545.45	194,120,733.79
Including: Interest receivable			

Dividends receivable		228,885,579.66	625,590.11
Financial assets purchased under agreements to resell			
Inventories		7,196,267,124.50	6,862,327,671.56
Including: Data resources			
Contract assets		67,915,975.77	67,667,431.89
Assets held for sale			
Non-current assets due within one year		4,238,264,166.67	5,358,503,333.34
Other current assets		1,857,861,074.67	2,845,044,203.82
Total current assets		60,084,646,461.33	52,489,170,882.68
Non-current assets:			
Loans and advances			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments		1,941,133,742.76	2,005,216,196.64
Other equity instrument investments		36,950,898.86	41,653,733.28
Other non-current financial assets		20,114,367.52	20,542,302.26
Investment properties		195,970,855.93	217,213,536.17
Fixed assets		7,012,416,474.13	7,160,327,070.21
Construction in progress		1,233,768,663.55	911,155,205.31
Productive biological assets			
Oil and gas assets			
Right-of-use assets		218,250,666.56	201,125,032.64
Intangible assets		1,249,346,998.48	1,305,501,434.50
Including: Data resources			
Development expenditures		82,115.83	180,269.77
Including: Data resources			
Goodwill		132,571,746.36	132,571,746.36
Long-term prepaid expenses		79,746,863.22	69,885,638.35
Deferred tax assets		1,250,161,012.18	1,127,099,708.79
Other non-current assets		4,645,266,934.31	4,302,599,584.53
Total non-current assets		18,015,781,339.69	17,495,071,458.81
Total assets		78,100,427,801.02	69,984,242,341.49
Current liabilities:			
Short-term borrowings		3,487,108,780.31	3,300,806,097.01
Borrowings from central bank			
Loans from other banks			

Financial liabilities held for trading		2,195,138.65	1,813,733.43
Derivative financial liabilities			
Notes payable	6	13,929,422,431.23	11,118,152,519.63
Accounts payable	7	19,508,590,617.76	17,188,122,162.23
Advances from customers		2,385,995.18	1,820,551.63
Contract liabilities		1,235,817,835.56	1,618,788,301.63
Financial assets sold under agreements to repurchase			
Deposits received and interbank deposits			
Funds from securities trading on behalf of customers			
Funds from securities underwriting on behalf of others			
Employee remunerations payable		925,210,910.04	1,072,872,436.38
Taxes payable		720,197,749.55	448,596,053.86
Other payables		6,695,673,615.62	5,208,635,578.14
Including: Interest payable			
Dividends payable		1,829,287,689.99	77,438,308.67
Handling fees and commissions payable			
Payables to reinsurers			
Liabilities held for sale			
Non-current liabilities due within one year		409,523,417.19	410,893,176.08
Other current liabilities		7,365,807,023.05	6,084,406,182.57
Total current liabilities		54,281,933,514.14	46,454,906,792.59
Non-current liabilities:			
Insurance contract reserves			
Long-term borrowings		61,794,454.34	71,308,422.32
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities		170,868,666.35	163,213,430.28
Long-term payables			
Long-term employee remunerations payable		76,321,677.73	78,993,580.17
Provisions		723,894,239.79	651,047,991.72
Deferred income		437,258,502.81	427,732,263.51
Deferred tax liabilities		176,671,278.86	158,258,327.90
Other non-current liabilities		469,680,440.80	458,281,470.69
Total non-current liabilities		2,116,489,260.68	2,008,835,486.59
Total liabilities		56,398,422,774.82	48,463,742,279.18

Shareholders' equity:			
Share capital		1,384,861,171.00	1,384,861,171.00
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserves		2,239,989,996.04	2,217,061,179.24
Less: Treasury shares		109,879,656.58	139,706,972.86
Other comprehensive income		505,642,184.94	485,615,826.36
Special reserves		18,964,386.82	9,449,358.91
Surplus reserves		724,682,309.99	724,682,309.99
General risk provisions			
Retained profits		12,693,221,655.58	12,787,042,665.56
Total equity attributable to shareholders of the Company		17,457,482,047.79	17,469,005,538.20
Minority interests		4,244,522,978.41	4,051,494,524.11
Total shareholders' equity		21,702,005,026.20	21,520,500,062.31
Total liabilities and shareholders' equity		78,100,427,801.02	69,984,242,341.49

Consolidated Income Statement

Items	Note	1 January to 30 June 2026 *(Unaudited)*	1 January to 30 June 2025 *(Unaudited)*
I. Total operating revenue		46,765,857,550.25	49,340,344,981.85
Including: Operating revenue	8	46,765,857,550.25	49,340,344,981.85
Interest income			
Insurance premiums earned			
Income from handling fees and commissions			
II. Total operating costs		44,485,652,535.42	46,785,652,816.07
Including: Operating costs	8	37,173,172,589.37	38,743,597,232.06
Interest expenses			
Handling fees and commissions expenses			
Refunded premiums			
Net claims expense			
Net provision for insurance contract reserves			
Policyholder dividend expenses			
Reinsurance premium expenses			
Taxes and surcharges		197,866,921.64	223,166,616.35
Sales expenses		4,298,032,999.67	4,869,442,985.61
Management expenses		1,131,325,529.24	1,232,915,731.34

Research and development expenses		1,536,768,142.43	1,674,893,303.26
Financial expenses	9	148,486,353.07	41,636,947.45
Including: Interest expenses	9	92,680,707.31	86,914,991.88
Interest income	9	18,259,397.37	20,067,405.94
Add: Other income		189,886,934.10	273,364,514.91
Investment income (Loss denoted by "-")	10	435,655,935.02	511,260,446.36
Including: Share of profit of associates and joint ventures	10	162,999,125.99	236,560,862.88
Income from derecognition of financial assets measured at amortised cost		-83,679.02	-491,638.54
Foreign exchange gains (Loss denoted by "-")			
Net exposure hedging gains (Loss denoted by "-")			
Gains from changes in fair value (Loss denoted by "-")		202,315,479.67	75,736,420.19
Credit impairment losses (Loss denoted by "-")		-28,658,960.79	15,511,648.66
Impairment losses on assets (Loss denoted by "-")		-96,500,897.20	-73,425,223.25
Gains on disposal of assets (Loss denoted by "-")		42,451,639.29	21,786,782.78
III. Operating profits (Loss denoted by "-")		3,025,355,144.92	3,378,926,755.43
Add: Non-operating income		47,424,541.09	63,639,458.45
Less: Non-operating expenses		49,164,266.72	17,220,897.46
IV. Total profits (Total loss denoted by "-")		3,023,615,419.29	3,425,345,316.42
Less: Income tax expenses	11	551,768,870.34	436,679,453.25
V. Net profits (Net loss denoted by "-")		2,471,846,548.95	2,988,665,863.17
(I) Classification by continuity of operations			
1. Net profit from continuing operations (Net loss denoted by "-")		2,471,846,548.95	2,988,665,863.17
2. Net profit from discontinued operations (Net loss denoted by "-")			
(II)Classification by equity attribution			
1. Net profit attributable to owners of the Company		1,658,028,371.34	2,076,581,358.73
2. Profit and loss of minority interests		813,818,177.61	912,084,504.44
VI. Other comprehensive income after tax, net		20,705,743.97	26,559,201.76
Other comprehensive income after tax attributable to shareholders of the Company, net		20,026,358.58	34,039,506.57
(I) Items not to be reclassified into profit or loss		13,643,172.17	-138,567.34
1. Changes arising from remeasurement of defined benefit plans		-215,336.91	1,405,422.51
2. Other comprehensive income not to be reclassified into profit or loss under the equity method		14,818,765.56	
3. Changes in fair value of other equity instrument investments		-960,256.48	-1,543,989.85

4. Changes in fair value of the Company's own credit risk			
5. Others			
(II) Items to be reclassified into profit or loss		6,383,186.41	34,178,073.91
1. Other comprehensive income to be reclassified into profit or loss under the equity method		-36,965,403.44	42,930,048.86
2. Changes in fair value of other debt investments			
3. Amounts recognised in other comprehensive income upon reclassification of financial assets			
4. Credit impairment provisions for other debt investments			
5. Reserve for cash flow hedging			
6. Differences on translation of foreign currency financial statements		43,348,589.85	-8,751,974.95
7. Others			
Other comprehensive income after tax attributable to minority interests, net		679,385.39	-7,480,304.81
VII. Total comprehensive income		2,492,552,292.92	3,015,225,064.93
Total comprehensive income attributable to shareholders of the Company		1,678,054,729.92	2,110,620,865.30
Total comprehensive income attributable to minority interests		814,497,563.00	904,604,199.63
VIII. Earnings per share:			
(I) Basic earnings per share	12	1.21	1.52
(II) Diluted earnings per share	12	1.21	1.52

Notes:

1. General information

The Company is a joint stock limited company incorporated in the PRC on 16 December 1992. The Company's H Shares were listed on the Hong Kong Stock Exchange on 23 July 1996, whereas the Company's A Shares were listed on the Shenzhen Stock Exchange on 13 July 1999.

On 29 January 2007, a share reform scheme was set up by the Company for converting the non-freely transferable domestic legal person shares into freely transferable A Shares. The scheme was approved by the holder of the A Shares at a general meeting and further approved by the Ministry of Commerce of the PRC on 22 March 2007.

On 31 August 2009, the Company constituted a major asset reorganisation and entered into a conditional sale and purchase agreement regarding the acquisition of the white goods assets and business of Hisense Air Conditioning. The acquisition was approved by the China Securities Regulatory Commission (CSRC) on 23 March 2010. On 10 June 2010, the Company allotted and issued 362,048,187 A Shares to Hisense Air Conditioning in consideration of the acquisition.

On 18 June 2013, 612,221,909 restricted A Shares held by Hisense Air Conditioning were no longer subject to a selling moratorium and were listed for trading.

On 23 May 2014, the exercise conditions were satisfied for the Company's first exercise period of the first phase of its stock option incentive plan. China Securities Depository and Clearing Corporation Limited Shenzhen branch approved the registration and the listing of the 4,440,810 new stocks which would be issued upon the exercise of the stock options.

On 19 June 2015, the exercise conditions were satisfied for the Company's second exercise period of the first phase of its stock option incentive plan. China Securities Depository and Clearing Corporation Limited Shenzhen branch approved the registration and the listing of the 4,229,810 new stocks which would be issued upon the exercise of the stock options.

On 23 May 2023, the Company directed restricted stock issuance to the incentive targets under the 2022 Restricted A Share Incentive Scheme. China Securities Depository and Clearing Corporation Limited Shenzhen branch has approved the registration and the listing of the 25,422,000 new stocks that would be issued.

As of 30 June 2026, the total number of issued Shares of the Company was 1,384,861,171 and the registered capital of the Company was RMB1,384,861,171.00, of which Hisense Air Conditioning held 516,758,670 Shares, representing approximately 37.31% of the Company's total issued share capital. Hisense Air Conditioning continues to be the immediate controlling shareholder of the Company.

In the opinion of the Directors, as at 30 June 2026, Hisense Group Holdings, a company incorporated in the PRC with limited liability, is regarded as an indirect controlling shareholder of the Company.

The Group is principally engaged in R&D, manufacturing, marketing and servicing of heating, ventilation and air-conditioners, refrigerators, freezers, washing machines, kitchen appliances, automotive air-conditioner compressors integrated automotive thermal management systems, etc., and provision of whole-scenario smart home solutions.

The address of the registered office and principal place of business of the Company is No.88, Hong Kong, East Road, Laoshan District, Qingdao City, Shandong Province, PRC.

2. Basis of preparation of financial statements

The financial statements are prepared based on going-concern assumption and actual transactions and events according to the Accounting Standards for Business Enterprises - Basic Standard, application guidelines, explanation and other relevant regulations issued by the Ministry of Finance (hereinafter collectively referred to as "**CASBE**") and the Information Disclosure Regulations for Companies Publicly Issuing Securities No. 15 - General Provisions for Financial Statements (Revised 2023) and relevant regulations issued by China Securities Regulatory Commission.

According to the relevant provisions of Accounting Standards for Business Enterprises, the Company's financial accounting is conducted on accrual basis. Except for certain financial instruments, the financial statements take the historical cost as the accounting basis. If an asset is impaired, the provision for impairment shall be accrued in accordance with the relevant provisions.

The Company's A Shares are listed on the Shenzhen Stock Exchange while the H Shares are listed and the Hong Kong Stock Exchange. Besides the relevant regulations as mentioned above, the financial statements of the Company also comply with the applicable disclosure requirements under the Rules Governing Listing of Shares on Shenzhen Stock Exchange, the Hong Kong Listing Rules and the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

3. Significant changes in accounting policies

The accounting policies and methods of computation used in the consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025. There were no significant changes in accounting policies during the Reporting Period.

4. Segment information

The Group manages its business by divisions which are organised by a mixture of both business lines and geographical areas.

(1) Segment information as at and for the Reporting Period is as follows:

Unit: RMB

Amount for the Reporting Period	HVAC	Refrigerators and washing machines	Others	Elimination	Total
1. Revenue from external sales	22,352,728,814.65	17,375,578,769.38	6,532,760,242.73		46,261,067,826.76
2. Revenue from inter-segment transactions	555,332.29	10,493,763.91	605,687,699.51	-616,736,795.71	
3. Gain from investment in associates and joint ventures	-10,965,803.99	-10,965,803.99	184,930,733.97		162,999,125.99
4. Depreciation and amortisation	290,176,569.67	192,666,062.53	220,790,679.60		703,633,311.80
5. Gain from changes in fair value	-3,413,284.36	130,350,088.99	75,378,675.04		202,315,479.67
6.Impairment losses on credit and assets	-62,917,935.95	-12,931,967.24	-49,309,954.80		-125,159,857.99
7. Total profit (Total loss)	2,053,782,619.87	771,647,913.17	206,159,470.24	-7,974,583.99	3,023,615,419.29
8. Total assets	45,720,848,709.47	41,617,451,604.70	15,364,066,835.24	-25,852,100,360.57	76,850,266,788.84
9. Total liabilities	31,961,057,813.54	28,988,518,358.18	11,234,792,911.15	-15,962,617,586.91	56,221,751,495.96
10. Additions to other non-current assets other than long-term equity investments	471,725,385.55	58,486,345.86	-146,817,578.10	78,336,878.06	461,731,031.37

Segment information as at and for the corresponding period last year is as follows:

Unit: RMB

Amount for corresponding period last year	HVAC	Refrigerators and washing machines	Others	Elimination	Total
1. Revenue from external sales	23,694,226,316.45	15,392,341,672.05	6,613,204,473.42		45,699,772,461.92
2. Revenue from inter-segment transactions	3,145,236.84	10,928,857.78	1,386,601,355.70	-1,400,675,450.32	

3. Gain from investment in associates and joint ventures	8,322,471.03	8,322,471.03	219,915,920.82		236,560,862.88
4. Depreciation and amortisation	302,289,482.37	158,038,955.39	200,567,775.57		660,896,213.33
5. Gain from changes in fair value	42,897,765.31	79,948,047.57	-47,109,392.69		75,736,420.19
6. Impairment losses on credit and assets	-23,126,478.12	-2,215,692.25	-32,571,404.22		-57,913,574.59
7. Total profit (Total loss)	2,788,526,713.98	645,102,787.72	-8,284,185.28		3,425,345,316.42
8. Total assets	46,230,318,848.57	38,495,879,142.40	16,829,776,545.17	-26,742,997,257.64	74,812,977,278.50
9. Total liabilities	33,123,127,182.17	25,282,318,675.96	12,353,795,228.43	-15,461,292,165.47	55,297,948,921.09
10. Additions to other non-current assets other than long-term equity investments	-885,512,514.89	173,758,987.48	239,364,120.20		-472,389,407.21

(2) Geographical information

Unit: RMB

Region	For the period from 1 January 2026 to 30 June 2026	For the period from 1 January 2025 to 30 June 2025
Revenue from domestic transactions	24,878,488,039.60	25,248,768,513.67
Revenue from overseas transactions	21,382,579,787.16	20,451,003,948.25
Total	**46,261,067,826.76**	**45,699,772,461.92**
Region	**As at 30 June 2026**	**As at 1 January 2026**
Non-current assets - Domestic	11,766,541,326.21	11,427,681,401.56
Non-current assets - Overseas	4,999,079,001.30	4,940,290,348.46
Total	**16,765,620,327.51**	**16,367,971,750.02**

The Company's business is primarily operated in the PRC, where the majority of its non-current assets are located. Accordingly, it is not necessary to disclose more detailed regional information.

5. Account receivables

The ageing analysis of accounts receivable based on recognition dates is set out below:

Unit: RMB

Items	As at 30 June 2026	As at 1 January 2026
Within three months	10,978,042,718.10	8,599,122,948.67
Over three months but within six months	273,765,253.41	278,331,973.18
Over six months but within one year	229,396,361.02	245,637,121.91
Over one year	497,470,170.98	577,619,212.49
Total	**11,978,674,503.51**	**9,700,711,256.25**

Less: Provision for bad debts	281,136,673.08	311,615,659.55
Book value	11,697,537,830.43	9,389,095,596.70

6. Notes payables

Unit: RMB

Items	As at 30 June 2026	As at 1 January 2026
Bank's acceptance bill	10,035,248,497.45	8,826,656,065.38
Trade acceptance draft	3,894,173,933.78	2,291,496,454.25
Total	**13,929,422,431.23**	**11,118,152,519.63**

7. Accounts payable

The ageing analysis of accounts payable based on recognition dates is set out below:

Unit: RMB

Items	As at 30 June 2026	As at 1 January 2026
Within one year	19,472,636,060.77	17,150,463,396.32
Over one year	35,954,556.99	37,658,765.91
Total	**19,508,590,617.76**	**17,188,122,162.23**

8. Operating revenue and costs

Unit: RMB

Items	For the period from 1 January 2026 to 30 June 2026	For the period from 1 January 2025 to 30 June 2025
Revenue from principal operations	46,261,067,826.76	45,699,772,461.92
Revenue from other operations	504,789,723.49	3,640,572,519.93
Total	**46,765,857,550.25**	**49,340,344,981.85**
Items	**For the period from 1 January 2026 to 30 June 2026**	**For the period from 1 January 2025 to 30 June 2025**
Cost of principal operations	36,843,586,755.93	35,345,347,444.42
Cost of other operations	329,585,833.44	3,398,249,787.64
Total	**37,173,172,589.37**	**38,743,597,232.06**

9. Financial expenses

Unit: RMB

Items	For the period from 1 January 2026 to 30 June 2026	For the period from 1 January 2025 to 30 June 2025

Interest expenses	92,680,707.31	86,914,991.88
Less: interest income	18,259,397.37	20,067,405.94
Add: loss on foreign exchange	67,219,459.51	-35,576,826.61
Other expenses	6,845,583.62	10,366,188.12
Total	**148,486,353.07**	**41,636,947.45**

10. Investment income

(1) Particulars of investment gain

Unit: RMB

Items	For the period from 1 January 2026 to 30 June 2026	For the period from 1 January 2025 to 30 June 2025
Gain from long-term equity investment under the equity method	162,999,125.99	236,560,862.88
Investment gain from disposal of financial assets held for trading	151,265,688.01	119,305,807.22
Interest income from time deposits	107,958,439.43	133,346,693.60
Others	13,432,681.59	22,047,082.66
Total	**435,655,935.02**	**511,260,446.36**

(2) Gain from long-term equity investment under the equity method

Unit: RMB

Investee	For the period from 1 January 2026 to 30 June 2026	For the period from 1 January 2025 to 30 June 2025
Hisense Jinlong Holding	3,305,433.52	11,368,468.63
Hisense Marketing Management	-10,718,111.03	7,560,677.18
Hisense Global Asia Holding	-11,213,370.17	9,084,264.87
Hisense International	68,463,376.40	85,331,575.59
Hisense Intelligent Electronic	-83,876.02	796,860.01
Hisense Xinghai Technology	-5,803,475.88	-27,229.25
Associates of Yiyang Entrepreneurship Investment	-725.51	-1,377.87
Associates of Sanden Company	119,049,874.68	122,447,623.72
Total	**162,999,125.99**	**236,560,862.88**

Note: The gains from equity investment under the equity method of the Company for the current period were all generated from non-listed investments.

11. Income tax expenses

Unit: RMB

Items	For the period from 1 January 2026 to 30 June 2026	For the period from 1 January 2025 to 30 June 2025
Current income tax expenses	656,035,373.63	533,520,611.57
Including: PRC enterprise income taxes	619,740,458.01	515,271,132.38
Deferred tax expenses	-104,266,503.29	-96,841,158.32
Total	**551,768,870.34**	**436,679,453.25**

The reconciliation from income tax calculated based on the applicable tax rates and total profits to the income tax expenses is as follows:

Unit: RMB

Items	For the period from 1 January 2026 to 30 June 2026
Total profits	3,023,615,419.29
Income tax expenses calculated at statutory (or applicable) tax rates	755,903,854.83
Tax effects of different tax rates applicable to certain subsidiaries	-202,068,779.80
Effect of adjustment to income tax in prior periods	100,610,804.00
Effects of non-taxable incomes	-10,987,494.20
Effects of non-deductible costs, expenses and losses	10,295,689.00
Effects of deductible losses not recognised as deferred tax assets in previous period	-115,908,755.58
Effects of deductible temporary differences or deductible losses not recognised as deferred tax assets in current period	136,126,668.66
Effects of additional deduction relating to costs of research and development	-113,912,307.47
Impact of tax and accounting differences on equity-settled share-based payments	-8,290,809.10
Income tax expenses	551,768,870.34

Certain subsidiaries of the Company are either recognised as “high technology” companies, or in other cases in accordance with other local laws and regulations, are entitled to a preferential tax rate of 15% or 20% (2025: 15% or 20%).

The profits tax of the Company’s Hong Kong subsidiaries is calculated on the estimated assessable profits earned or arising in Hong Kong at the following rates: (1) Kelon International Incorporation (KII): 8.25% on the portion not exceeding HK$2,000,000, and 16.5% on the portion exceeding HK$2,000,000; (2) Other Hong Kong subsidiaries: 16.5% applies to the entire amount (2025: 8.25% and 16.5%).

Except as disclosed above, other subsidiaries of the Company which are established and operated in the PRC are subject to enterprise income tax at a standard rate of 25% (2025: 25%). Overseas subsidiaries of the Company pay taxes in accordance with the tax laws of their respective locations.

12. Earnings per share

(1) Basic earnings per share

The calculation of basic earnings per share is based on the consolidated net profit attributable to ordinary Shareholders of the Company, less expected future unlockable restricted stock cash dividends divided by the weighted average number of issued ordinary Shares:

Unit: RMB

Items	For the period from 1 January 2026 to 30 June 2026	For the period from 1 January 2025 to 30 June 2025
Consolidated net profit attributable to ordinary shareholders of the Company	1,658,028,371.34	2,076,581,358.73
Weighted average number of issued ordinary shares of the Company	1,365,462,674.00	1,351,881,869.00
Basic earnings per share	1.21	1.52

(2) Diluted earnings per share

The calculation of diluted earnings per share is based on the consolidated net profit attributable to ordinary Shareholders of the Company adjusted for dilutive potential ordinary Shares divided by the adjusted weighted average number of ordinary Shares in issue. The Company has no dilutive potential ordinary Shares, and therefore the diluted earnings per share were the same as the basic earnings per share.

13. Dividends

The declaration and payment of a final dividend of RMB12.65 per 10 Shares (inclusive of tax) was approved at the annual general meeting of the Company held on 25 June 2026 for the year ended 31 December 2025. The final dividend of approximately RMB1,750,905,809 in total had been paid to the Shareholders of the Company as of the date of this announcement.

The Board does not recommend the payment of an interim dividend for the Reporting Period. No interim dividend was paid for the corresponding period last year.

MANAGEMENT DISCUSSION AND ANALYSIS

I. STATUS OF THE INDUSTRY IN WHICH THE COMPANY OPERATED DURING THE REPORTING PERIOD

1. Overview of the Domestic Heating, Ventilation and Air-conditioner (“HVAC”) Market

(1) Central air-conditioner market

In the first half of 2026, the central air-conditioner industry was under broad-based pressure. According to statistics from AICON, the market size declined by 10.8% year-on-year. Yet despite the headwinds, the industry forged ahead, with growth highlights emerging in several segments.

The commercial fit-out market remained broadly subdued, with demand for real estate-related projects continuing to weaken. However, supported by the “Two New” Initiative, backed by RMB200 billion of ultra-long-term special treasury bonds issued in 2026 to boost large-scale equipment renewal, retrofit segments achieved counter-cyclical growth. Specifically: in energy-efficient retrofitting of existing public buildings, central air-conditioning upgrade projects for hospitals, educational institutions and commercial buildings have been listed as key areas for policy support, with full-year growth projected at approximately 10%; in industrial energy-efficient retrofitting, robust demand exists for technical upgrades that replace high-energy-consuming boilers with industrial high-temperature heat pumps, driving a 14% growth rate for relevant products; in digital infrastructure retrofitting, IDC computing power precision temperature control and liquid-cooled data centre projects have recorded growth above 20% for two consecutive years, emerging as the fastest-growing market segment.

The home fit-out retail market, weighed down by a sluggish real estate sector, declined by nearly 14%, although signs of recovery are already emerging. Refurbishment of second-hand homes and unit replacement have become the core incremental drivers. Customer demand is shifting from the procurement of individual equipment toward integrated multi-constant system solutions that combine AI-enabled intelligence, health, comfort and energy efficiency. Industry competition is no longer confined to the equipment itself, but has escalated into a contest of comprehensive service capabilities covering customised whole-home comfort solutions, standardised concealed installation workmanship and local maintenance and servicing. Leading players capable of delivering end-to-end integrated solutions will gain greater leverage in the era of stock competition.

(2) Household air-conditioner market

According to omni-channel monitoring data from AVC (All View Cloud), the domestic air-conditioner market came under significant pressure in the first half of 2026, with retail volume and retail value declining by 19.5% and 23.3% year-on-year, respectively. The market downturn arises from the combined impact of multiple headwinds: continued weakness in real estate-linked supporting demand, the tightening of national subsidy policies and the pull-forward of demand brought by earlier stimulus policies, which have weakened momentum for both new installations and stock replacement. Meanwhile, high channel inventory placed pressure on industry growth. The “trading price for volume” dynamic became especially pronounced during major promotional campaigns, driving average industry selling prices further downward, and end-consumer purchasing decisions grew increasingly conservative and rational.

Despite the broad-based market downturn, the direction of product upgrades remains clear. Energy efficiency, comfortable airflow, healthy air and smart interaction have become core levers for enterprises to break free from fierce price competition and build differentiated competitive advantages.

2. Overview of the Domestic Refrigerator, Washing Machine and Kitchen Appliances Market

(1) Domestic refrigerator and freezer market

According to omni-channel aggregate data from AVC (All View Cloud), China's domestic refrigeration market in the first half of 2026 exhibited a divergent pattern, with refrigerators coming under pressure while freezers posted growth. Refrigerator retail volume fell by 5.6% year-on-year and retail value by 7.7% year-on-year, yet structural upgrades were pronounced, with large freezer compartments, ice-making functions and smart features emerging as the three core directions. On large freezer compartments: driven by growing consumer demand for frozen storage, the freezer-compartment share within mainstream large-capacity products continued to rise. On ice-making: younger consumers' demand for iced drinks has pushed ice-making into a core product highlight and a standard feature of premium models, with ongoing upgrades toward rapid ice-making, detachable designs and antibacterial functions. On smart features: refrigerators are evolving from a single "cold storage space" into an "intelligent lifestyle steward"; future designs may adopt a "pluggable functional cabin" architecture with an AI steward to meet rising personalised demand, delivering more timely, efficient and convenient food inventory management. The freezer market, by contrast, performed strongly. AVC omni-channel aggregate data showed freezer retail volume grew by 13.8% year-on-year, and retail value grew by 10.1% year-on-year. Market trends are shifting from a single-minded pursuit of "larger capacity" toward "larger capacity coupled with refined storage". Consumers are seeking not only bigger freezing capacity but also better categorisation and more refined storage of ingredients.

(2) Domestic washing machine market

According to omni-channel aggregate data from AVC (All View Cloud), the domestic washing machine market came under pressure in the first half of 2026, with retail volume and retail value declining by 5.2% and 4.6% year-on-year, respectively. Despite the broad-based weakness, opportunities for structural growth remain pronounced. On the one hand, large-capacity products and demand for segmented usage scenarios have become the twin engines driving value growth in the stock market. On the other hand, multi-drum washing machines featuring partitioned washing closely match differentiated household laundry requirements, continuing to lead the market and acting as the focal point for best-selling models. At the same time, mid-to-high-end categories such as premium washer-dryer sets and heat-pump laundry-care products achieved counter-trend growth. With sustained policy support and manufacturers deepening their premium positioning, the value potential of the stock market is set to expand further, and the industry is expected to move towards higher-quality development through structural upgrading.

(3) Domestic kitchen appliance market

In the first half of 2026, weighed down by the dual pressures of a real estate downturn and waning national subsidies, China's kitchen and bathroom major-appliance market came under broad-based pressure. AVC (All View Cloud) omni-channel aggregate data showed retail value in the segment falling by 10.1% year-on-year.

Despite the broad-based weakness, structural divergence across categories was pronounced. Range hood and stove categories accelerated their move toward premiumisation. Range hoods focused on selling points such as concealed designs, large air volume with high pressure, self-cleaning and AI-powered hood-stove linkage; gas stoves upgraded around high heat output and high thermal efficiency, with fully concealed dry-burn prevention emerging as a premium differentiator, while product designs were also better suited to cleaning needs and small-pot cooking scenarios. Disinfection cabinets, featuring all-stainless steel inner liners, drip-free structures and AI auto-disinfection, aim to boost daily usage frequency and shake off the stereotype of being an "underused appliance". The water heater category as a whole saw relatively modest volatility: gas water heaters continued to weaken, while electric water heaters held steady supported by stock-replacement demand, with product innovation centred on constant-temperature experiences and whole-home healthy water treatment. Overall, the kitchen and bathroom market has formed a competitive landscape featuring three co-existing brand groups: specialist brands, integrated brands and long-tail brands. Structural upgrading and scenario segmentation will be the main drivers of future growth.

3. Overseas Home Appliance Market

The global home appliance market in the first half of 2026 showed a complex pattern featuring both "divergence" and "recovery" amid multiple pressures. Geopolitical risks, raw material price volatility and shipping capacity constraints posed notable challenges, while climate trends, inventory cycles and the pace of regional economic recovery further amplified market uncertainty. The divergence was especially pronounced in export data. According to data from Industry Online, export volumes in the first half of 2026 grew by 14.4% year-on-year for both refrigerators and washing machines, demonstrating strong resilience, while air conditioner exports fell by 6.8% year-on-year, coming under pressure.

Despite differentiated challenges across regional markets, the growth drivers remain clear: in Europe and the US, consumer preference for energy-efficient and smart appliances continues to drive product iteration and premium upgrades; in emerging markets, the steady rise in home appliance penetration points to sizeable potential for further scale growth.

4. Overview of the Automotive Air Conditioner Compressor and Integrated Thermal Management System Market

According to IHS statistics, cumulative compressor production in the global automotive industry reached approximately 43.99 million units in the first half of 2026, marking a slight year-on-year decline of 2.6%. While overall production remained largely stable, the underlying structure was undergoing profound divergence. The split between ICE-vehicle compressors and NEV compressors widened: internal combustion engine (ICE) vehicle compressor output continued to contract, with global output of about 28.58 million units in the first half, representing a year-on-year drop of 8%; meanwhile, global new energy vehicle (NEV) compressor production reached approximately 10.94 million units, up by 8.4% year-on-year, emerging as the core engine driving steady industry growth. Within that, the Greater China region produced around 7.29 million units, up roughly by 7.6% year-on-year.

As the global automotive market accelerates its transition to electrification, it is also facing an increasingly complex external environment. Geopolitical risks: continued volatility in the Middle East is disrupting logistics and supply chains. Trade policy shifts: US tariff policy is reshaping the cost structure and supply-chain footprint of the global automotive industry. Environmental regulatory changes: divergent emission and energy-efficiency standards across countries are adding to corporate compliance pressures. Overall, the electrification transition is injecting growth momentum into the industry, but geopolitical and trade-policy uncertainty has become a new variable the global automotive value chain must squarely confront.

II. STATUS OF PRINCIPAL BUSINESS OF THE COMPANY DURING THE REPORTING PERIOD

During the Reporting Period, Hisense Home Appliances recorded revenue of RMB46.765 billion, down 5.22% year-on-year, and net profit attributable to shareholders of RMB1.658 billion, down 20.16% year-on-year. Faced with profound adjustments across the industry, the Company has maintained unwavering strategic resolve, adhered to a user-centric philosophy and based its development on the principle of "building the enterprise through technology". Amid industry headwinds, the Company has proactively pursued transformation and risen to challenges. That said, we are acutely aware that as we navigate the business cycle, there remains scope for improvement in structural upgrading and operational efficiency.

Against external pressures such as geopolitical disruptions and rising raw material prices, the Company's ability to respond still requires further improvement. Going forward, the Company will continue to deepen its localised overseas operations to hedge against trade risks: optimising the regional footprint of overseas production bases and supply chains to mitigate the impact of tariffs and shipping costs, while developing differentiated product and brand strategies tailored to different regional markets to enhance overseas profitability. In terms of premiumisation and catering to differentiated segment demand, the Company's competitiveness needs further enhancement. The Company will continue to monitor changes in segmented market demand, especially the preferences of younger consumer groups, scale up technology reserves as well as product iteration and innovation to strengthen product competitiveness. It will also further develop its differentiated product matrix: focusing on high-growth tracks including fresh-air systems, heat pumps and industrial central air-conditioning, developing flagship products with solid technological moats to enable rapid market response. With regard to channel and inventory management, operational efficiency remains to be improved. The Company will continuously optimise global channel and inventory management frameworks, promote online-offline integration, establish a more agile supply-chain response system and boost management capacity over the end retail market. To drive refined management, the Company will adopt digital solutions to optimise cost structures throughout manufacturing, logistics and marketing, maintaining relatively stable profit margins.

1. HVAC Business

(1) Central air-conditioner business

The Company has actively responded to the national strategy for green and low-carbon transformation, making sustained efforts across four priority areas: energy-efficiency upgrades of central air-conditioning systems, refrigerant management and green compliance, the renewal of existing equipment stock, and the promotion of heat pumps, to help the HVAC industry transition towards sustainable, high-quality development. According to Industry Online statistics, the Company recorded a market share of 26.6% in the domestic multi-connected machine market during the Reporting Period, continuing to lead the industry forward.

i. In terms of the home fit-out business segment, the Company focuses on premium intelligence, health and energy efficiency, driving product upgrades and channel expansion through technological innovation, thereby achieving high-quality growth and market leadership in the home fit-out business.

Hitachi launched the upgraded Whole-house All-Sense 3.0 Five-Constants+ Smart Air Customisation System. Leveraging three core strengths including integrated innovation, intelligent upgrades and refined customisation, the system creates a "one person, one environment" air experience, supporting upgrades to premium residential living. The Zunrui Total-Effect II outdoor unit has also been renewed, supporting temperature-and-humidity dual control coordinated with floor-heating systems. Within six months of launch, shipment volume and order intake grew 170% and 215% year-on-year, respectively. In addition, the Hitachi AI Smart Screen and the new Linear Human-Sense 3D Air Outlet blend minimalist design aesthetics into home environments, redefining the premium living comfort experience through AI-powered human sensing. The two products have won the Silver Award and the Winner Award at the SHOP! International Design Awards respectively.

Hisense officially launched the ThinkAir 2.0 Whole-house Healthy Smart Ecosystem. Its core product, the Ai Home II PRO, pioneered the 6-in-1 four-pipe energy-saving and comfort system, integrating air-conditioning, floor heating, hot water, fresh air, temperature-and-humidity dual control and whole-house intelligent control into a single solution and achieving a revolutionary "one for six" breakthrough. The product successively won three prestigious international awards: the 2026 Red Dot Award, the AWE 2026 Appliance Platinum Award and the US SHOP! Design Award. In terms of business expansion, Hisense actively diversified into light commercial unitary systems, heat pumps and other emerging tracks, where the relevant businesses achieved rapid growth of over 80%, driving a 10.51% year-on-year increase in Hisense's home fit-out business revenue.

York launched the YES-comfort IV Series multi-connected systems together with the industry's first fluorine-water heat-exchange tank, building a premium integrated suite solution centred on a three-pipe, three-supply architecture for air-conditioning, floor heating and domestic hot water. Every model in the series is equipped with vapour-injection enhanced compressors, enabling stable heating at -30°C and powerful cooling at 46°C. When paired with the Sky fresh-air unit, the system delivers intelligent Six-Constants air management. When matched with the fluorine-water heat-exchange tank, it forms a fluorine-water dual supply solution to satisfy high-end customers' dual requirements for air conditioning and domestic hot water, consolidating the brand's competitive edge in the premium market. During the Reporting Period, shipment value for fluorine-water hybrid systems and multi-connected systems rose by 15% year-on-year.

Kelon integrated its product, policy and channel resources to drive high-quality growth in its home fit-out business. On the product side, the brand focused on two priority areas, namely "healthy air" and "high cost-effectiveness". It prioritised the E+ II household multi-connected systems equipped with the Hi-nano Ultra ion sterilisation module, alongside the launch of a portfolio of competitive offerings such as the new Nuanyi Series dedicated heating units. These moves effectively eased dealer inventory pressure and lifted end-market sell-through. On the channel side, Kelon brought in more than 100 additional high-quality merchants at the million-yuan level. Efforts centred on three high-potential tracks: integrated distributors of leading brands, TOP customers and home fit-out designers, significantly strengthening network coverage. During the Reporting Period, shipment value from Kelon's home fit-out segment grew by 25% year-on-year, and its household water products were included in the Catalogue of Key Energy-Saving and Carbon-Reduction Technologies and Products issued by the China Energy Conservation Association.

ii. In terms of the engineering business segment, the Company has cultivated in-depth expertise in segmented scenarios and driven low-carbon transformation via technological innovation and intelligent manufacturing upgrades, achieving the rollout of benchmark projects across multiple fields alongside high-quality business growth.

Hitachi has focused on the high-value engineering market, securing continuous breakthroughs in medical purification, retrofit and renovation, and real estate supporting facilities. Targeting high-end real estate supporting projects, medical facility retrofits and small-to-medium-sized projects, the Company launched the SET-FREE Zhijie Temperature-and-Humidity Dual-control Product, the Medical Purification DX AHU and the SET-FREE AIII Large Side-discharge Outdoor Unit. Among them, the industry-first four-pipe SET-FREE Zhijie Temperature-and-Humidity Dual-control Product boasts leading technologies covering temperature-and-humidity dual control, low-temperature heating, high-temperature cooling and fault early warning. Five invention patents and eight utility model patents have already been filed for the product. During the Reporting

Period, contract value from the medical sector rose by 5% year-on-year.

Hisense Engineering closely seized the policy window for carbon emission reduction in the construction sector, anchoring two core tracks: HVAC energy-saving retrofits for public buildings and carbon reduction in high-energy-consumption industrial scenarios, thereby achieving steady growth against the market trend. Its business covers a wide range of scenarios including real estate, healthcare, education, rail transit, and industrial and mining plants. The division has delivered dozens of benchmark low-carbon retrofit projects worth over RMB10 million each, accomplishing a strategic upgrade from a "single equipment supplier" to a "full-scenario, full-lifecycle air solution provider". Leveraging the north-south dual intelligent manufacturing layout established by the Hisense-Bosch Lighthouse Factory and the Changsha water chiller factory, delivery efficiency for commercial engineering projects improved by 22% in the first half of 2026, customised demand response cycles were shortened by 30%, and penetration in the national commercial engineering market rose by 6% year-on-year.

York Engineering launched three new products to further enrich its public-building product portfolio: the YES-ECO III top-discharge multi-connected system (expandable to 120HP through modular combinations), the YES-data series computer-room air-conditioners designed for data centres, and the YZM series purified and corrosion-resistant DX units targeting premium purification scenarios. Centring on four priority directions, namely industrial applications, retrofit and renovation, premium purification and data centres, the Company's data centre business grew by 130% year-on-year. Leveraging its "water-fluorine synergy, leading public building solutions" product strategy and the intelligent manufacturing and delivery capabilities of the Hisense-Bosch Lighthouse Factory, York Engineering continued to strengthen its competitiveness in the public-building market.

The Kelon brand seized two major market opportunities, namely domestic substitution and infrastructure renewal, focusing on technological upgrades of engineering multi-connected systems and breakthroughs in engineering projects. On the product side, it advanced the development of the Large Multi-connected K3 Series, achieving coverage of the full capacity range from 8HP to 42HP per module, while simultaneously expanding reach for flagship products such as unitary systems into lower-tier channels and enhancing supporting capabilities for public-building projects. Backed by standardised quality control under joint Hisense-Bosch manufacturing, large-scale deliveries are guaranteed. On the channel side, it targeted three high-potential segments: general contractors, private enterprises and government platforms. The brand signed more than 50 million-yuan-level platform distributors and secured eight benchmark projects, achieving staged breakthroughs in mainstream engineering channels. A combined policy package of "inventory stocking incentives and benchmark project rewards" boosted activity among platform distributors, bringing simultaneous improvements to revenue quality and profitability within the engineering segment.

iii. In terms of the new business segment, the Company has pursued two parallel

tracks in smart HVAC and water chiller businesses, leveraging ECO-B technology iterations to expand market coverage and new water chiller products to consolidate technological moats, while continuing to position itself in the AI-powered HVAC upgrade track.

The Hisense Smart HVAC ECO-B system has completed key technology iterations and scaled implementation. The self-developed universal HVAC control system has been put into stable operation at the Changsha factory, marking an important breakthrough in core self-sufficiency. Alongside the iteration and upgrade of the ECO-B system architecture, cloud-edge-terminal coordinated energy-saving control capabilities have been enhanced in parallel, strengthening system flexibility and scalability and enabling adaptation to a wider range of application scenarios. During the Reporting Period, relevant solutions were deployed for the first time in segmented sectors including small-scale commercial chains and clean-energy station retrofits, with HVAC intelligent control contracts growing 41.6% year-on-year on strong momentum.

The water chiller segment seized opportunities arising from dual-carbon policies and technological transformation, building differentiated competitive barriers through core technologies spanning self-developed compressors, pressure vessels and automatic controls. During the Reporting Period, three new products were launched: a 1200RT large-capacity permanent-magnet direct-drive centrifugal chiller targeting high-end large-scale industrial and commercial projects, featuring dual Grade 1 energy efficiency and a maximum full-load COP of 6.92, 8% above the national Grade 1 standard; a modular oil-free centrifugal chiller purpose-built for retrofit projects, with a footprint of just 2.4 square metres and convenient transportation and installation; and a large screw air-cooled heat pump capable of stable operation across a wide operating range, with the full series meeting energy-saving efficiency standards. These products jointly deliver comprehensive low-carbon smart air solutions for diverse scenarios.

(2) Household air-conditioner business

Taking "reshaping the value of air through leading technology and providing reliable full-scenario air solutions for global users" as its mission, the household air-conditioner business focuses on technological and product upgrades for the Hisense and Kelon brands.

i. Hisense Air Conditioner continues to boost product innovation and brand marketing capabilities. It upgrades and refines its new product portfolio and secures multiple authoritative awards. Leveraging the FIFA World Cup IP and brand strategic campaigns, it further expands communication influence, maintaining a leading position within the fresh-air air-conditioner segment.

Hisense Air Conditioner centres on the three core directions of "intelligence, fresh air and energy efficiency", with AI as the core thread. It rolled out three series: Smart Fresh Air, Smart Airflow and Smart Energy-Saving, together with the premium TRÉSOR suite product matrix. The brand launched the Yufengdun Smart Airflow A6, a human-sensing air conditioner with 340° comprehensive airflow control, and the Smart Airflow E5, the first sliding-cover air conditioner launched in China. Hercules U6 obtained the AWE Appliance Innovation Award and the German Red Dot Design Award, while the Smart Airflow E5 Pro received the Technology Innovation Award at the China HVAC Industry Innovation Summit. Meanwhile, taking the opportunity of serving as an official sponsor of the 2026 FIFA World Cup, the Company unveiled a portfolio of World Cup-customised air-conditioning products, hosted the “Good Air” Strategy Action Launch Conference, and reinforced brand communication alongside its 30th anniversary celebrations. Integrated online and offline marketing activities themed on the World Cup covered major physical retail outlets and mainstream e-commerce platforms nationwide. These initiatives stimulated robust terminal sales, lifted brand recognition and successfully converted event popularity into tangible sales performance. The brand retained the top position in China’s fresh-air air-conditioner sales ranking in 2025 and was honoured as a “Leading Fresh-Air Air-Conditioner Brand”. During the Reporting Period, Hisense maintained the leading market share across all channels in the fresh-air air-conditioner segment.

ii. Kelon Air Conditioner builds differentiated competitive advantages relying on core magnetic levitation technology and takes the lead in realising the industrial application of magnetic levitation technology for household air conditioners. A range of innovative new products have been launched, driving incremental market growth and winning industry awards.

Kelon Air Conditioner has completed its layout of new products featuring magnetic levitation technology and is the first brand in China to apply magnetic levitation technology to household air conditioners, forming differentiated competitive advantages in low noise and energy efficiency. This technology is adopted in the Jingshengdian LT, QS-lite, LH and Cloud Cat Max Second Generation series. Benefiting from its friction-free suspended operating structure, operating noise is reduced to 14 decibels, placing its mute performance at the forefront of the industry. Sales of Jingshengdian LT, the key offline promoted model, rose by 43.5% year-on-year in the first half of 2026. The mid-to-high-end new Cloud Cat Ultra floor-standing unit launched in the same period is equipped with smart technologies including Star Flash Human Sensing 2.0 and dual-core intelligent voice control. It received the “Annual Innovative Product Award” at the 20th Shanghai Home Appliance Carnival.

2. Refrigerator, Washing Machine and Kitchen Appliance Business

(1) Refrigerator Business

i. Ronshen refrigerator: intelligent freshness preservation drives high-end transformation, with tangible results from product mix optimisation

During the Reporting Period, drawing on 43 years of brand heritage, Ronshen has continued to advance innovation in cutting-edge freshness preservation technologies. While guaranteeing excellent energy efficiency of its products, the brand has steadily enhanced food freshness retention capacity, providing healthy and sustainable smart kitchen solutions for consumers. According to AVC’s omni-channel monitoring data, the market share of Ronshen's mid-to-high-end and high-end refrigerator products rose by 3.12 percentage points year-on-year in the first half of 2026, demonstrating tangible progress in product mix optimisation and high-end transformation.

To meet consumer demand for refined ingredient storage and healthy management of the internal refrigerator environment, the Company adopts advanced WILL Ecological Compartment Technology and Hydrolight Ion Freshness Preservation Technology to recreate the native growing environment of ingredients. Combined with the Micro-Freezing Fresh-Locking Compartment and Freezer Fresh-Locking Compartment, the products support partition management of storage zones and build dedicated layered fresh-keeping environments for fruits, vegetables, fresh meat and frozen goods. Meanwhile, the Cube Pro series benefits from core technologies and hardware advantages including independent dual-system refrigeration, AI-enabled full-space dual purification and ultra-clean rapid ice-making, realising iterative improvements in refrigeration efficiency and storage conditions. Fitted with the AI Dual Active Deodorisation and Sterilisation System, the series can dynamically detect refrigerator usage frequency and fluctuations in storage conditions and launch proactive deodorisation and sterilisation interventions. It achieves a sterilisation rate of up to 99.9999%, establishing an industry benchmark for deodorisation and sterilisation technology and further consolidating the Company's competitive advantages in the high-end market.

ii. Hisense refrigerator: deepening expertise in vacuum freshness preservation and ushering in an AI molecular-level freshness preservation revolution

Hisense Refrigerator continues to focus on the R&D and application of vacuum magnetic field freshness preservation technology, combined with AI intelligent control modes. Leveraging the self-developed Xinghai large model, the brand delivers dedicated freshness preservation environments for special ingredients, fully meeting personalised freshness preservation needs across diverse scenarios. According to omni-channel monitoring data from AVC, retail sales of Hisense refrigerators rose by 3.82% year-on-year in the first half of 2026, while the market share of mid-to-high-end and higher-end products increased by 1.20 percentage points year-on-year, demonstrating steady progress in its high-end transformation.

To tackle prevailing industry pain points including persistent odours inside refrigerators and flavour deterioration of premium ingredients such as deep-sea fish and meat following long-term freezing, the Company adopts AI cruise deodorisation technology together with core technologies covering vacuum cold extraction and deep-cold quick-freezing. It has launched innovative offerings including the AI Electronic Nose Cruise Deodorisation System, the Big Pear Series and the TRÉSOR Vacuum Premium Refrigerator. The AI Electronic Nose Cruise Deodorisation System can respond within 30 seconds and alert users to remove spoiled ingredients, achieve efficient sterilisation in 2 minutes, realise rapid deodorisation within 6 minutes, and maintain active cleanliness protection inside the refrigerator around the clock. As an industry pioneer of large-freezer refrigerators, the Big Pear Series adopts a 980 mm high-waistline design paired with -36°C deep-cold technology, allowing salmon to retain sashimi-grade freshness even after re-freezing for 30 days. The TRÉSOR Vacuum Premium Refrigerator is equipped with the industry's first 10-minute vacuum cold extraction function and a clean ice-making system. It not only actively maintains internal cleanliness but also elevates refrigerators from mere food storage appliances to premium products that enhance kitchen living quality. In terms of after-sales services, the Company maintains its rigorous after-sales policy offering a three-year full-unit warranty and a ten-year compressor warranty. It actively supports the rollout of trade-in subsidies, accelerating industrial structural upgrading and fostering brand reputation.

iii. Freezers: innovating air-cooling technology and setting a benchmark for premium freezer quality

In the first half of 2026, the Company's freezer business seized the industry opportunity of simultaneous growth in freezer retail volume and value. Taking air-cooling technology innovation as the core driving force, the business continued to optimise its product portfolio. According to omni-channel monitoring data from AVC, the market share of Ronshen Freezer's offline mid-to-high-end and high-end products reached 12.17% in the first half of 2026, representing a year-on-year increase of 0.19 percentage points.

Hisense Freezer tackled common drawbacks of traditional chest freezers, such as frost accumulation, inadequate deep-freezing performance and low space utilisation. Drawing on the fifth-generation air circulation system and -40°C deep-freezing fresh-preservation technology, the Company rolled out a range of products including the air-cooled chest freezer series, as well as the Big Pear Series Air-cooled Upright Freezer 288 and Chest Freezer 181. These products enable food ingredients to rapidly pass through the ice crystal formation zone, while the full-space purification function delivers antibacterial and deodorisation effects. Among them, backed by its antibacterial and deodorisation performance, the Hisense air-cooled chest freezer repeatedly claimed the leading weekly market share in the 200L air-cooled chest freezer segment in the first half of 2026 (AVC data). Adopting permanent frost-free air cooling and full-space purification technology, the Hisense Big Pear Series offers a generous 288L capacity on a footprint of merely 0.36 square metres, effectively reconciling the trade-off between space utilisation and food preservation. The Chest Freezer 181 integrates premium configurations including frost-free air cooling, -40°C deep freezing and full-space purification, accurately catering to the diverse demands of quality-conscious households and commercial users.

Ronshen Freezer targeted pain points of weak performance and low space utilisation prevalent among small-capacity freezers. It adopted variable-frequency compressors and high-insulation thin foam layer technology to carry out comprehensive upgrades to the Fresh Cube and Fresh Cube Pro series. Equipped with lateral three-dimensional air outlets and multi-channel three-dimensional air supply design alongside an unobstructed bottom return air channel, the air-cooled Model 181 achieves a more than 17% improvement in space efficiency. It fills the performance gap in the small-capacity segment and provides the convenience of frost-free air cooling, consistently ranking first in the industry's upright freezer segment. Meanwhile, the 145L variable-temperature freezer secured a position within the industry Top 10 for multiple weeks over six months. The 202 air-cooled freezer, Model 203 and Model 205 variable-temperature freezers have steadily stayed within the upper bracket of the industry Top 20, continuously reinforcing the Company's competitive edge in the premium freezer market.

(2) Washing Machine Business

During the Reporting Period, Hisense Washing Machines focused on core demands for refined laundry care among modern households and continued to advance technological R&D and product matrix upgrading. Leveraging its mid-to-high-end product portfolio including integrated heat-pump laundry systems and Family Drum products, the business effectively tapped into segmented markets and delivered dual improvements in business scale and brand influence. Hisense Family Drum was officially awarded the title of "Industry Pioneer of Integrated Washing Machines with Built-in Shoe Washing Function" by the China Household Electrical Appliances Research Institute. According to omni-channel monitoring data from AVC, retail sales of Hisense washing machines increased by 22.7% year-on-year in the first half of 2026, and the market share of mid-to-high-end and premium products rose by 2.2 percentage points year-on-year. During the 618 shopping festival, Hisense washing machines achieved a 59.3% year-on-year increase in e-commerce sales volume; its market share climbed 2.81 percentage points year-on-year, and the average selling price registered a year-on-year rise of 186%.

At the product level, the new-generation Hisense Family Drum series targets core pain points: cluttered household laundry equipment, time-consuming manual shoe washing, and high costs for professional shoe cleaning services. In the first half of 2026, the Company launched Hisense Family Drum Cotton Candy U7S and the online-exclusive Hisense Family Drum Big Mint 2.0 E5S, extending laundry care coverage from garments to footwear. Adopting a four-drum partitioned design and an independent water circuit system, the product suite consists of one 12kg large-capacity washing machine, one 8kg heat-pump dryer, two 1kg washer-dryers for maternity wear and undergarments, one 3kg shoe washer and one 3kg shoe care machine, fully catering to all types of household laundry care demands. Occupying merely 0.5 m^2, the unit forms an integrated household laundry care station. The Cotton Candy U7S achieved sales exceeding 10,000 units within the first month after launch. Meanwhile, the Big Mint 2.0 E5S continuously led the rankings of heat-pump laundry care products during the 618 shopping festival, ranking No.1 on the bestseller list for heat-pump laundry care appliances.

At the technology level, three core technologies fuel improvements to the laundry care experience. First, the shoe washing drum is equipped with Living Water Whitening Technology to efficiently remove stains on shoes. Its Fresh Oxygen Care function enables water-free deodorisation and fungus elimination. The two independent small drums hold dual certifications of Mother & Baby Grade and Premium Care Grade. Second, the main drum features the industry-leading AI Zeus Heat Pump 3.0 technology. It is the industry's only full-size flush-mounted heat-pump washer-dryer that completes washing, care and drying in one drum without transferring laundry, lifting drying efficiency by 32%. Third, the whole unit is fitted with Living Water Washing Technology. Its Healthy Water achieves a fungus removal rate of 99.99%, and softened water delivers a scale inhibition rate of over 93%. The product leads the industry with a high wash index of 1.35. While retaining the original overall capacity and core performance, the Big Mint 2.0 E5S features an ultra-slim main drum body, which fits perfectly with the minimalist home interior style of modern households. Supported by technological innovation and enhanced product competitiveness, Hisense Washing Machines has received a series of prestigious awards, namely the AWE 2026 Appliance Innovation Award, the 2026 CES Best Innovation Award and the 2026 China Home Appliance Innovative Retail Outstanding Case Award, further consolidating its industry influence and brand premium capacity.

(3) Kitchen Appliance Business

Hisense Kitchen Appliances has built industry-leading advantages in three dimensions: aesthetics, quality and intelligent technology, by leveraging its global resource integration capabilities. On the product side, it draws on the design DNA of ASKO and gorenje, benchmarking top-tier standards in CMF craftsmanship and quality control, and builds first-mover advantages in intelligent technology supported by its global smart laboratories. In the first half of 2026, the Hisense Silent Range Hood obtained the “Industry Pioneer of Silent Range Hoods” certification issued by the China National Household Electric Appliance Industry Information Centre.

On the channel side, Hisense Kitchen Appliances has established a multi-platform livestreaming matrix online and opened up front-end channels including home decoration, housing renovation and fine-fit housing. By adopting suite-based sales covering the complete home appliance portfolio, it has forged differentiated competitive strengths. Innovative SKUs including the Silent Range Hood and Zero-Bacteria Dishwasher have boosted channel premiums. During the Reporting Period, online retail revenue of the kitchen appliance business rose 35.71% year-on-year, serving as the core engine driving volume growth. Offline operations delivered steady incremental growth backed by premium appliance suites, alongside continuous optimisation of the product mix.

3. Domestic Channel Development

(1) Seizing the dual opportunities of the “Two New” policies and World Cup IP to spearhead industrial consumption upgrading

The Company actively rolled out the national trade-in initiative and continued to forge ahead in the core sectors of low-carbon, green and intelligent development, launching a range of premium products aligned with policy guidelines and market consumption demands. Capitalising on the traffic dividends brought by the World Cup IP, the Company further strengthened multi-dimensional partnerships with governments, enterprises and channel partners, and established a regular joint marketing system to effectively boost end-user consumption. The Company stayed firmly committed to its premiumisation drive: it leveraged products’ core strengths in high-end positioning, intelligence and eco-friendliness, greatly lifting the market competitiveness of core product categories. Notably, the Cotton Candy Ultra Family Drum Washing Machine claimed the 2026 CES Best Innovation Award for its groundbreaking innovation, making it the only washing machine brand to secure this prestigious honour in nearly 15 years. The Big Mint Suite achieved strong results during the 618 shopping campaign, propelling its flagship refrigerators and washing machines into the industry's Top 15 tier. The high-end TRÉSOR Suite maintained steady development and launched the Hercules Suite tied to the World Cup IP. Supported by integrated online and offline operations, revenue generated by the TRÉSOR Suite rose 27.7% year-on-year in the first half of the year, emerging as a key growth driver for the Company's business performance.

(2) Maintaining strategic focus on channel development, with AI-powered digital intelligence driving high-quality expansion

The Company continues to consolidate the foundation of its self-operated channels, focusing on high-quality expansion and improved store efficiency. In the first half of 2026, 1,272 specialty stores were newly opened. Through optimisations in dealer recruitment, site selection and store operations, newly opened stores achieved a 15% year-on-year increase in store efficiency. The proprietary online mall completed functional upgrades and UI experience optimisation to boost private-domain traffic acquisition and conversion and accelerate online-offline integration. Sales registered continuous month-on-month improvement, with retail sales in June rising more than 50% year-on-year.

The Company seizes opportunities arising from diversified channel development and steadily built an omni-channel matrix underpinned by content e-commerce, online distribution and self-operated platforms. It rapidly rolled out a Douyin livestream matrix, which has delivered initial results and shown a sound momentum of "stabilising existing business and securing incremental breakthroughs", driving double-digit year-on-year revenue growth of the Douyin channel in the first half of the year. The online distribution ecosystem saw accelerated expansion. The Company established the VPOP Benchmark Customer Club and further refined store strategies, fuelling a 113% year-on-year increase in online distribution revenue.

The Company remains firmly committed to AI-driven digital transformation and accelerated the deployment of AI technologies. Six marketing-oriented intelligent agents were launched, including Product Selling Point Packaging, AI Sales Champion Assistant and AI Intelligent Data Analytics. The Company also launched an integrated online-offline World Cup marketing campaign and optimised the marketing chain of "online content seeding for traffic attraction + offline scenario experience support + livestream-led conversion", lifting lead acquisition and conversion efficiency. Consequently, marketing ROI rose 18% year-on-year in the first half of the year.

(3) User-centric approach to deepen user operations and reshape service standards, enhancing user satisfaction

Adhering to a user-centric philosophy, the Company further advances user operation reforms and terminal service upgrades. It launched the User Profiling Insight Agent and upgraded the User Voice Insight Agent, building a full-link mechanism covering “real user voice collection”, “demand mining” and “closed-loop experience improvement”. Taking Hisense AiHome as the core interaction hub, the Company leveraged top-tier sports IPs including the FIFA World Cup to conduct in-depth interactions with members. Its membership base surpassed 100 million, with monthly active members rising 36% year-on-year. The Company set up a User Delivery Centre, reshaping service standards centring on the tenets of “speed, quality and care”. Oriented around the user journey, it strengthened end-to-end service guarantee and digitally empowered the user delivery experience. The HACC Customer Service Workbench and AI Service Consultant were launched; the AI intelligent customer service agent was iterated, and the work order dispatching model was optimised from merchant-assigned to technician-direct allocation, reaching a coverage rate of 95.3% in the first half of the year and greatly boosting terminal service efficiency and user experience. The Company also expanded over 300 core service network outlets. The first-time resolution rate of service problems rose by 4.15 percentage points in the first half of the year.

4. Overseas Markets for Home Appliances Business

During the Reporting Period, Hisense pressed ahead with the development of its global “7+1” regional centre ecosystem, fully capitalised on its FIFA World Cup 2026 rights and deeply integrated marketing resources. In the online market, the Company pushed high-end products and optimised the product mix. In the offline market, driven by retail business, it expanded its store network and improved operational efficiency. Overseas businesses maintained high-quality and efficient growth.

(1) Europe Region

During the Reporting Period, Hisense Europe Region fully leveraged the World Cup IP rights, took advantage of channel sharing under its multi-brand layout, and steadily promoted high-end and bundled product sets to optimise its product mix. In the first half of 2026, the white goods revenue of the Europe Region increased by 20% year-on-year. Specifically, revenue from refrigerators and freezers rose by 15% year-on-year; washing machine revenue surged by 39% year-on-year; and the average selling price of air conditioners registered steady growth.

(2) North America Region

During the Reporting Period, centring on key initiatives including the World Cup rights and Super Bowl sponsorship, Hisense North America Region consistently boosted brand exposure and user stickiness. In the first half of 2026, revenue of the North America Region grew by 11% year-on-year. Specifically, refrigerator revenue increased by 29% year-on-year, while washing machine revenue rose by 16% year-on-year.

(3) Middle East and Africa (MEA) Region

During the Reporting Period, Hisense's MEA Region fully leveraged World Cup IP rights, delivering a substantial uplift in regional brand awareness and robust growth in the e-commerce market. Amid the impact of conflicts in the Middle East, the region proactively expanded into the African market, with rising levels of localised manufacturing and supply chains in Egypt, Algeria and other markets, alongside rapid growth in store count. In the first half of 2026, revenue from refrigerators and freezers in the MEA Region rose by 8% year-on-year, and washing machine revenue increased by 24% year-on-year.

(4) Central and South America Region

During the Reporting Period, Hisense's Central and South America Region launched marketing campaigns by capitalising on FIFA World Cup event rights, focused on online collaboration with key retail channels, and attained rapid expansion in e-commerce business scale. In the first half of 2026, refrigerator revenue in the South America Region grew by 26% year-on-year. Channel inventory of air conditioners was gradually cleared; shipment performance is expected to improve quarter-on-quarter in the second half, and the average selling price of washing machines increased markedly.

(5) Asia-Pacific Region

During the Reporting Period, Hisense's Asia-Pacific Region aligned its marketing schedule with the World Cup campaign, steadily advanced offline terminal development, promoted high-end offerings and optimised the product mix. On the one hand, it consolidated its footprint in mature markets including Japan and Australia; on the other hand, it vigorously explored emerging potential markets. The region successfully secured access to the Himart channel in South Korea, achieved breakthroughs in agent partnerships in Pakistan, and opened more than 600 new stores. In the first half of 2026, revenue of the Asia-Pacific Region increased by 6% year-on-year. Specifically, household air conditioner revenue grew by 6% year-on-year, and washing machine revenue rose by 24% year-on-year.

(6) ASEAN Region

During the Reporting Period, the ASEAN Region focused on core product categories, prioritising the premium upgrade of offline terminals and boosting revenue contributions from key customers. In the first half of 2026, the sales mix of refrigerators kept improving, with revenue jumping by 50% year-on-year. Continuous upgrades to the Living Water Washing technology fuelled a 38% year-on-year revenue growth for washing machines. For air conditioners, the region stepped up development of professional channels and brand building, driving household air conditioner revenue up by 26% year-on-year.

(7) India Region

During the Reporting Period, the India Region concentrated on the air conditioner segment and secured breakthroughs in core channels. In the first half of 2026, revenue of the India Region surged by 90% year-on-year.

5. Automotive Air Conditioner Compressor and Integrated Thermal Management System Business

In the first half of 2026, Sanden company continued to consolidate its footprint in the mechanical compressor market and maintain stable core business. Meanwhile, Sanden company focused on the new energy track, delivered high-efficiency, energy-saving and reliable thermal management solutions, continued to serve automotive customers worldwide, and registered a marked improvement in operating results.

(1) Success across global markets, traditional and new energy businesses grow in tandem

In the first half of 2026, Sanden company secured new project awards worth RMB6.2 billion. Important progress was made in expanding key global customers and securing orders for flagship projects. Sanden company achieved positive outcomes across major markets including China, Europe, the Americas and Japan, laying a solid foundation for future revenue growth and improved operating quality.

Drawing on its global customer resources and technological strengths, the Company secured key breakthroughs in multiple markets by focusing on core businesses such as new energy vehicle thermal management, electric compressors and mechanical compressors. In the Chinese market, the Company further deepened cooperation with key customers and pushed forward the development and project rollout of innovative products including water circuit modules. In Europe, the Company broadened cooperation with strategic customers, won multiple key platform projects, and steadily strengthened its competitive edge in the mechanical compressor segment. In the Americas, it successfully obtained orders for new energy projects, further expanding the footprint of its electric compressor business. In Japan, the Company accelerated joint new product development with key customers and won project awards for flagship platforms, paving the way for subsequent mass production, sales and long-term collaboration.

(2) Deepening cost reduction and efficiency improvement to achieve notable progress in operational quality

Amid fierce competition in the automotive component market, Sanden company pressed ahead with cost optimisation, boosted manufacturing and management efficiency, and accelerated digital and intelligent transformation. As a result, the gross profit margin rose by 0.86 percentage points year-on-year in the first half of the year. Through organisational and process optimisation, functional integration and divestiture of low value-added businesses, Sanden company achieved substantial improvements in workforce and operational efficiency alongside continuous optimisation of the expense ratio. By raising capacity utilisation, cutting inventory levels and optimising the circulation of negotiable instruments, net cash generated from operating activities increased by RMB480 million year-on-year.

III. ANALYSIS OF PRINCIPAL FINANCIALS DURING THE REPORTING PERIOD

(I) MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS

Did the Company need to make retrospective adjustment to or restatement of the accounting data of prior years?

□ Yes √ No

Unit: RMB

Items	Amount for the Reporting Period	Amount for the corresponding period last year	Increase or decrease as compared to corresponding period last year (%)
Operating revenue (RMB)	46,765,857,550.25	49,340,344,981.85	-5.22
Net profits attributable to shareholders of the Company (RMB)	1,658,028,371.34	2,076,581,358.73	-20.16
Net profits after deducting non-recurring profit and loss attributable to shareholders of the Company (RMB)	1,332,447,704.59	1,817,610,114.41	-26.69
Net cash flow from operating activities (RMB)	3,235,127,088.88	5,321,988,827.78	-39.21
Basic earnings per share (RMB/share)	1.21	1.52	-20.39
Diluted earnings per share (RMB/share)	1.21	1.52	-20.39
Weighted average rate of return on net assets (%)	9.05	12.55	Decrease of 3.5 percentage points
Items	**As at the end of the Reporting Period**	**As at the end of the previous financial year**	**Increase or decrease as compared to the end of the previous financial year (%)**
Total assets (RMB)	78,100,427,801.02	69,984,242,341.49	11.60
Net assets attributable to shareholders of the Company (RMB)	17,457,482,047.79	17,469,005,538.20	-0.07

(II) NON-RECURRING PROFIT AND LOSS ITEMS AND AMOUNTS

Unit: RMB

Items	Amount	Description
Profits or losses from disposal of non-current assets (including the part written off for provision for impairment on assets)	38,806,621.32	--
Government grants recognised in profit or loss for the period (excluding those that are closely related to the company's ordinary operating activities, comply with national policies, are granted in accordance with prescribed standards, and have a continuous impact on the company's profit or loss)	44,813,912.16	--
Gains and losses arising from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises, and gains and losses arising from the disposal of financial assets and financial liabilities, excluding effective hedging transactions in relation to the entity's ordinary operating activities	140,478,226.60	--
Profit and losses from assets which entrust others to invest or manage	189,690,770.70	--
Gain or loss on debt restructuring	2,043,267.01	--
Other non-operating income and expenses other than the aforementioned items	-1,996,280.43	--
Less: Effect of income tax	79,547,384.86	--
Effect of minority interests (after tax)	8,708,465.75	--

Total		325,580,666.75	

(III) ANALYSIS OF PRINCIPAL BUSINESS

1. Changes in major financial data compared with the corresponding period of the previous year

Unit: RMB

Items in the statements of profit or loss and cash flows	Amount for the Reporting Period	Amount for the corresponding period last year	Increase or decrease as compared to corresponding period last year (%)	Reasons of change
Operating revenue	46,765,857,550.25	49,340,344,981.85	-5.22	--
Operating costs	37,173,172,589.37	38,743,597,232.06	-4.05	--
Sales expenses	4,298,032,999.67	4,869,442,985.61	-11.73	--
Management expenses	1,131,325,529.24	1,232,915,731.34	-8.24	--
Financial expenses	148,486,353.07	41,636,947.45	256.62	Primarily attributable to the fluctuation of foreign exchange gains and losses
Income tax expenses	551,768,870.34	436,679,453.25	26.36	--
Research and development expenses	1,536,768,142.43	1,674,893,303.26	-8.25	--
Other income	189,886,934.10	273,364,514.91	-30.54	Primarily attributable to a decrease in VAT refunds on embedded software products
Gain from changes in fair values	202,315,479.67	75,736,420.19	167.13	Primarily attributable to fair value fluctuations of wealth management products and forward foreign exchange contracts
Impairment losses on credit	-28,658,960.79	15,511,648.66	-284.76	Primarily attributable to changes in provision for bad debts and reversal of provisions
Impairment losses on assets	-96,500,897.20	-73,425,223.25	N/A	Primarily attributable to changes in inventory impairment provisions
Gains on disposal of asset	42,451,639.29	21,786,782.78	94.85	Primarily attributable to the disposal of certain long-term assets by subsidiaries
Non-operating expenses	49,164,266.72	17,220,897.46	185.49	Primarily attributable to the increase in expenses unrelated to the Company's ordinary business operations in the current period compared with the same period last year
Net cash flows from operating activities	3,235,127,088.88	5,321,988,827.78	-39.21	Primarily attributable to a decrease in cash received from the sale of goods and provision of services
Cash received from investment income	408,420,872.16	305,559,408.21	33.66	Primarily attributable to an increase in interest received from fixed-term deposits and wealth management products in the current period
Net cash received from disposals of fixed assets,	61,477,515.87	29,126,827.23	111.07	Primarily attributable to the disposal of certain long-term assets by subsidiaries

intangible assets and other long-term asset				
Net cash flows from investing activities	-892,925,802.11	-3,621,352,263.48	N/A	Primarily attributable to a reduction in net outflows from wealth management products
Cash received from other financing activities	36,248,652.95	391,834,125.12	-90.75	Primarily attributable to changes in bill guarantee deposits
Cash paid for dividends, profit distributions and interest	704,412,266.84	1,528,677,640.46	-53.92	Primarily attributable to changes in the amount and timing of dividends paid by subsidiaries
Cash paid relating to other financing activities	314,839,534.73	68,197,954.90	361.66	Primarily attributable to changes in bill guarantee deposits and loan repayments by overseas subsidiaries
Net cash flows from financing activities	-596,680,029.95	-668,288,088.93	N/A	--
Net increase in cash and cash equivalents	1,680,526,424.54	1,075,732,900.97	56.22	Primarily attributable to a decrease in net cash outflows from investing activities
Items in the balance sheet	**Amounts at the end of the period**	**Amounts at the beginning of the period**	**Change (%)**	**Reasons of change**
Cash and cash equivalents	5,265,445,893.88	3,496,408,124.80	50.60	Primarily attributable to the maturity of the Company's fixed-term deposits at the end of the Reporting Period
Receivables financing	7,274,816,997.74	4,607,438,550.93	57.89	Primarily attributable to an increase in the Company's bank acceptance bills during the Reporting Period
Other receivables	443,350,545.45	194,120,733.79	128.39	Primarily attributable to an increase in dividends receivable from subsidiaries
Other current assets	1,857,861,074.67	2,845,044,203.82	-34.70	Primarily attributable to the maturity of the Company's fixed-term deposits
Construction in progress	1,233,768,663.55	911,155,205.31	35.41	Primarily attributable to the Company's ongoing construction of the new industrial park during the Reporting Period
Taxes payable	720,197,749.55	448,596,053.86	60.54	Primarily attributable to an increase in income tax payable

2. Analysis of principal business segments and gross profit margin

Unit: RMB

Items	Principal operating revenue	Principal operating costs	Gross profit margin (%)	Increase or decrease in principal operating revenue as compared to corresponding period last year (%)	Increase or decrease in principal operating costs as compared to corresponding period last year (%)	Increase or decrease in gross profit margin as compared to corresponding period last year (percentage point)
By industry						
manufacturing industry	46,261,067,826.76	36,843,586,755.93	20.36	1.23	4.24	-2.30
By product						
HVAC	22,352,728,814.65	16,934,085,131.36	24.24	-5.66	-1.94	-2.88
Refrigerators and	17,375,578,769.38	14,455,205,755.11	16.81	12.88	15.56	-1.93

washing machines						
Other main business	6,532,760,242.73	5,454,295,869.46	16.51	-1.22	-2.05	0.71
By region						
Mainland	24,878,488,039.60	17,857,968,476.40	28.22	-1.47	2.54	-2.80
Overseas	21,382,579,787.16	18,985,618,279.53	11.21	4.56	5.89	-1.12

Reasons for changes of more than 30% in relevant data year on year

□Applicable √Not Applicable

(IV) PARTICULARS OF ENTRUSTED WEALTH MANAGEMENT

Unit: RMB ten thousand

Product type	Risk profile	Outstanding balance of entrusted wealth management products during the period	Unexpired balance	Overdue outstanding amount
Wealth management products	Short-term, low-to-medium risk wealth management products with high safety profile and strong liquidity. The investment scope did not include securities investment funds involving trading on the secondary stock market	2,115,144.97	2,115,144.97	0.00

There are no other material contracts of the Company during the Reporting Period.

(V) MAJOR SUBSIDIARIES AND COMPANIES IN WHICH THE COMPANY HAS EQUITY INTEREST

Unit: RMB ten thousand

Name of company	Company type	Major business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Hisense Bosch	A subsidiary of the Company	Production and sale of central air conditioners	US$150 million	1,911,471.87	708,957.08	989,822.62	187,086.03	159,850.41

IV. THE RISKS FACED BY THE GROUP AND OUTLOOK

(I) Macroeconomic Fluctuation Risk. Global macroeconomic uncertainties have increased. A sustained slowdown in economic growth may weaken consumption momentum and thereby dampen market demand for home appliances.

(II) Rising Cost Risk. Fluctuations in raw material prices may affect the Company’s product costs. Increases in labour and service costs, ocean freight costs, installation, maintenance and other service expenses may result in accumulated costs across multiple links, putting pressure on the Company’s profit margins.

(III) Exchange Rate Fluctuation Risk. Substantial fluctuations in the RMB exchange rate may trigger price-cost inversion in overseas markets. This will directly impair the cost competitiveness of the Company's overseas products and compress profit margins of its overseas business.

(IV) Market Risk Arising from Trade Protectionism and Trade Barriers. To safeguard their own economic interests, certain countries and regions may impose stricter trade barriers by raising tariffs, introducing mandatory certification requirements and other measures. Such moves will push up compliance costs and raise barriers to market access, eroding the Company's price competitiveness and channel penetration efficiency in overseas markets.

To cope with various operational challenges and risks, the Company is accelerating the shift to high-end products and further exploring emerging markets to strengthen its ability to withstand economic cycles. The Company has effectively alleviated upward cost pressures via initiatives including strategic reserves of raw materials, upgrades to smart manufacturing and adjustments to its global supply chain. Meanwhile, the Company adopts foreign exchange financial instruments to stabilise overseas earnings and hedge against exchange rate fluctuation risks. The Company will continue to bolster technology-driven development and global resource allocation capabilities, uphold a long-term vision, and achieve steady, sound and sustainable development amid a complex operating environment.

EXPOSURE TO EXCHANGE RATE FLUCTUATION AND ANY RELATED HEDGE

Since part of the purchase and overseas sales of the Group during the Reporting Period were denominated in foreign currency, the Group is exposed to certain risks of exchange rate fluctuation. The Group has used financial instruments such as import/export documentary bills and forward contracts for exchange rate hedging purposes.

AUDIT COMMITTEE

The Audit Committee has reviewed with no disagreement with the management the accounting principles and practices adopted by the Group, and discussed auditing, internal control, risk management system and financial reporting matters, including the unaudited interim results of the Group for the Reporting Period.

GEARING RATIO

As at 30 June 2026, the Group's gearing ratio (calculated according to the formula: total liabilities divided by total assets) was 72.21% (as at 30 June 2025: 73.91%).

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Hong Kong Listing Rules as its code for securities transaction by the Directors of the Company. After having made specific enquiries to the Directors, all Directors have confirmed that they had acted in full compliance with the Model Code during their term of office throughout the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Reporting Period.

PARTICULAR OF CONNECTED TRANSACTIONS IN RELATION TO ORDINARY BUSINESS OCCURRED DURING THE REPORTING PERIOD

Connected party	Type of connected transaction	Particulars of connected transaction	Pricing principle of connected transaction	Connected transaction amount (RMB ten thousand)	Percentage of total amount of similar transactions (%)
Hisense Group Holdings	Purchase	Finished goods	Agreed price by reference to market price	16,020.25	0.43%
Hisense Group Holdings	Purchase	Materials	Agreed price by reference to market price	137,326.55	3.69%
Hisense Group Holdings	Receipt of services	Receipt of services	Agreed price by reference to market price	85,869.71	2.31%
Hisense Investment Development	Purchase	Finished goods	Agreed price by reference to market price	60.52	0.00%
Hisense Investment Development	Purchase	Materials	Agreed price by reference to market price	0.04	0.00%
Hisense Investment Development	Receipt of services	Receipt of services	Agreed price by reference to market price	4,377.61	0.12%
Hisense Group Holdings	Sale	Finished goods	Agreed price by reference to market price	1,797,129.38	38.43%
Hisense Group Holdings	Sale	Materials	Agreed price by reference to market price	34,760.74	0.74%
Hisense Group Holdings	Sale	Moulds	Market price	784.60	0.01%
Hisense Group Holdings	Provision of services	Provision of services	Agreed price by reference to market price	5,493.25	0.11%
Hisense Investment Development	Sale	Finished goods	Agreed price by reference to market price	1,476.71	0.03%
Hisense Investment Development	Sale	Materials	Agreed price by reference to market	2.62	0.00%

Connected party	Type of connected transaction	Particulars of connected transaction	Pricing principle of connected transaction	Connected transaction amount (RMB ten thousand)	Percentage of total amount of similar transactions (%)
			price		
Hisense Investment Development	Provision of services	Provision of services	Agreed price by reference to market price	270.89	0.01%
Bosch Home Comfort	Purchase	Products	Agreed price by reference to market price	39,921.16	1.07%
HASCO Sanden	Purchase	Products	Agreed price by reference to market price	4,249.37	0.11%
Bosch Home Comfort	Sale	Products	Agreed price by reference to market price	21,589.58	0.47%
HASCO Sanden	Sale	Products	Agreed price by reference to market price	29,961.98	0.64%

Note:

*In June 2025, Hisense Group Holdings was split through a division of the surviving entity into Hisense Group Holdings (the "**Surviving Company**") and Hisense Investment Development (the "**Newly Established Company**"). Following the split, the Newly Established Company assumed the assets and liabilities relating to equity investments in Qingdao Shitong Shenghe Trading Co., Ltd., Qingdao Hisense Real Estate Co., Ltd., Qingdao Hisense Technology and Culture Management Co., Ltd., Qingdao Hisense Financial Investment Co., Ltd., Qingdao (Shinan) Hisense School, and Qingdao Hisense Industrial Co., Ltd., as well as the relevant assets and liabilities of Hisense Hospital, a branch of Hisense Group Holdings. The remaining assets and liabilities were assumed by the surviving company.*

Following the demerger, the Newly Established Company and its subsidiaries no longer hold Shares in the Company indirectly. However, as they constituted part of the Company's indirect controlling shareholders or were subsidiaries thereof within the 12 months preceding the balance sheet date, they are still regarded as related legal persons of the Group in accordance with the relevant provisions of Accounting Standard for Business Enterprises No. 36 – Related Party Disclosures, the Rules Governing the Listing of Securities on the Shenzhen Stock Exchange, the Hong Kong Listing Rules, and the Related Party Transactions Management Measures of Hisense Home Appliances Group Co., Ltd.

As the aforementioned demerger occurred in mid-2025, the relevant limit for continuing related party transactions approved by the Company's shareholders' general meeting on 25 January 2024 was determined based on the scope of group members and business scale prior to the demerger. Consequently, the limits for related-party transactions between companies newly established in the *current year, their subsidiaries and the Company remain under "Hisense Group Holdings", while the actual transaction amounts are disclosed under "Hisense Investment Development".*

As at the end of the Reporting Period, the Company had deposit balance with Hisense Finance of approximately RMB11.508 billion, recognised interest income of approximately RMB0.112 billion, actual loan balance of RMB0.014 billion with recognised loan interest of RMB2.2419 million, electronic bank acceptance bill balance of approximately RMB0.914 billion, and handling fee for issuing electronic bank acceptance bills of approximately RMB0.5228 million. The actual discount interest incurred for provision of bill discount services was approximately RMB0.0679 million, the amount transacted under provision of foreign exchange settlement and sales services was approximately US$4.2833 million, and the service fee incurred for provision of agency services including fund receipt and payment settlement services was approximately RMB0.6086 million.

CHANGES IN INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT DURING THE REPORTING PERIOD

During the Reporting Period, there were no substantial changes to the information of the directors and senior management of the Company required to be disclosed pursuant to Rule 13.51(2) and Rule 13.51B(1) of the Hong Kong Listing Rules.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

During the Reporting Period, amendments have been made to the Articles of Association of the Company pursuant to the special resolution passed at the 2026 first extraordinary general meeting held on 22 April 2026. For details of the amendments to the Articles of Association, please refer to the circular of the Company dated 30 March 2026. The full text of the amended Articles of Association can be downloaded on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (http://hxjd.hisense.cn).

CORPORATE GOVERNANCE CODE

To the best knowledge and information of the Company, during the Reporting Period, the Company has complied with the code provisions in the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Hong Kong Listing Rules.

EVENTS AFTER THE REPORTING PERIOD

No significant event occurred subsequent to the end of the Reporting Period.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT ON THE WEBSITES OF THE HONG KONG STOCK EXCHANGE AND THE COMPANY

This announcement is published on the website of the Hong Kong Stock Exchange (https://www.hkexnews.hk) and the Company (https://hxjd.hisense.cn). The interim report of the Company for the Reporting Period containing all the information required by the Hong Kong Listing Rules will be despatched to the shareholders of the Company and will be made available on the respective websites of the Hong Kong Stock Exchange and the Company in due course.

DEFINITIONS

In the announcement, unless the context requires otherwise, the following terms or expressions shall have the following meanings:

"Articles of Association" or "Articles"	the articles of association of the Company, as amended from time to time
"Board"	the board of directors of the Company
"Bosch Home Comfort"	Bosch Home Comfort UK Holding Limited
"CASBE"	China Accounting Standards for Business Enterprises
"Company", "Hisense Home Appliances", "We"	Hisense Home Appliances Group Co., Ltd., a joint stock limited company incorporated in the PRC with limited liability, whose shares are listed on the main board of the Hong Kong Stock Exchange and the main board of the Shenzhen Stock Exchange
"Director(s)"	the directors of the Company
"Group"	the Company and its subsidiaries
"Hisense Air Conditioning"	Qingdao Hisense Air Conditioning Company Limited* (青島海信空調有限公司), a company incorporated in the PRC with limited liability and indirectly controlled by Hisense Group Holdings, and holds approximately 37.31% of the issued shares of the Company as at the date of this announcement
"Hisense Bosch"	Qingdao Hisense Bosch Air Conditioning Systems Co., Ltd.* (青島海信博世空調系統有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company
"Hisense Finance"	Hisense Finance Co., Ltd.* (海信集團財務有限公司), a company incorporated in the PRC with limited liability and a subsidiary of Hisense Group Holdings
"Hisense Global Asia Holding"	Qingdao Hisense Global Asia Holding Co., Ltd.* (青島海信環亞控股有限公司), a company incorporated in the PRC with limited liability and 50% owned by the Company
"Hisense Group Holdings"	Hisense Group Holdings Co., Ltd.* (海信集團控股股份有限公司), a company incorporated in the PRC with limited liability
"Hisense Hong Kong"	Hisense (Hong Kong) Company Limited, a company incorporated in Hong Kong with limited liability and a subsidiary of Hisense Group Holdings, and holds approximately 8.98% of the issued shares of the

	Company as at the date of this announcement
"Hisense Intelligent Electronic"	Qingdao Hisense Intelligent Electronics Technology Co., Ltd* (青島海信智能電子科技有限公司)., a company incorporated in the PRC with limited liability and a subsidiary of Hisense Visual
"Hisense International"	Hisense International Co., Ltd.* (青島海信國際營銷股份有限公司), a company incorporated in the PRC with limited liability and a subsidiary of Hisense Group Holdings
"Hisense Investment Development"	Qingdao Hisense Investment Development Co., Ltd* (青島海信投資發展股份有限公司), a company incorporated in the PRC with limited liability
"Hisense Jinlong Holding"	Qingdao Hisense Jinlong Holding Co., Ltd.* (青島海信金隆控股有限公司), a company incorporated in the PRC with limited liability and a subsidiary of Hisense Group Holdings
"Hisense Marketing Management"	Hisense Marketing Management Co., Ltd.* (海信營銷管理有限公司), a company incorporated in the PRC with limited liability and 50% owned by the Company
"Hisense Xinhai Technology"	Hisense Xinhai Technology (Hangzhou) Co., Ltd.* (海信星海科技（杭州）有限公司), a company incorporated in the PRC with limited liability and 30% owned by the Company
"Hisense Visual"	Hisense Visual Technology Co., Ltd.* (海信視像科技股份有限公司), a company incorporated in the PRC with limited liability and a subsidiary of Hisense Group Holdings, and whose shares are listed on the Shanghai Stock Exchange
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HASCO Sanden"	Sanden HASCO Automotive Air-Conditioning Co., Ltd.
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"Share(s)"	share(s) of RMB1.00 each in the capital of the Company, comprising the A Shares and the H Shares
"Shareholder(s)"	holder(s) of the Shares
"Sanden company"	Sanden Corporation, a Japanese listed company

"Yiyang Entrepreneurship Investment"	Qingdao Yiyang Entrepreneurship Investment Management Co., Ltd.* (青島億洋創業投資管理有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company
"USD"	United States dollars, the lawful currency of the United States of America
"%"	Percent

** For identification purposes only*

By order of the Board of
Hisense Home Appliances Group Co., Ltd.
Gao Yu Ling
Chairperson

Qingdao City, Shandong, the PRC, 17 August 2026

As at the date of this announcement, the Company's executive Directors are Ms. Gao Yu Ling, Mr. Jia Shao Qian, Mr. Yu Zhi Tao, Ms. Fang Xue Yu and Mr. Dai Hui Zhong, the Company's independent non-executive Directors are Mr. Li Zhi Gang, Mr. Tsoi Wing Sing and Mr. Xu Guo Jun, and the Company's employee representative Director is Mr. Zhang Wen Qiang.