



# Xiaomi Corporation

2020 Annual Results Announcement

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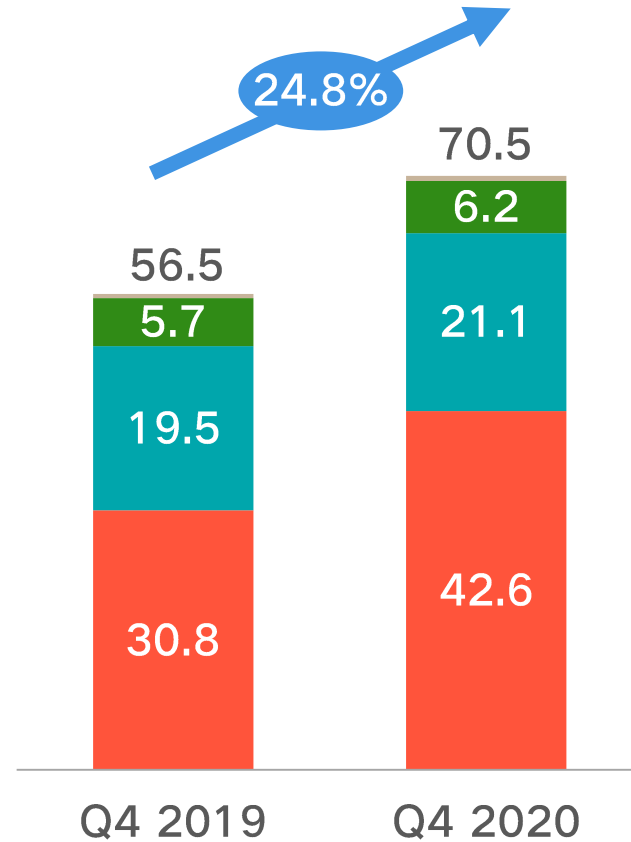
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In Q4 2020

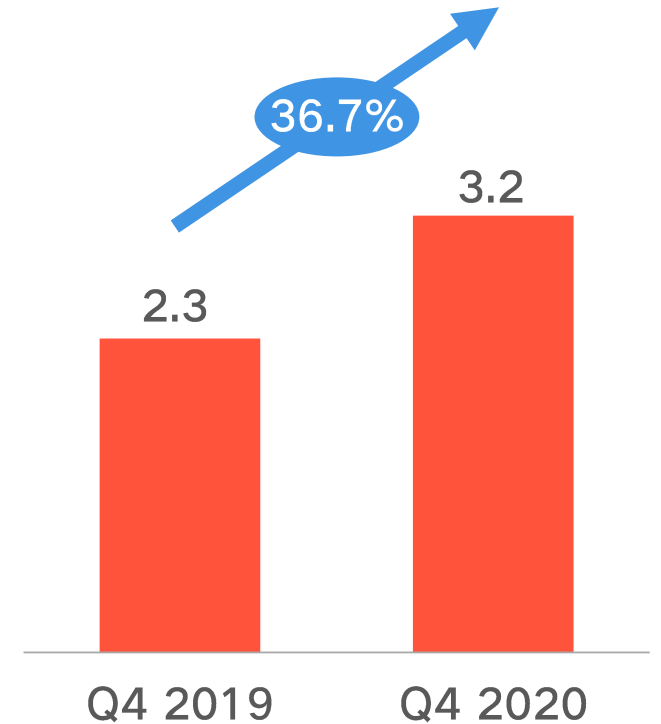
Total revenue was RMB70.5 billion, up **24.8%** YoY

Adjusted net profit<sup>1</sup> was RMB3.2 billion, up **36.7%** YoY

Revenue  
RMB billions



Adjusted net profit  
RMB billions



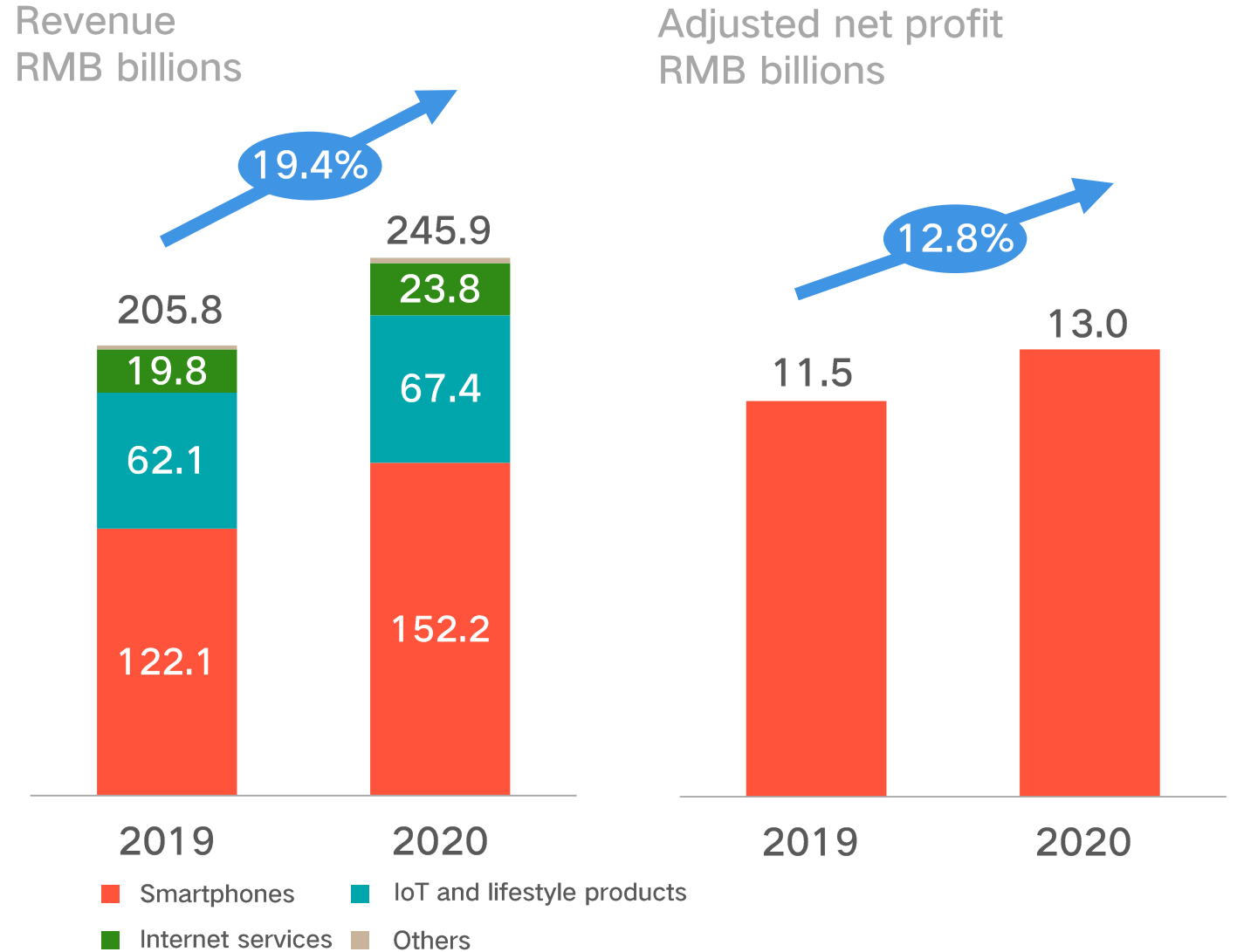
Smartphones IoT and lifestyle products  
Internet services Others

<sup>1</sup> Defined as profit for the period, as adjusted by adding back (i) share-based compensation, (ii) net fair value changes on investments, (iii) amortization of intangible assets resulting from acquisitions, (iv) changes of value of financial liabilities to fund investors, and (v) income tax effects of non-IFRS adjustments

In 2020

Total revenue was RMB245.9 billion, up **19.4%** YoY

Adjusted net profit<sup>1</sup> was RMB13.0 billion, up **12.8%** YoY



<sup>1</sup> Defined as profit for the period, as adjusted by adding back (i) share-based compensation, (ii) net fair value changes on investments, (iii) amortization of intangible assets resulting from acquisitions, (iv) changes of value of financial liabilities to fund investors, and (v) income tax effects of non-IFRS adjustments

# No.3 market share globally with the highest YoY growth<sup>1</sup> in Q4 2020, smartphones sold in **100+** markets

Million units

Worldwide smartphone shipments and market share					
Vendor	Q4 2020 shipment volume	Q4 2020 market share	Q4 2019 shipment volume	Q4 2019 market share	Shipment YoY growth
Apple	81.8	22.7%	78.4	21.3%	4.3%
Samsung	62.0	17.2%	70.8	19.2%	-12.4%
<b>Xiaomi</b>	<b>43.4</b>	<b>12.1%</b>	<b>33.0</b>	<b>9.0%</b>	<b>31.4%</b>
OPPO	34.7	9.6%	30.3	8.2%	14.6%
Vivo	32.1	8.9%	28.2	7.6%	14.1%
Others	105.5	29.4%	128.0	34.7%	-17.5%
Total	359.6	100.0%	368.6	100.0%	-2.5%

Source: Canalys

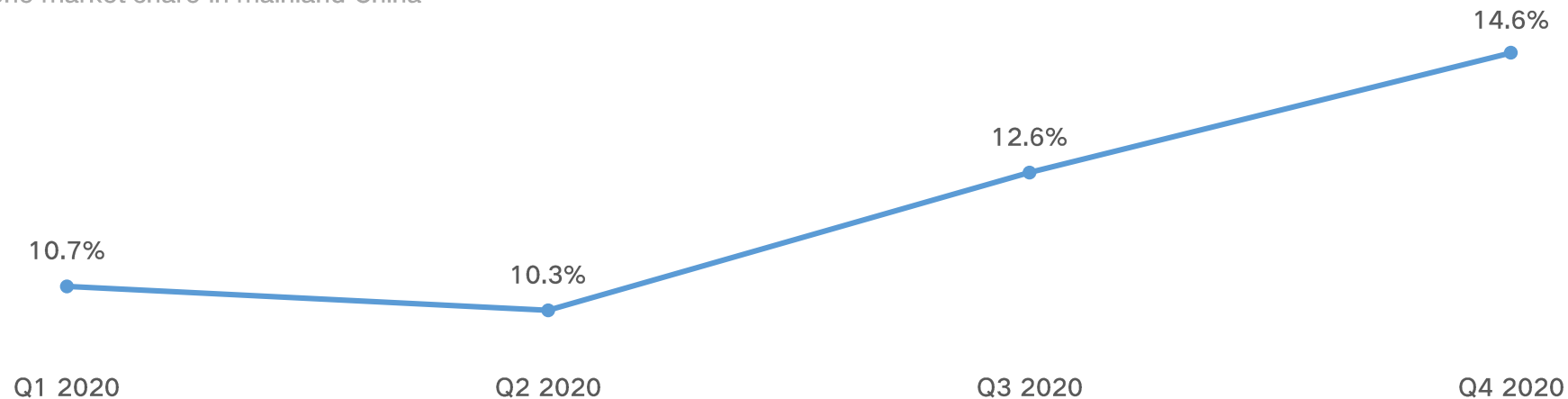
<sup>1</sup> Among top 5 smartphone vendors by shipments

# Continued to gain market share in mainland China

Million units

Mainland China smartphone shipments and market share					
Vendor	Q4 2020 shipment volume	Q4 2020 market share	Q4 2019 shipment volume	Q4 2019 market share	Shipment YoY growth
Huawei (incl. Honor)	18.8	22.4%	33.3	38.1%	-43.5%
OPPO	17.2	20.4%	14.0	16.0%	22.5%
Vivo	15.7	18.7%	13.1	14.9%	20.1%
Apple	15.3	18.2%	12.7	14.5%	20.5%
<b>Xiaomi</b>	<b>12.2</b>	<b>14.6%</b>	<b>8.1</b>	<b>9.2%</b>	<b>51.9%</b>
Others	4.8	5.7%	6.4	7.3%	-24.5%
Total	84.0	100.0%	87.5	100.0%	-4.0%

Xiaomi's smartphone market share in mainland China %



Source: Canalys

# Premium smartphones well received by the market



Over **1 million** units of Mi 11 was sold within **21 days** in mainland China

New Xiaomi users accounted for over **50%** of Mi 11 users<sup>1</sup>

Premium smartphone shipments reached **~10 million** units globally<sup>2</sup>

<sup>1</sup> In the first month after launch, based on internal data tracing back to November 1, 2017

<sup>2</sup> Smartphones with mainland China major retail price at RMB3,000 and above or with overseas major retail price at €300 and above in 2020

# Relentlessly pursue cutting-edge technologies

## 2021 Top 100 Global Innovator



Listed as Top 100 Global Innovator for 3 consecutive years by Clarivate Analytics

## Mi Air Charge Technology



Remote charging without any cables or wireless charging stands

## First quad-curved waterfall display concept smartphone



88 ° hyper quad-curved screen features no ports or physical buttons



# Retail expansion in mainland China



3,200+ retail stores as of 31 Dec 2020  
up 1,000+ stores since 30 Sep 2020

Aim to achieve **full county-level coverage** in mainland China

Digitalize offline operations by integrating real-time data

Optimize sales, store management and overall efficiency

# Optimized internet organizational structure to focus on user experience



## Software & Experience Department

Team leader: Jin Fan

Enhance user experience and  
interconnectivity across devices



## Internet Business Department

Team leader: Ma Ji

Deliver high-quality internet services  
with sustainable monetization



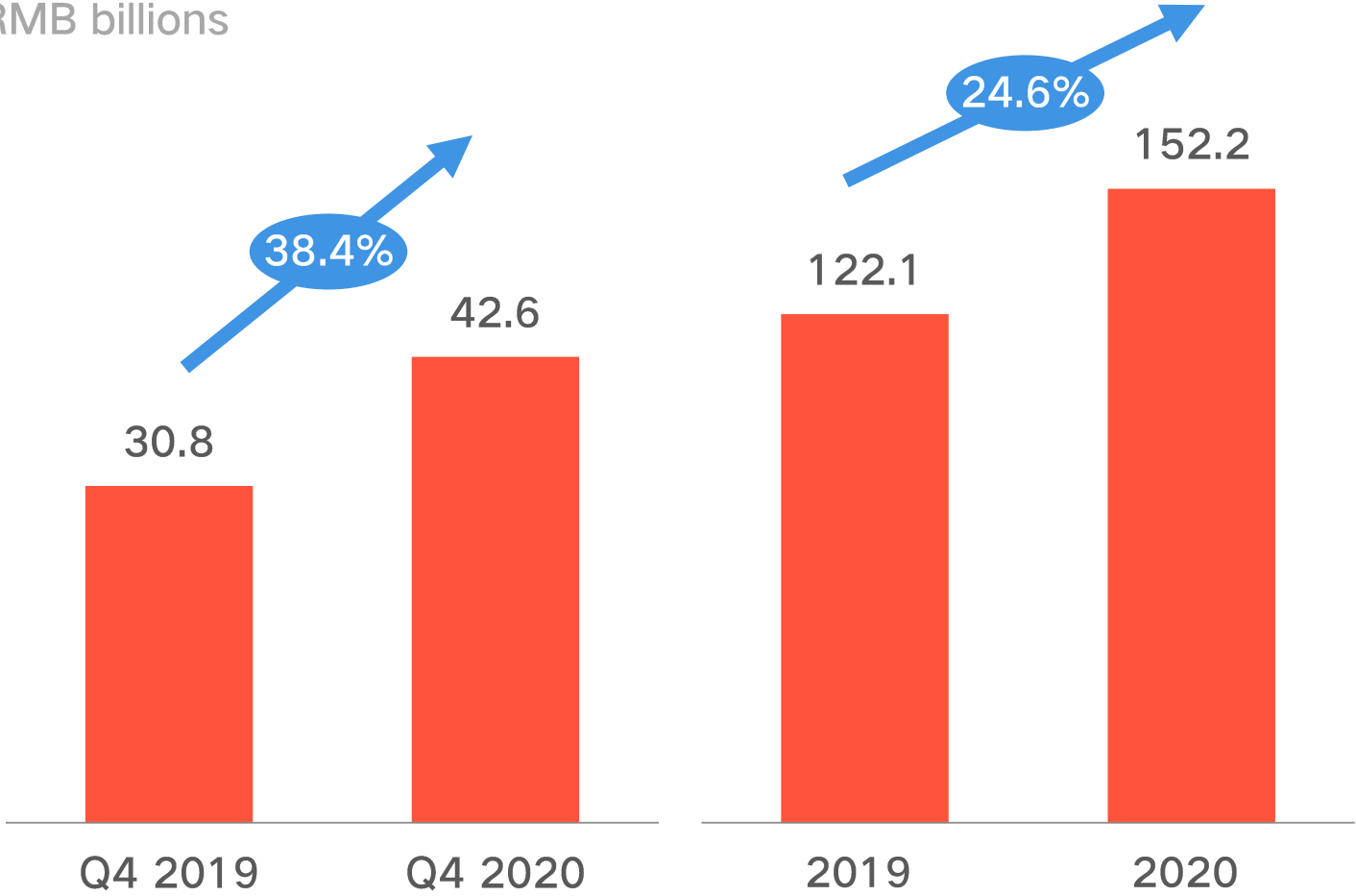
## Data Services Platform

Team leader: Qiu Ruiheng

Leverage data to improve  
business operations

Smartphones

Smartphone revenue  
RMB billions

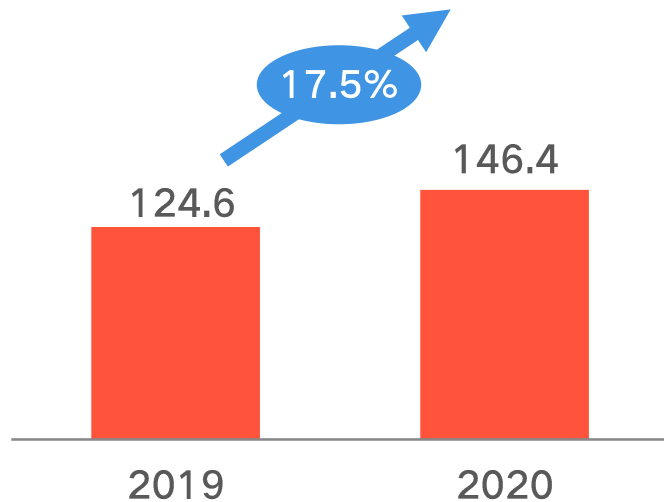
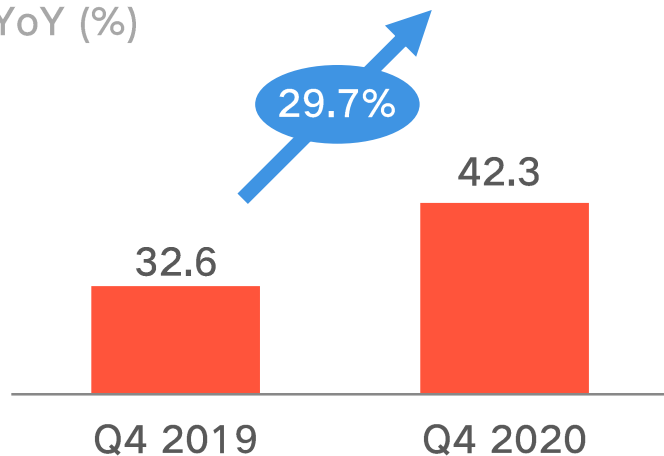


Q4 2020 smartphone revenue was RMB42.6 billion, up **38.4%** YoY

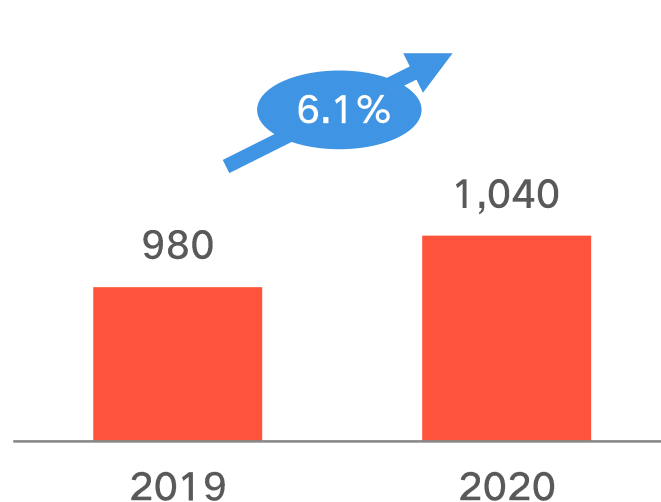
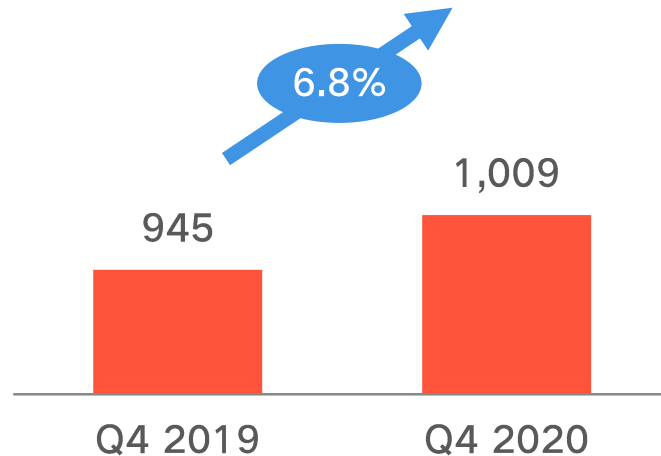
2020 smartphone revenue reached RMB152.2 billion, up **24.6%** YoY

# Simultaneous growth in smartphone shipments, ASP and gross margin

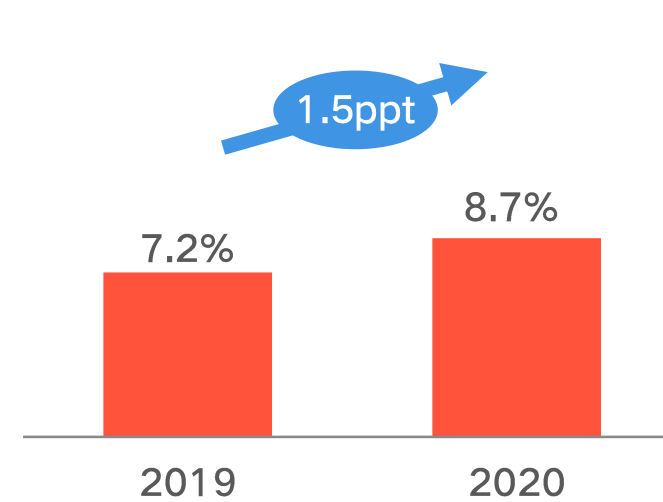
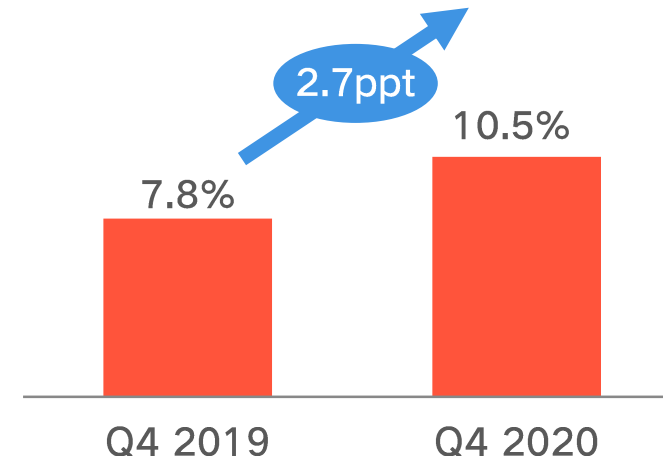
Smartphone shipments (millions)  
YoY (%)



Smartphone ASP (RMB)



Smartphone gross margin (%)

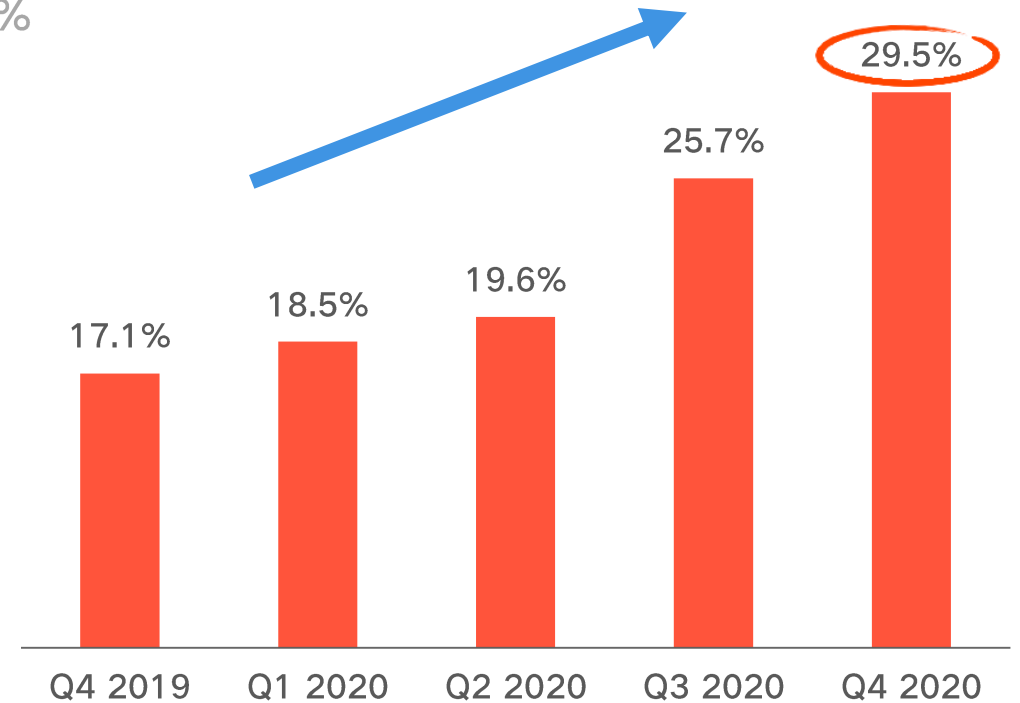


# Strengthened our leadership in online sales in mainland China

Online smartphone market share in mainland China reached **29.5%** in Q4 2020

During the Singles' Day<sup>1</sup> and Double 12<sup>2</sup> Shopping Festivals, we ranked **No.1** in sales volume among Android smartphones on JD.com, Tmall.com and Suning.com

Xiaomi's online smartphone market share in mainland China<sup>3</sup>  
%



<sup>1</sup> From November 1 to 11, 2020

<sup>2</sup> From December 1 to 12, 2020

<sup>3</sup> According to third-party statistics

# Continued to execute our dual brand strategy

Key mainland China smartphone models

Retail price<sup>1</sup>  
RMB

5,000

4,000

3,000

2,000

1,000



Mi 10 Ultra



Mi 10 Pro



Mi 10



Mi 10S



Mi 11



Redmi  
K40 Series



Redmi  
Note 9 Series



Redmi  
9 Series

Successfully expanded our premium smartphone portfolio

Continue to introduce highly-competitive smartphones with leading technologies and mass market appeal

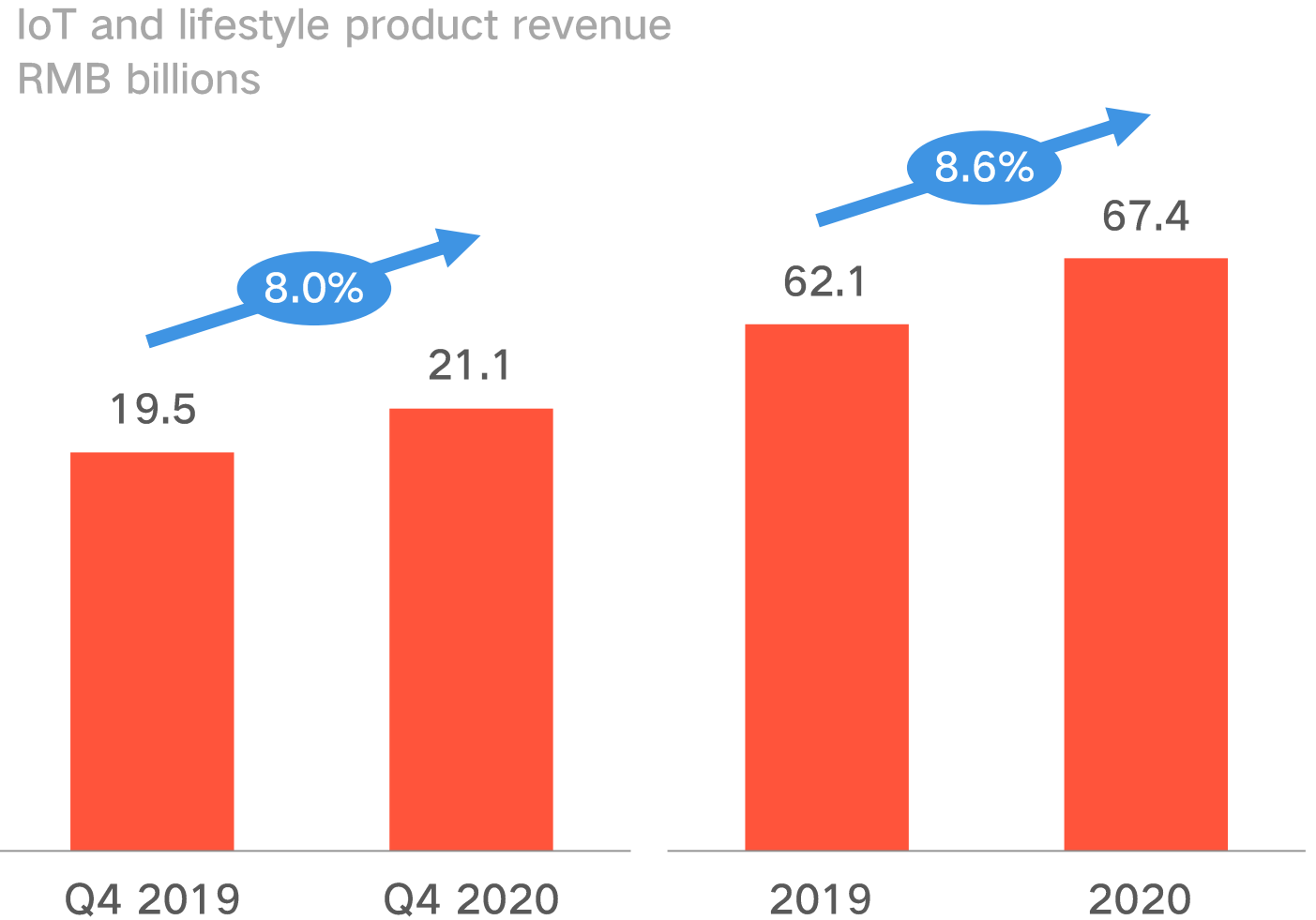
<sup>1</sup> At the time of launch

**AIoT**



Q4 2020 IoT and lifestyle product revenue reached RMB21.1 billion, up 8.0% YoY

2020 IoT and lifestyle product revenue reached RMB67.4 billion, up 8.6% YoY



# Global leading consumer AIoT platform



**324.8 million**

Connected devices<sup>1</sup>  
Up **38.0%** YoY



**6.2 million**

Users with 5 or more devices  
connected to Xiaomi's AIoT platform<sup>1</sup>  
Up **52.9%** YoY



**86.7 million**

AI assistant MAU<sup>2</sup>  
Up **43.5%** YoY



**45.0 million**

Mi Home App MAU<sup>2</sup>  
Up **22.1%** YoY

<sup>1</sup> As of December 31, 2020, excluding smartphones and laptops

<sup>2</sup> In December 2020

# Further expanded premium and ultra-large screen TV portfolio



Global smart TV shipments in 2020 reached **12.0 million** units

Ranked **No.1** in mainland China for **8** consecutive quarters<sup>1</sup>

Ranked **No.1** among TVs over 70 inches with market share of **27.7%**<sup>2</sup> in mainland China

<sup>1</sup> According to AVC, by shipments in Q4 2020

<sup>2</sup> According to AVC, including Xiaomi and Redmi, by retail sales volume in Q4 2020

## Continued to launch competitive IoT products to enhance smart home connectivity



Global AI speaker shipments exceeded **10 million** units in 2020

Retail sales volume ranked **No. 2** in mainland China with market share of **29.4%**<sup>1</sup>



Global router shipments exceeded **15 million** units in 2020

Retail sales volume ranked **No. 2** in mainland China online market with market share of **20.6%**<sup>1</sup>

<sup>1</sup> According to AVC, by retail sales volume in Q4 2020

# Expanded our overseas IoT and lifestyle products footprint

No. of markets sold in 2020

Overseas IoT and lifestyle products sold in **80+** overseas markets in 2020

Mi Band



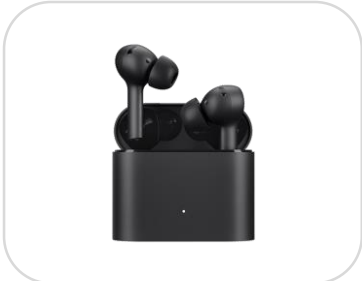
80 markets

Mi TV Box



80 markets

Xiaomi TWS Earbuds



79 markets

Mi Router



71 markets

Mi Electric Scooter



68 markets

Mi Robot Vacuum Cleaner



63 markets

# Internet Services

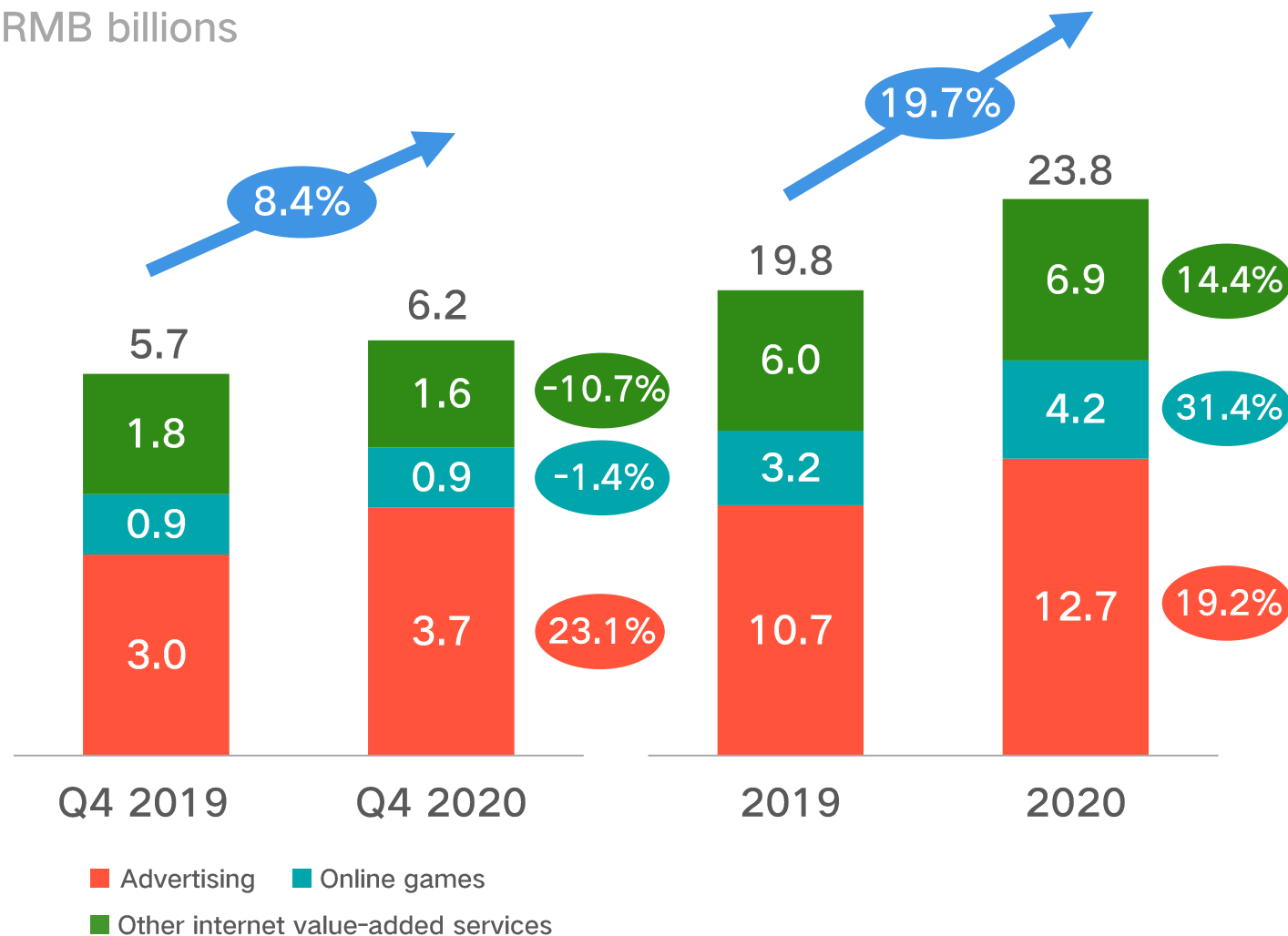
Q4 2020 Internet services revenue reached RMB6.2 billion, up 8.4% YoY

Quarterly advertising revenue reached historical high, up **23.1%** YoY

Quarterly gross margin of Internet services reached **68.4%**, a record high

2020 Internet services revenue reached RMB23.8 billion, up **19.7%** YoY

Internet services revenue  
RMB billions



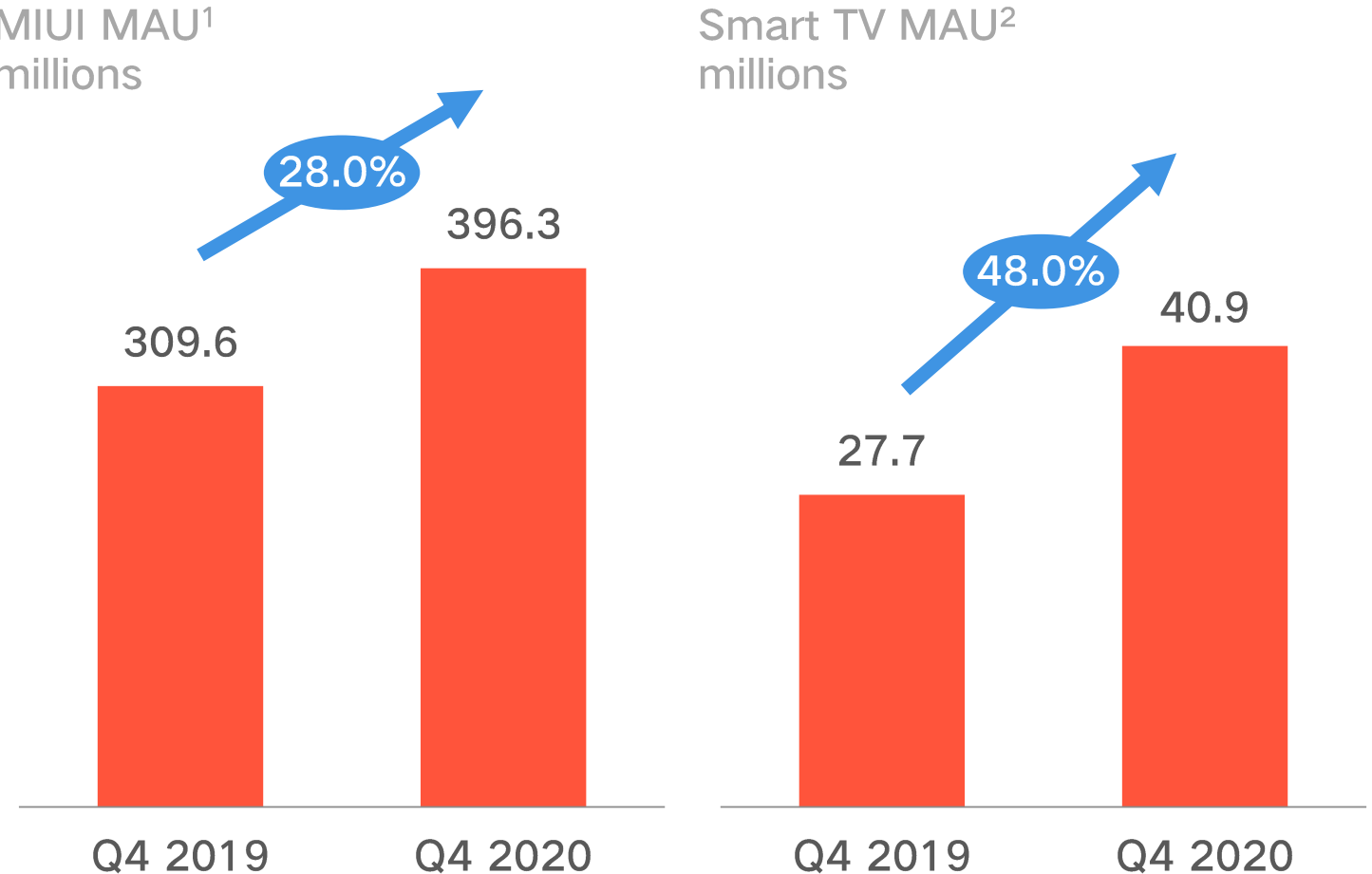
# Strong user growth

MIUI MAU<sup>1</sup>  
millions

Global MIUI MAU<sup>1</sup> reached **396.3 million**, up **28.0%** YoY

Mainland China MIUI MAU reached 111.0 million in Dec 2020 and reached **114.5 million** in Jan 2021

Smart TV MAU<sup>2</sup> grew **48.0%** YoY to 40.9 million



<sup>1</sup> As of December in respective quarters

<sup>2</sup> As of December in respective quarters, including both smart TV and Mi box users

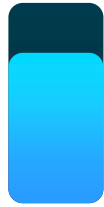


# MIUI 12.5 delivering vastly improved user experience and privacy protection

## Faster and smoother operations



Lower CPU usage



Lower power consumption

Decrease CPU usage and power consumption

## UI animation



Improve dynamic design and interface

## Privacy protection



Introduce “fuzzy location” and other functions to protect user privacy

## Cross-device collaboration

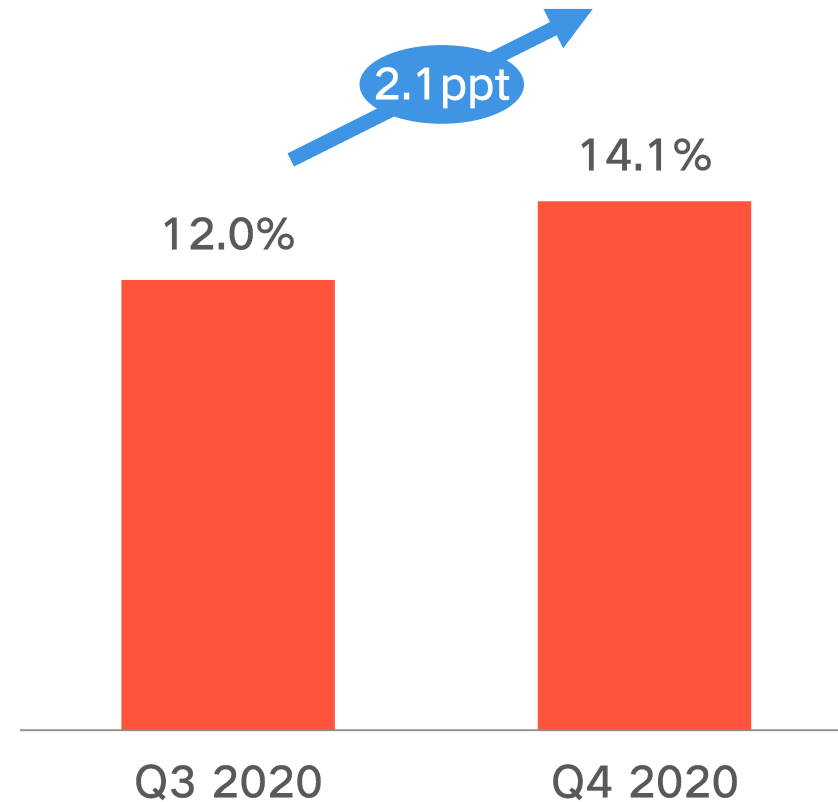


Facilitate collaboration between smartphones and laptops

# Continued to expand overseas internet services

Overseas internet services revenue as percent of total internet revenue

Q4 2020 overseas internet services revenue was up **55.1%** YoY and accounted for **14.1%** of total internet services revenue

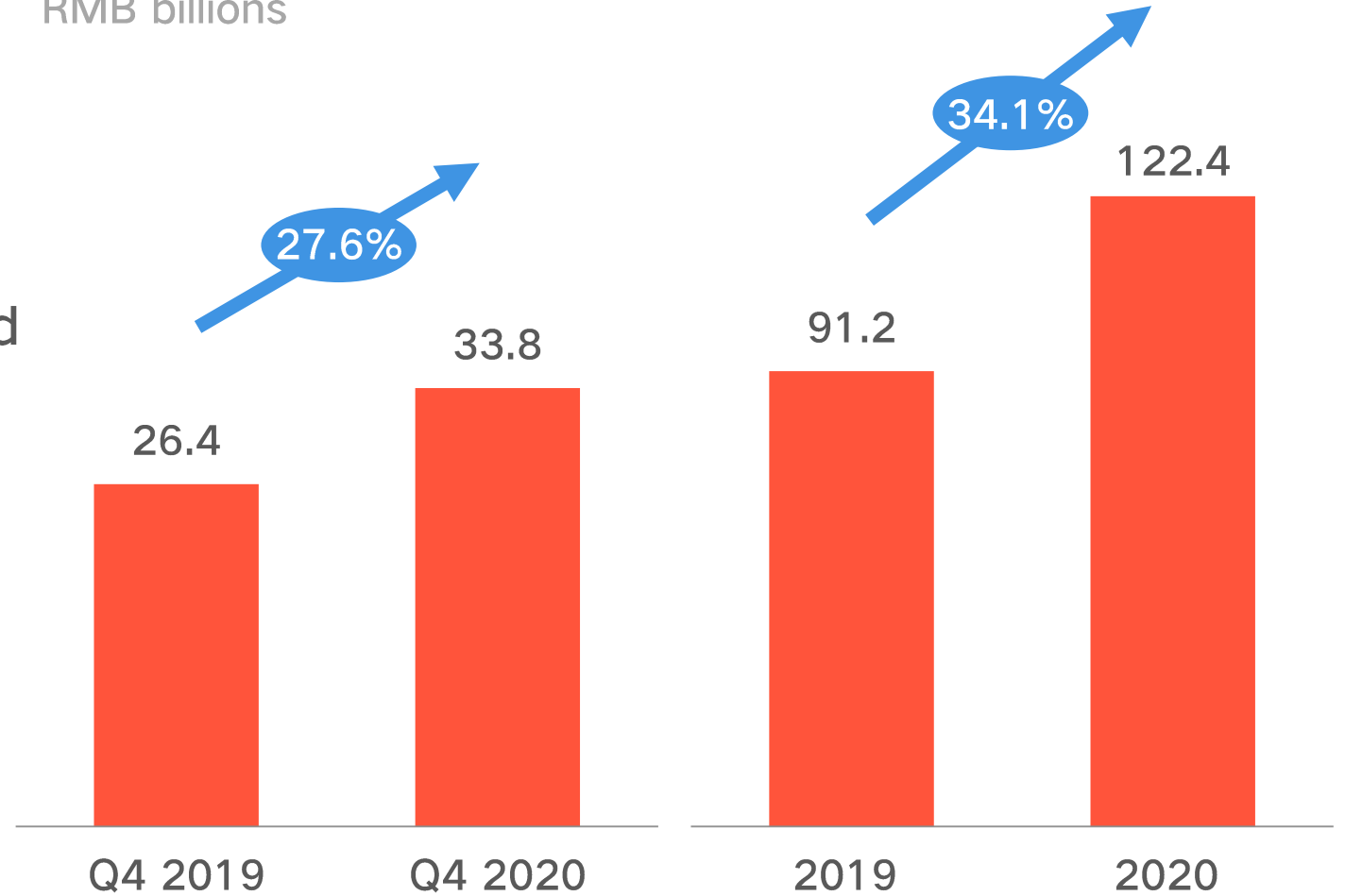


Overseas

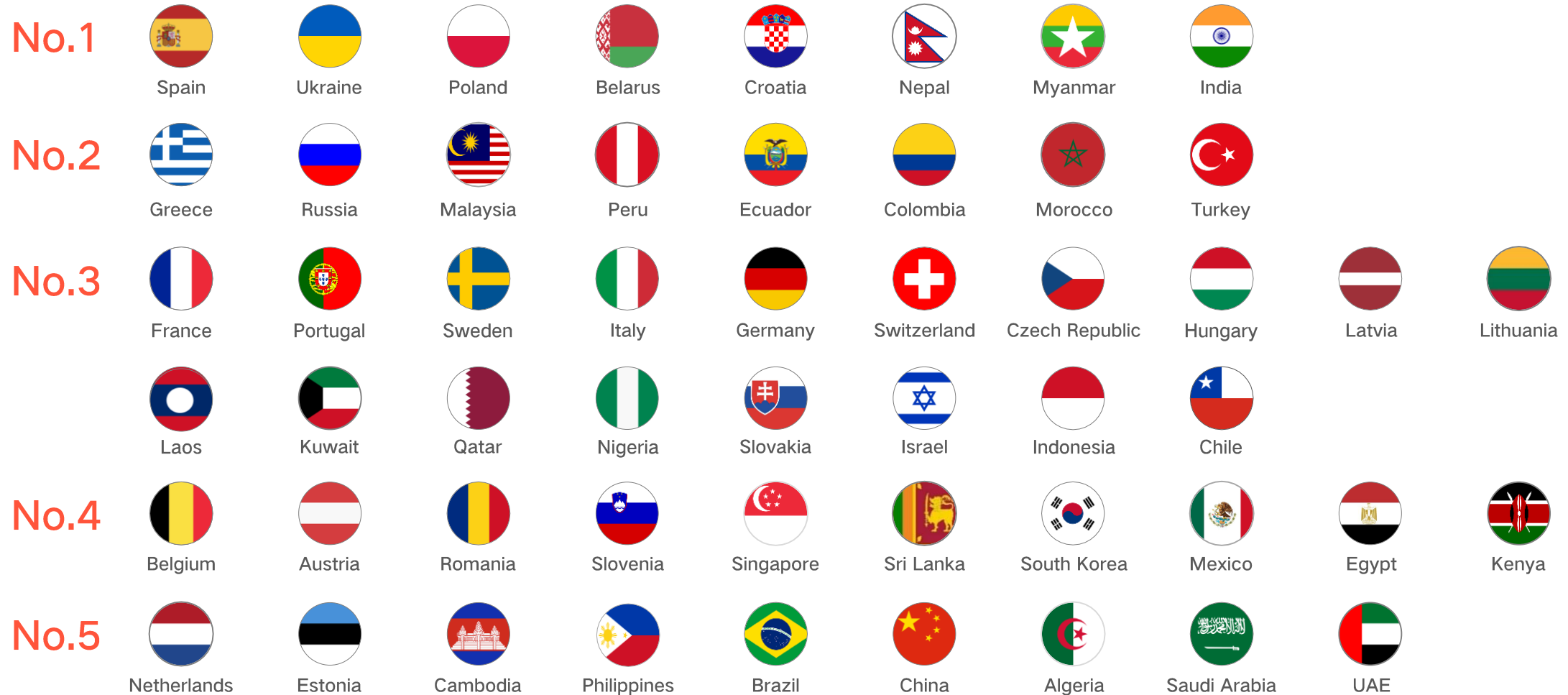
Overseas revenue  
RMB billions

Q4 2020 overseas revenue reached RMB33.8 billion, up **27.6%** YoY

2020 overseas revenue reached RMB122.4 billion, up **34.1%** YoY



# Smartphone market share ranked top 5 in 54 markets, and No. 1 in 8 markets



Source: Canalis, by shipments in Q4 2020

## Ranked **No. 3** in Europe overall while gaining traction in Latin America

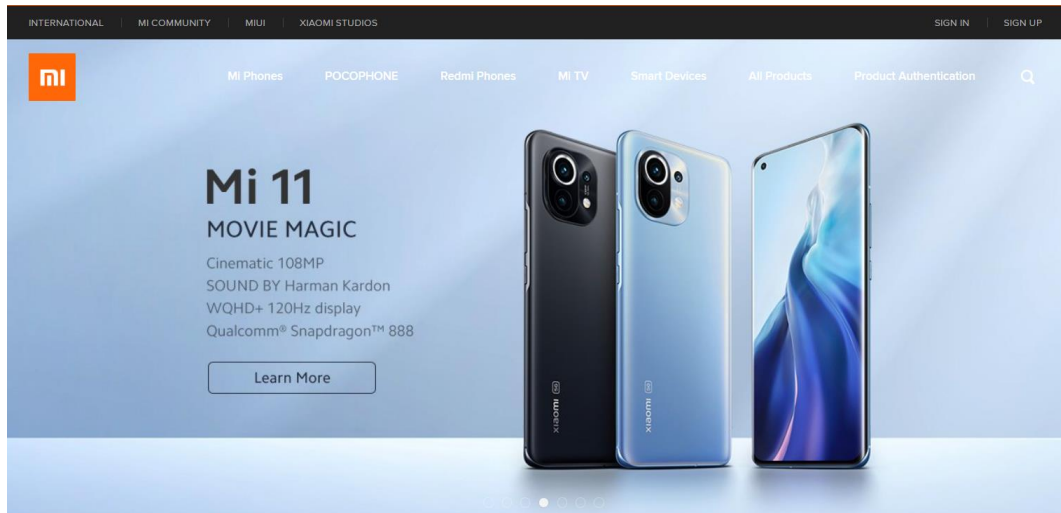
Europe smartphone market share		
Vendor	Q4 2020 market share	Shipment YoY growth
Apple	32.0%	9.0%
Samsung	27.2%	-8.9%
<b>Xiaomi</b>	<b>15.3%</b>	<b>33.9%</b>
Huawei (incl. Honor)	10.4%	-42.0%
others	15.1%	3.5%
Total	100.0%	-3.1%

	Western Europe	Central and Eastern Europe	Latin America
Market position	No. 3	<b>No. 1</b>	No. 4
Q4 2020 market share	10.9%	24.7%	9.1%
Shipment YoY growth	<b>57.3%</b>	17.5%	<b>215.4%</b>

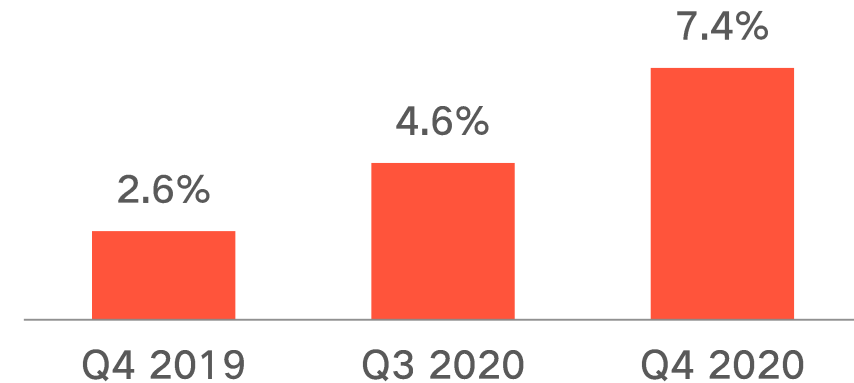
# Strong performance in both online and carrier channels

Overseas (excluding India) smartphone shipments through online channels<sup>1</sup> exceeded **16 million** units in 2020, up **90%+** YoY

Overseas (excluding India) smartphone shipments through carrier channels exceeded **9 million** units in 2020, up **380%+** YoY



Xiaomi's smartphone market share in Western Europe carrier channels<sup>2</sup>



<sup>1</sup> Including Mi.com and other E-commerce platforms

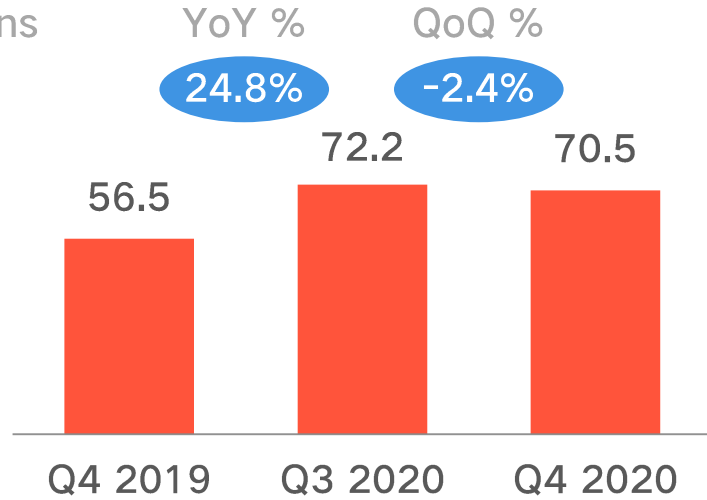
<sup>2</sup> According to Canalys, by shipments

# Financials

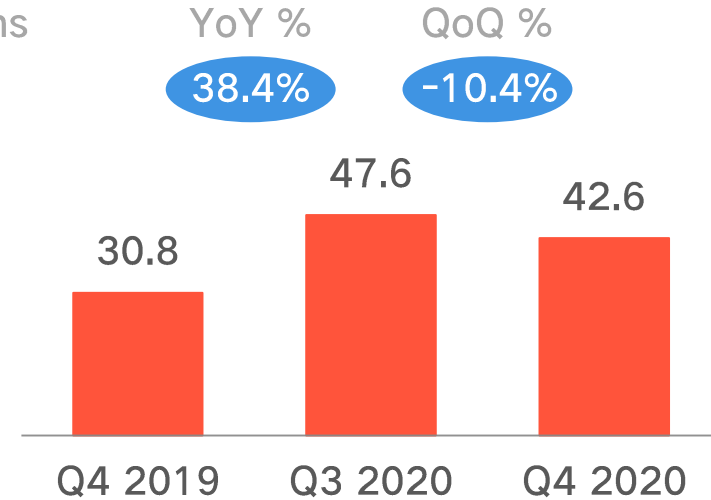


# Quarterly revenue by segment

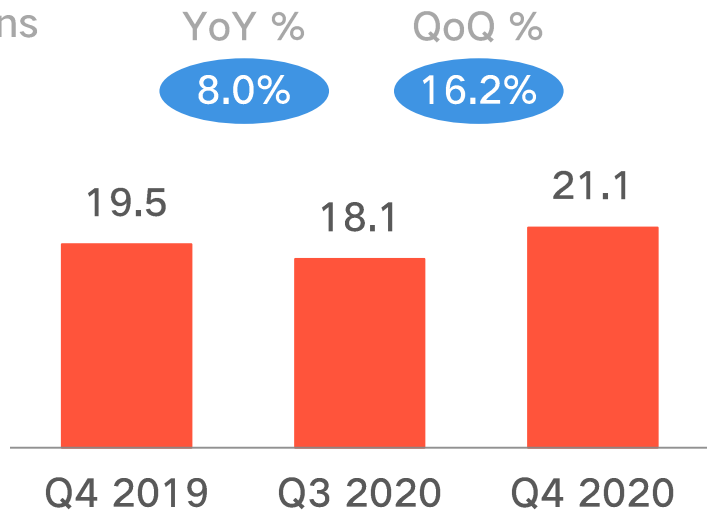
Total revenue  
RMB billions



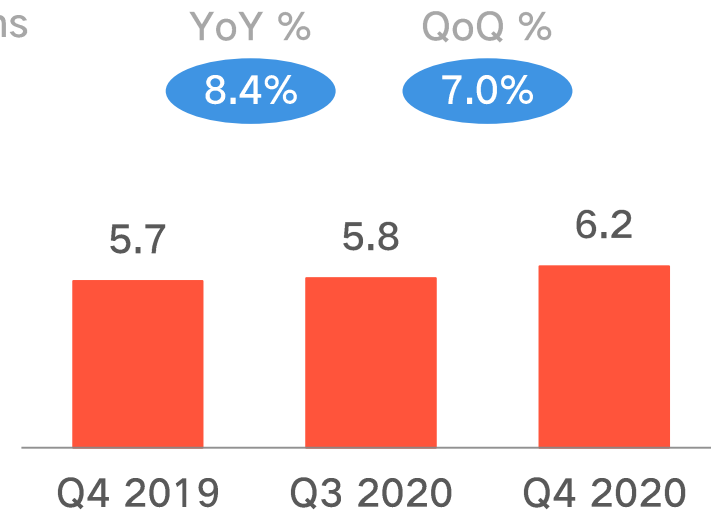
Smartphone revenue  
RMB billions



IoT and lifestyle product revenue  
RMB billions

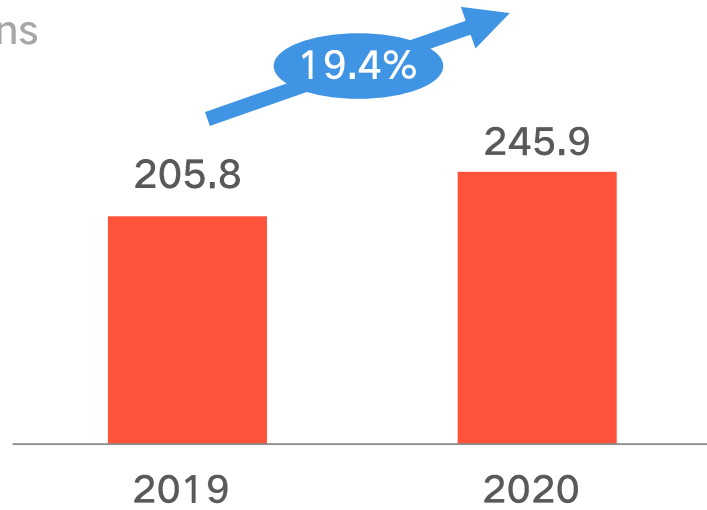


Internet services revenue  
RMB billions

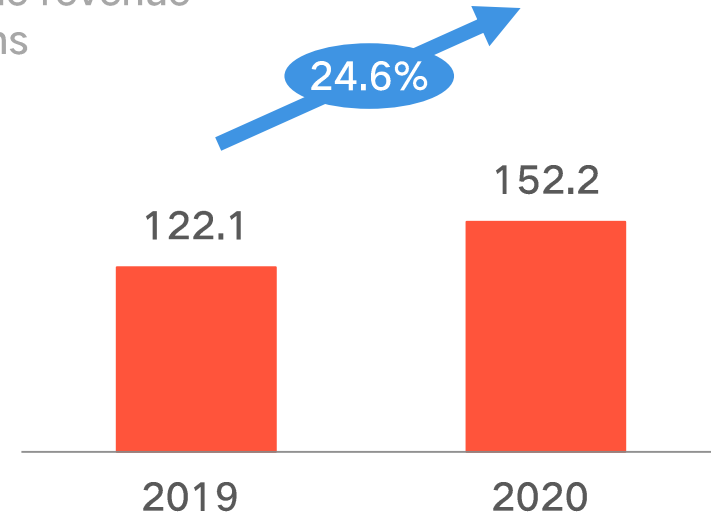


# Annual revenue by segment

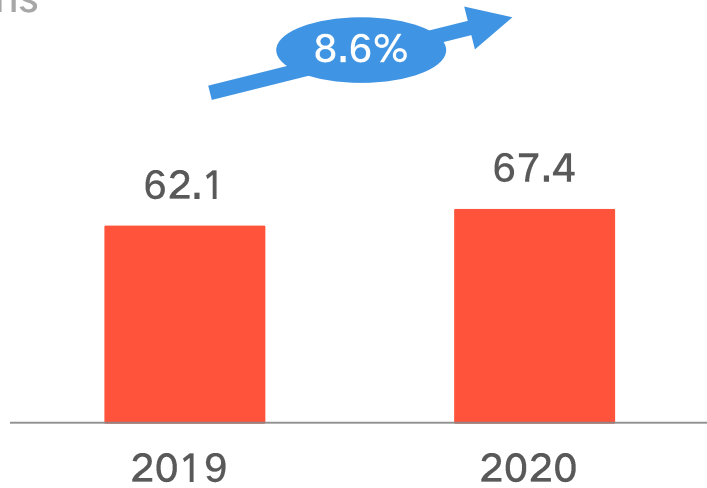
Total revenue  
RMB billions



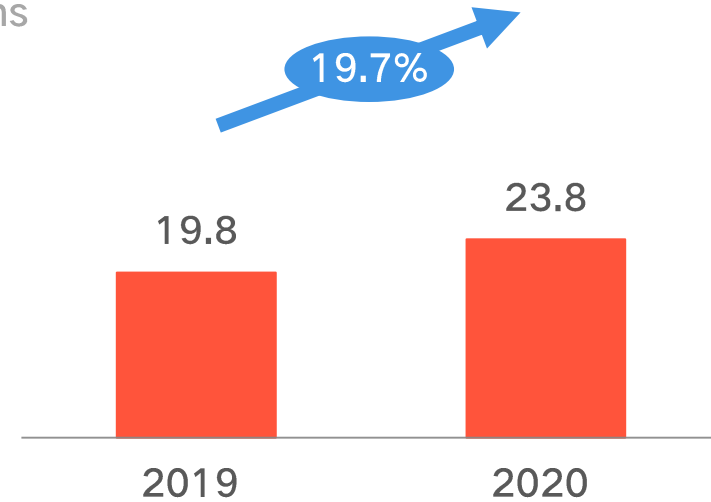
Smartphone revenue  
RMB billions



IoT and lifestyle product revenue  
RMB billions

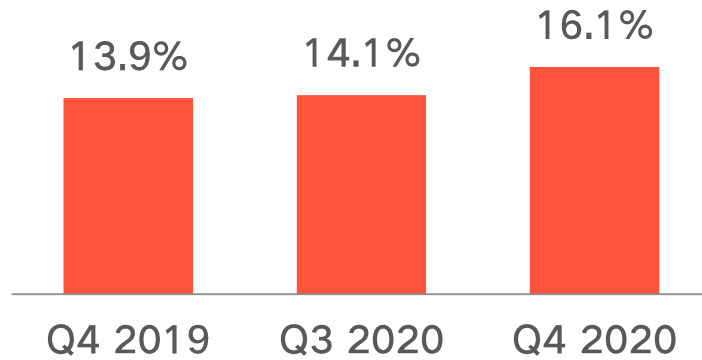


Internet services revenue  
RMB billions

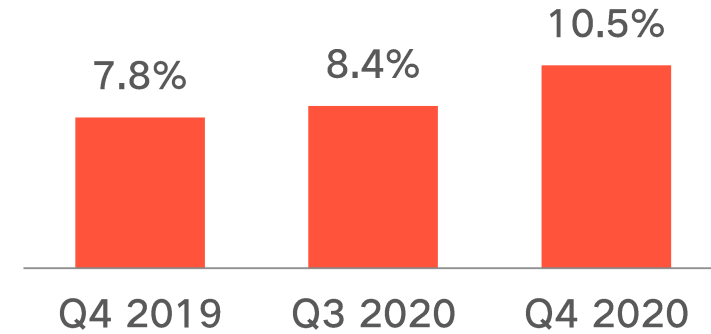


# Continuous gross margin improvement

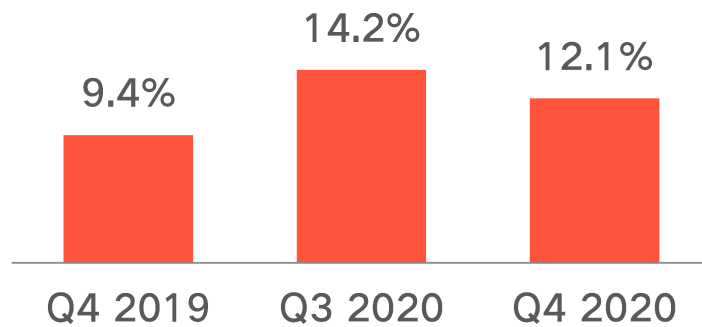
Overall gross margin



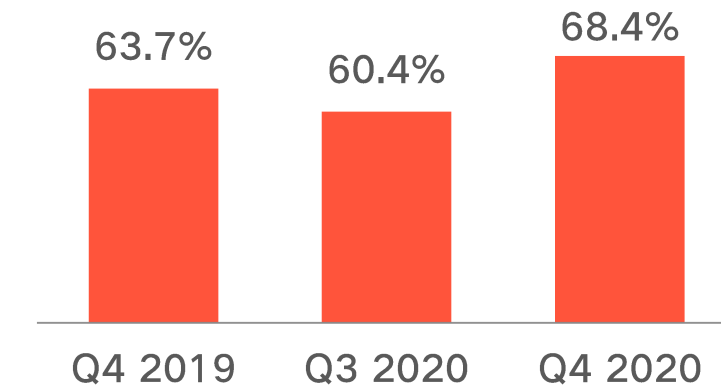
Smartphone gross margin



IoT and lifestyle products gross margin

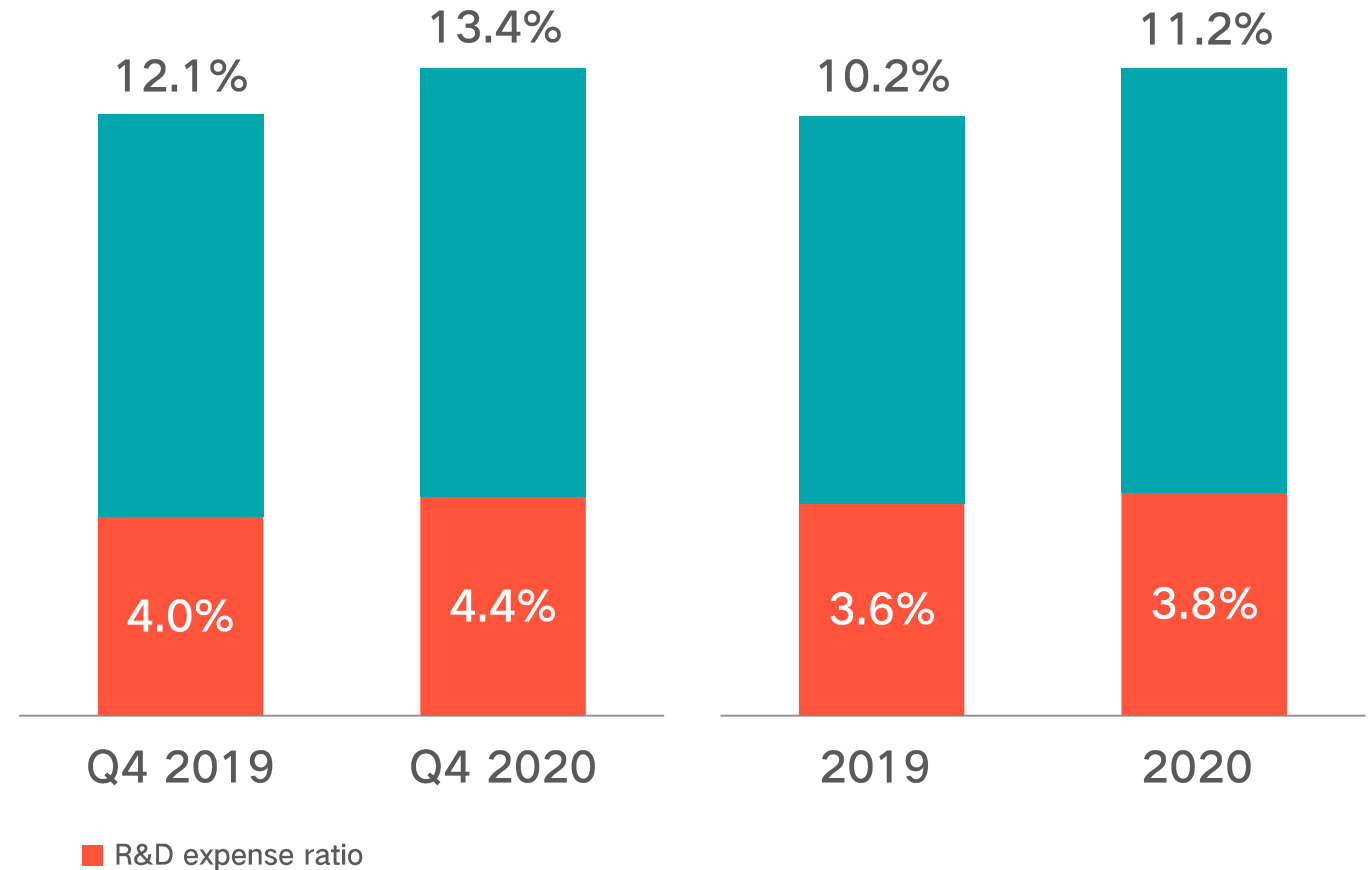


Internet services gross margin



# Continue to invest in brand building and R&D

Operating expense ratio



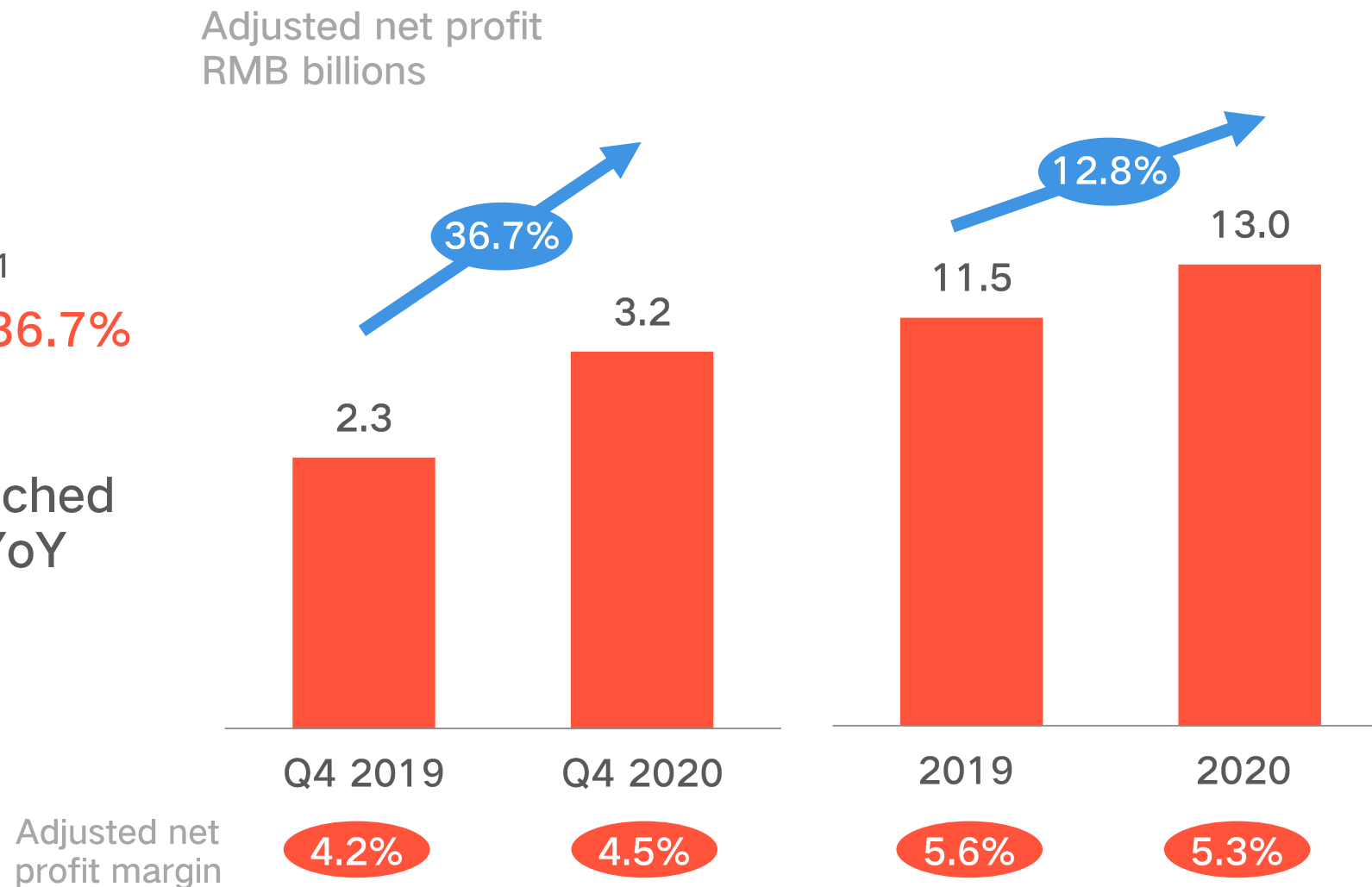
Operating expense ratio increased YoY due to higher R&D and sales and marketing expense ratios

R&D expenses reached RMB9.3 billion in 2020, up **23.5%** YoY

# Adjusted net profit reached record high in 2020

Q4 2020 adjusted net profit<sup>1</sup> reached RMB3.2 billion, up **36.7%** YoY

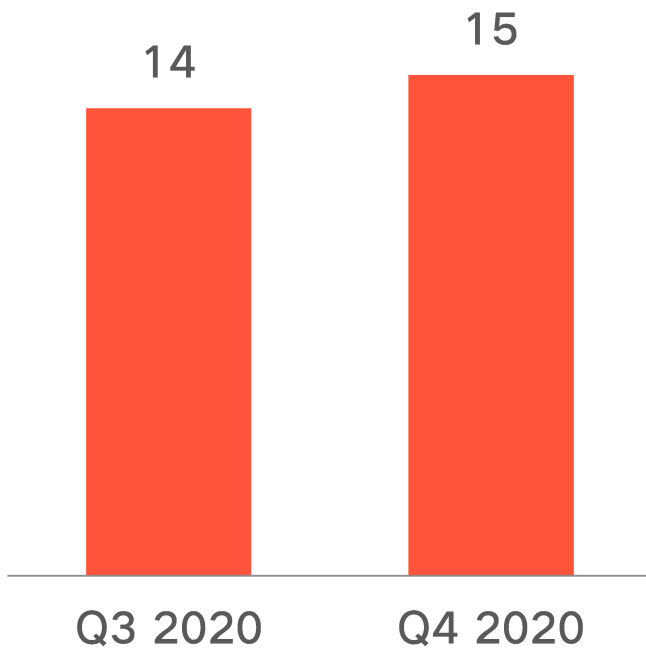
2020 adjusted net profit reached RMB13.0 billion, up 12.8% YoY



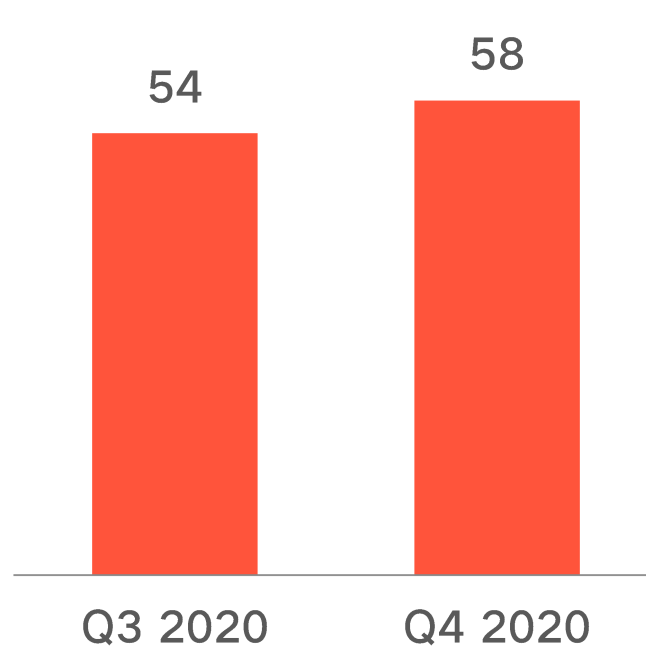
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# Efficient working capital management

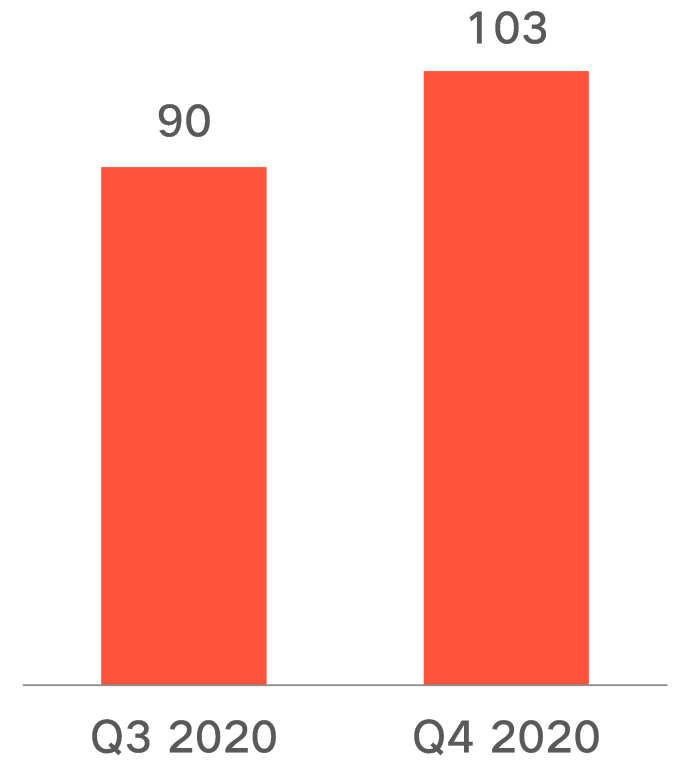
AR turnover days



Inventory turnover days

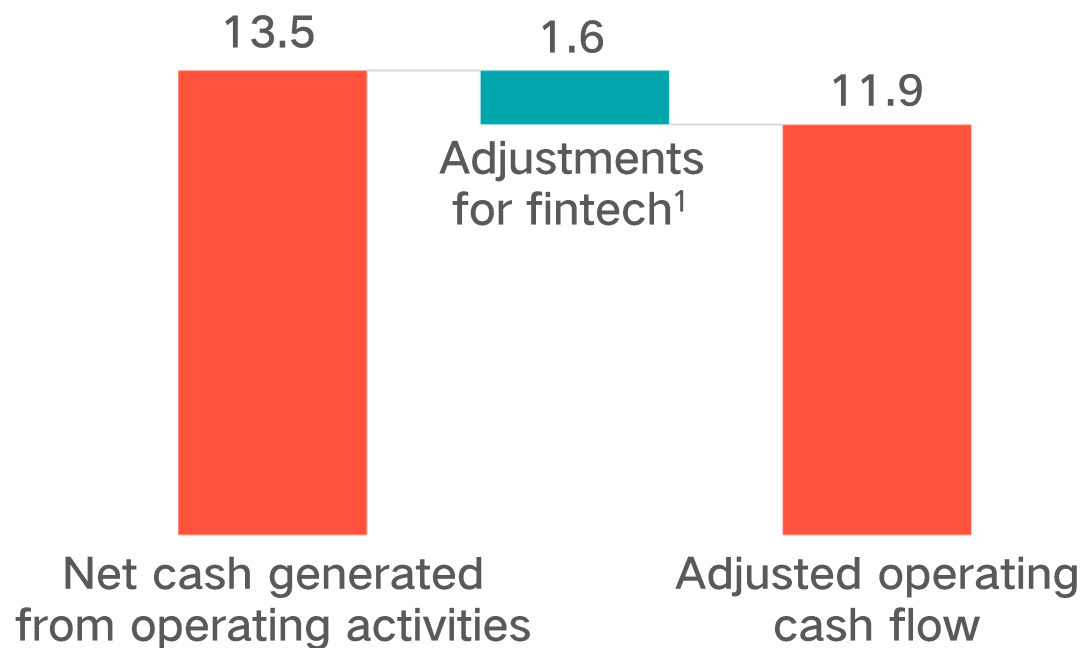


AP turnover days

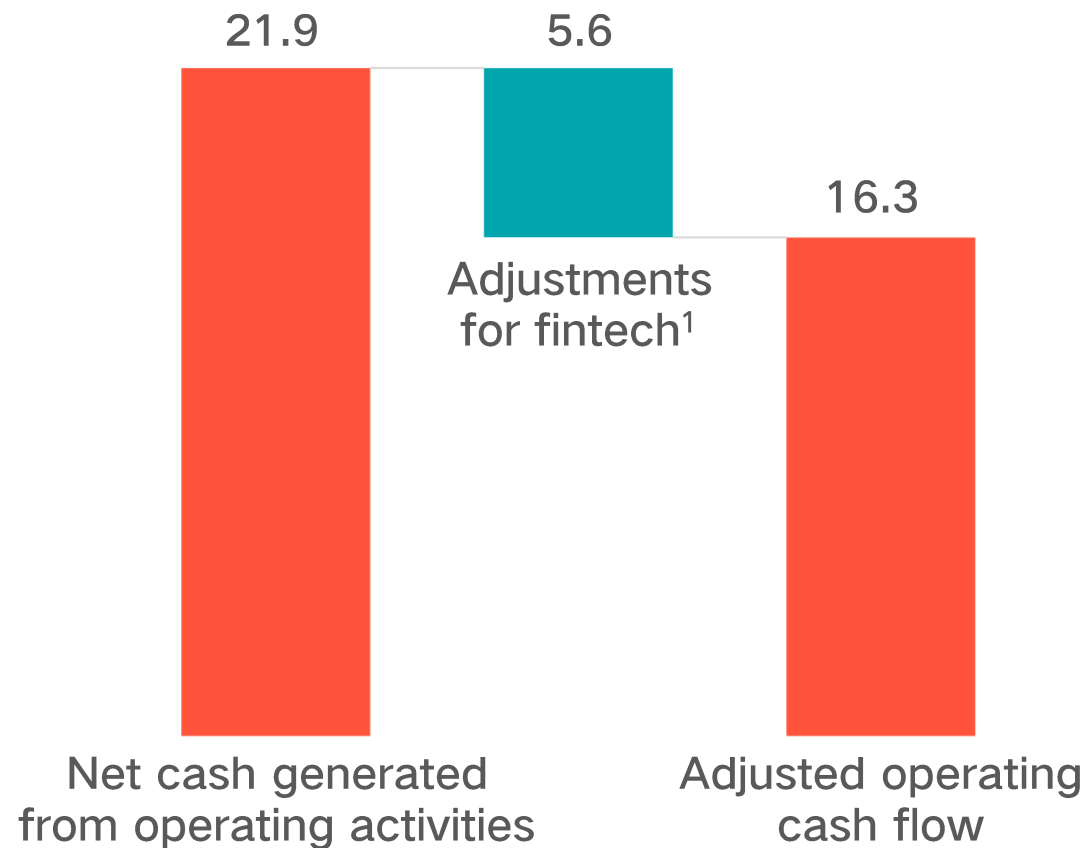


# Strong cash flow performance

Q4 2020 adjusted operating cash flow  
RMB billions



2020 adjusted operating cash flow  
RMB billions

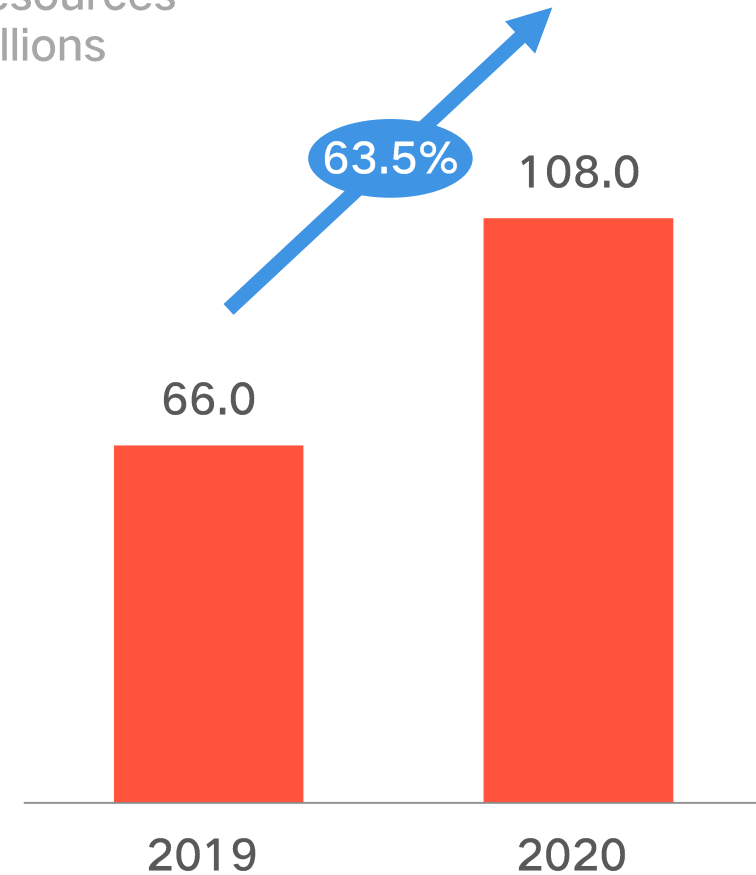


<sup>1</sup> Including (i) the change in loan and interest receivables and impairment provision for loan receivables mainly resulting from the fintech business; (ii) the change in trade payables resulting from the finance factoring business; (iii) the change in restricted cash resulting from the fintech business; and (iv) the change in deposits from customers from the Airstar bank

# Strengthened cash position to better capture business opportunities

Due to strong operating cash flow and capital market financings, cash resources<sup>1</sup> increased to **RMB108.0 billion**

Cash resources  
RMB billions



<sup>1</sup> Including (i) cash and cash equivalents, (ii) restricted cash, (iii) short-term bank deposits, (iv) short-term investments measured at fair value through profit or loss and (v) long-term bank deposits



# Additional earnings growth through strategic investments

Selected investee companies listed in 2020



**310+** companies invested as of Q4 2020

After-tax net gains on disposal of investments was **RMB2.2 billion** in 2020

Total value of investment<sup>1</sup> was **RMB67.3 billion**, **HKD3.2 per share**<sup>2</sup>

<sup>1</sup> Include (i) fair value of our stakes in listed investee companies (based on the stock price on December 31, 2020), (ii) book value of our stakes in unlisted investee companies and (iii) book value of long-term investments measured at fair value through profit or loss, as of December 31, 2020

<sup>2</sup> RMB to HKD exchange rate of 1.19 on December 31, 2020

# Litigation update

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

XIAOMI CORPORATION, *et al.*, :  
: :  
Plaintiffs, : Civil Action No.: 21-280 (RC)  
: :  
v. : Re Document No.: 14, 18  
: :  
DEPARTMENT OF DEFENSE, *et al.*, :  
: :  
Defendants. :

**ORDER**

**GRANTING PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION; GRANTING PLAINTIFFS' MOTION FOR LEAVE TO FILE SUPPLEMENTAL DECLARATION**

For the reasons stated in the Court's Memorandum Opinion separately and contemporaneously issued, Plaintiffs' motion for preliminary injunction (ECF No. 14) is **GRANTED**, and Plaintiffs' unopposed motion for leave to file supplemental declaration (ECF No. 18) is **GRANTED**.

It is hereby **ORDERED** that Defendants are thereby enjoined from implementing or enforcing the Department of Defense's designation of Plaintiff Xiaomi Corporation as a Communist Chinese military company, and the resulting restrictions pursuant to Executive Order 13959.

**SO ORDERED.**

Dated: March 12, 2021 RUDOLPH CONTRERAS  
United States District Judge

2021

Jan 14

U.S. DoD designated Xiaomi as a “Communist Chinese Military Company”

Jan 29

Xiaomi filed proceedings in U.S. District Court against the designation

Mar 12

Court granted injunction to **remove restrictions on purchasing and holding Xiaomi securities by U.S. persons**

