



Xiaomi Corporation

Q3 2020 Results Announcement

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In Q3 2020

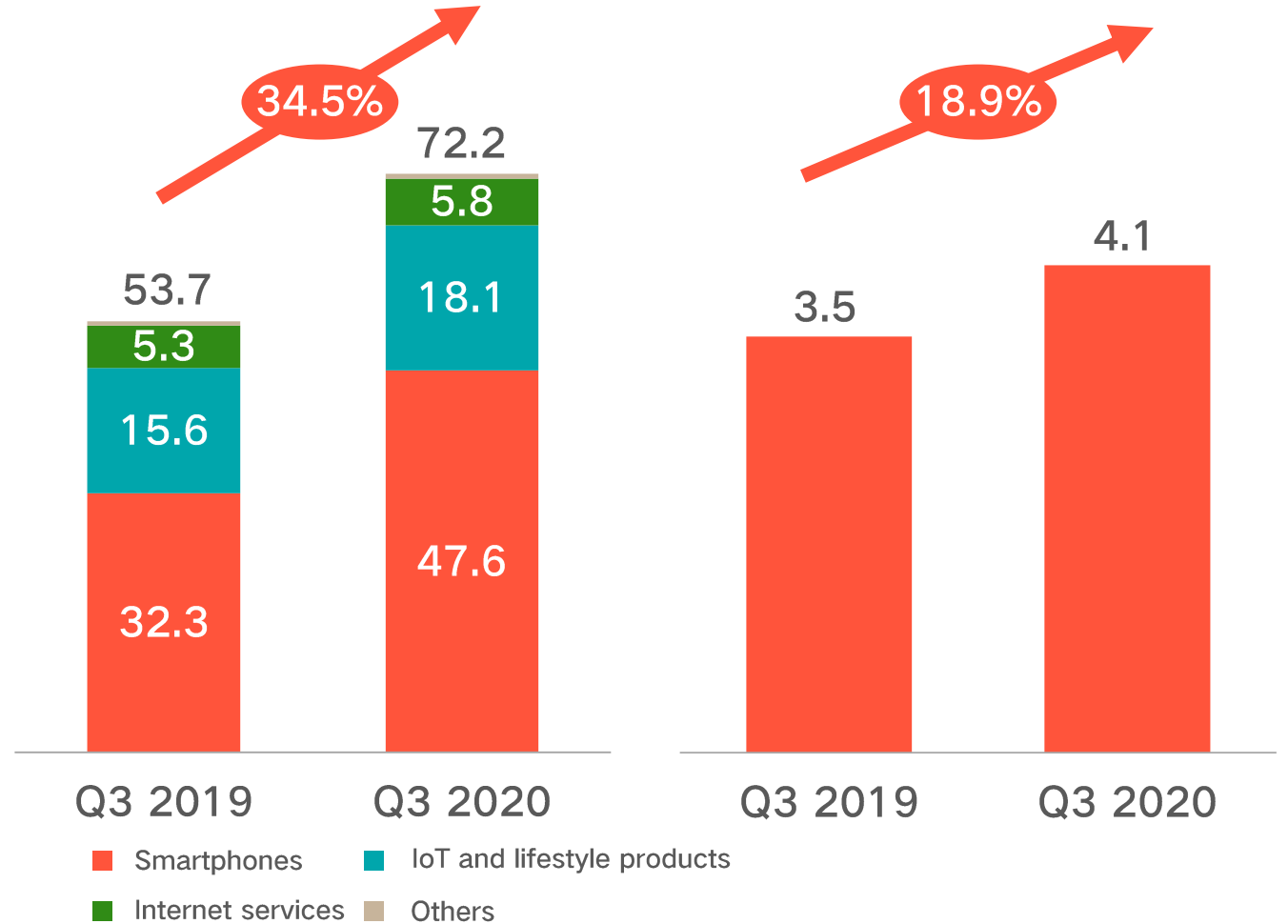
Total revenue was RMB72.2 billion, up **34.5%** YoY

Adjusted net profit¹ was RMB4.1 billion, up **18.9%** YoY

Both quarterly total revenue and adjusted net profit were highest ever in history

Revenue
RMB billions

Adjusted net profit
RMB billions



¹Defined 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

#3 market share globally with the highest YoY growth¹ in Q3 2020

Million units

Worldwide smartphone shipments and market share					
Vendor	Q3 2020 shipment volume	Q3 2020 market share	Q3 2019 shipment volume	Q3 2019 market share	Shipment YoY growth
Samsung	80.2	23.0%	78.9	22.4%	1.7%
Huawei	51.7	14.9%	66.8	19.0%	-22.6%
Xiaomi	47.1	13.5%	32.5	9.2%	44.6%
Apple	43.2	12.4%	43.5	12.3%	-0.8%
Vivo	31.8	9.1%	30.1	8.5%	5.6%
Others	94.0	27.0%	100.6	28.6%	-6.5%
Total	348.0	100.0%	352.4	100.0%	-1.3%

Source: Canalys

¹Among top 5 smartphone vendors, by shipments

Continue to execute our dual-brand strategy,
with successful entry into the premium smartphone market



Mi 10 Ultra

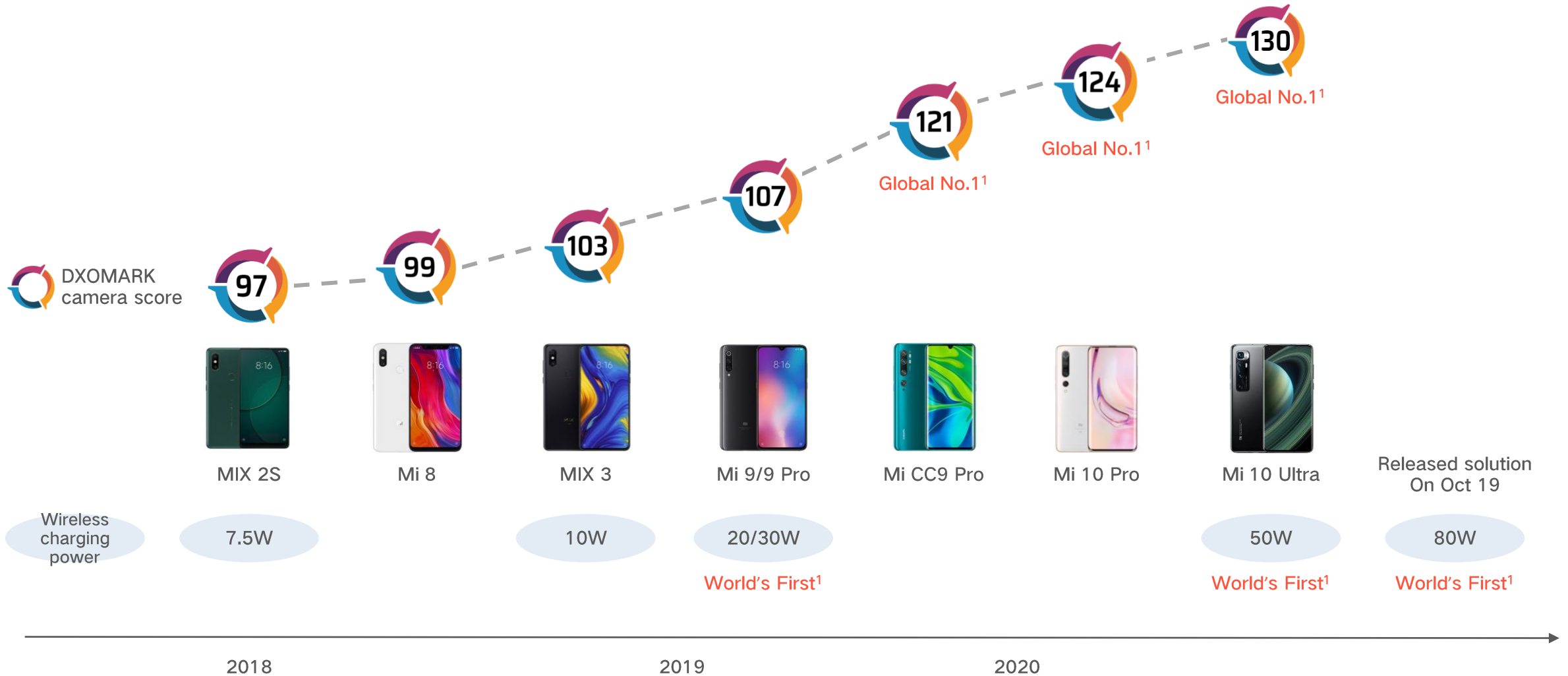


Mi 10 Pro

Premium smartphone shipments exceeded
8 million units globally¹

¹Smartphones with mainland China major retail price at RMB3,000 and above or with overseas major retail price at €300 and above, In the first ten months of 2020

Relentless pursuit of innovations - camera and charging technologies



¹At the time of product launch

Relentless pursuit of innovations - Xiaomi Smart Factory

Lights-out factory

- Automated production line
- Annual production capacity of one million premium smartphones

Laboratory

- R&D for novel materials and process technology
- R&D for disruptive products

Manufacturing process innovation

- R&D for smart manufacturing equipment
- R&D for factory automation
- Industrial internet

Strengthened management team*

Smartphone



Zeng Xuezhong
VP & President of
Smartphone



Chang Cheng
VP

Corporate functions



Peng Zhibin
VP & CHO



Alain Lam
VP & CFO

*Group VPs joined in 2020

Smartphones

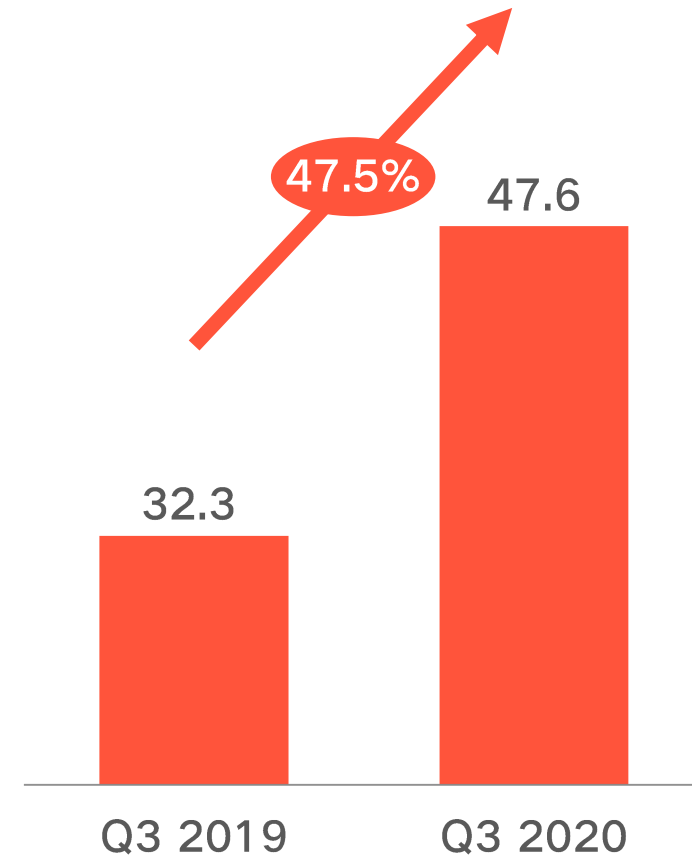
#3 market share globally by shipments¹

In Q3 2020

Smartphone revenue reached RMB47.6 billion, up **47.5%** YoY

Smartphone shipments achieved **46.6** million units, a record high

Smartphone revenue
RMB billions



¹According to Canalys, by shipments in Q3 2020

Gained market share in mainland China and overseas markets

Million units

Mainland China smartphone shipments and market share					
Vendor	Q3 2020 shipment volume	Q3 2020 market share	Q3 2019 shipment volume	Q3 2019 market share	Shipment YoY growth
Huawei	34.2	41.2%	41.5	42.5%	-17.5%
Vivo	15.3	18.4%	17.5	18.0%	-12.8%
Oppo	13.9	16.8%	17.0	17.4%	-17.9%
Xiaomi	10.5	12.6%	8.8	9.0%	18.9%
Others	9.1	11.0%	12.8	13.2%	-29.0%
Total	83.0	100.0%	97.7	100.0%	-15.0%

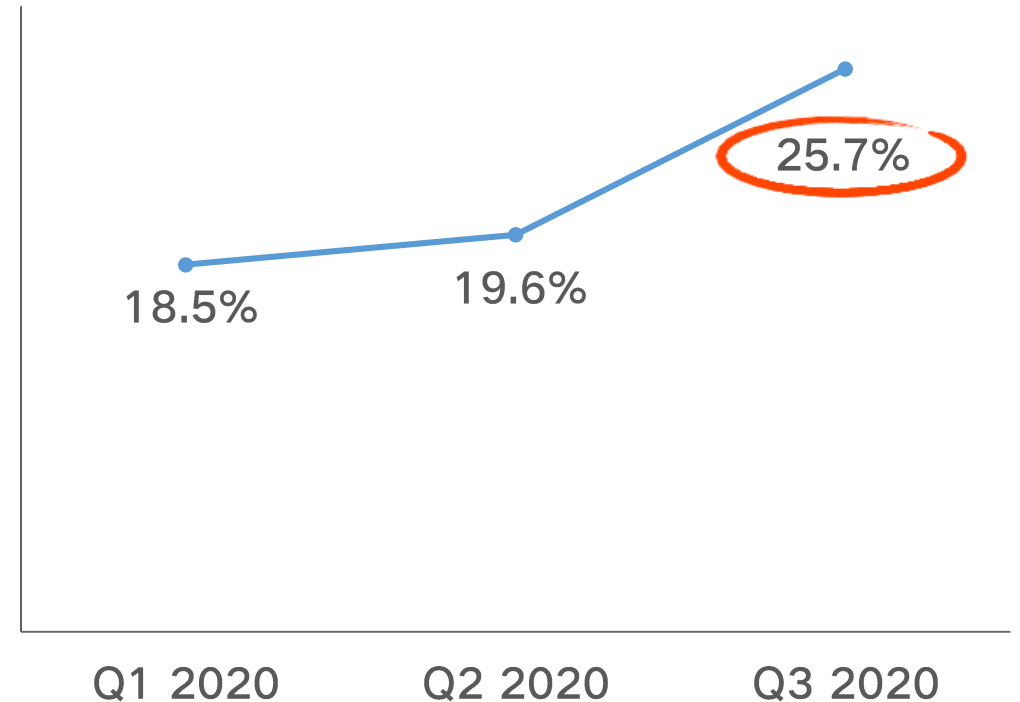
Overseas smartphone shipments and market share					
Vendor	Q3 2020 shipment volume	Q3 2020 market share	Q3 2019 shipment volume	Q3 2019 market share	Shipment YoY growth
Samsung	79.7	30.1%	76.8	30.1%	3.7%
Apple	38.0	14.4%	38.4	15.1%	-0.8%
Xiaomi	36.6	13.8%	23.7	9.3%	54.1%
Huawei	17.5	6.6%	25.3	9.9%	-30.8%
Others	17.2	35.2%	15.0	35.6%	2.8%
Total	264.9	100.0%	254.8	100.0%	4.0%

Overseas (excluding India) smartphone shipments grew **99.6%** YoY

Continued to expand online smartphone market share in mainland China

During the Singles' Day Shopping Festival, we ranked **No.1** in sales volume among Android smartphones on JD.com, Tmall.com and Suning.com²

Mainland China online smartphone market share¹
%



¹According to third-party statistics

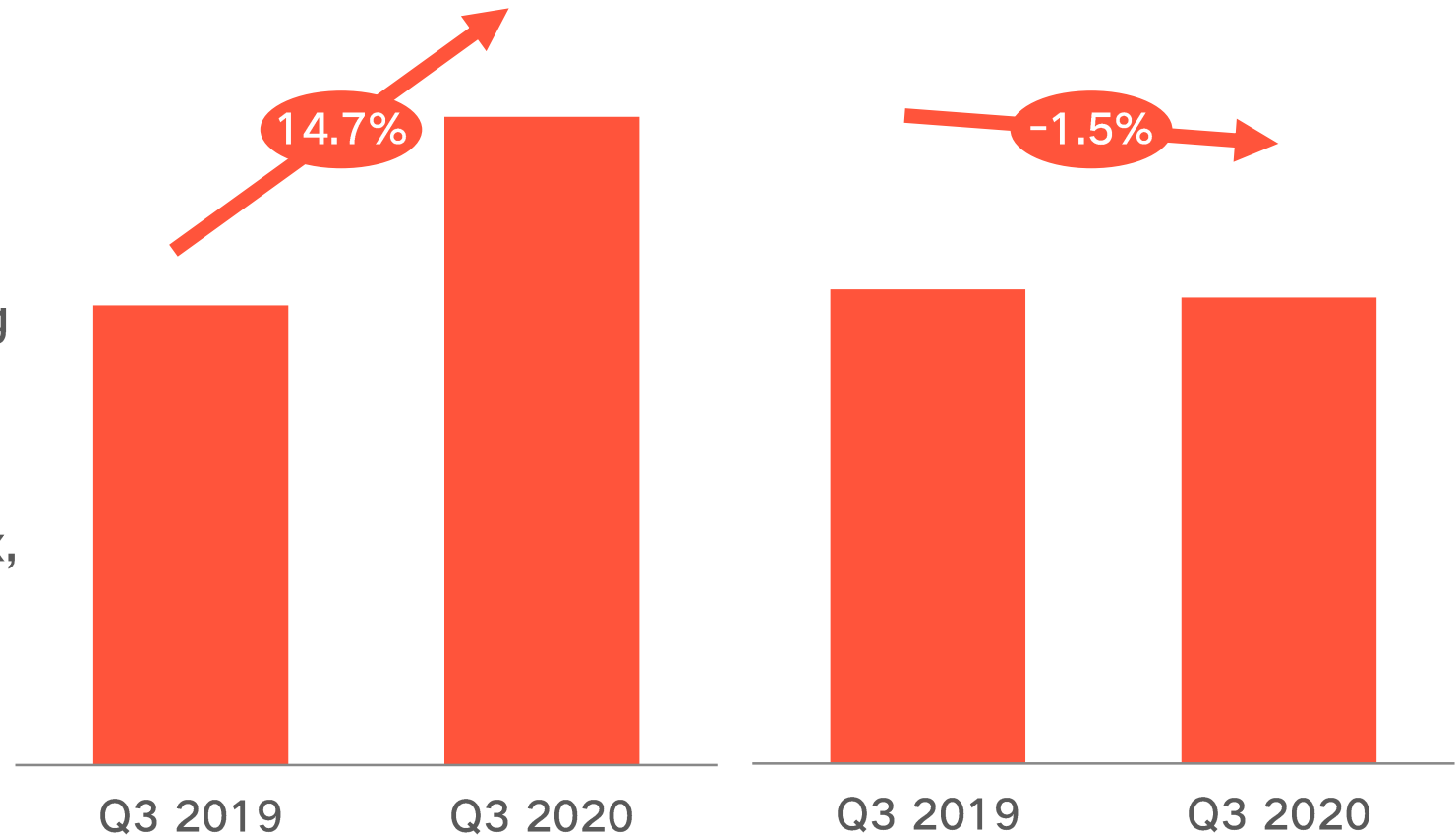
²From November 1 to 11, 2020

Mainland China smartphone ASP Overseas smartphone ASP

Our smartphone ASP recorded 1.6% YoY growth in Q3 2020

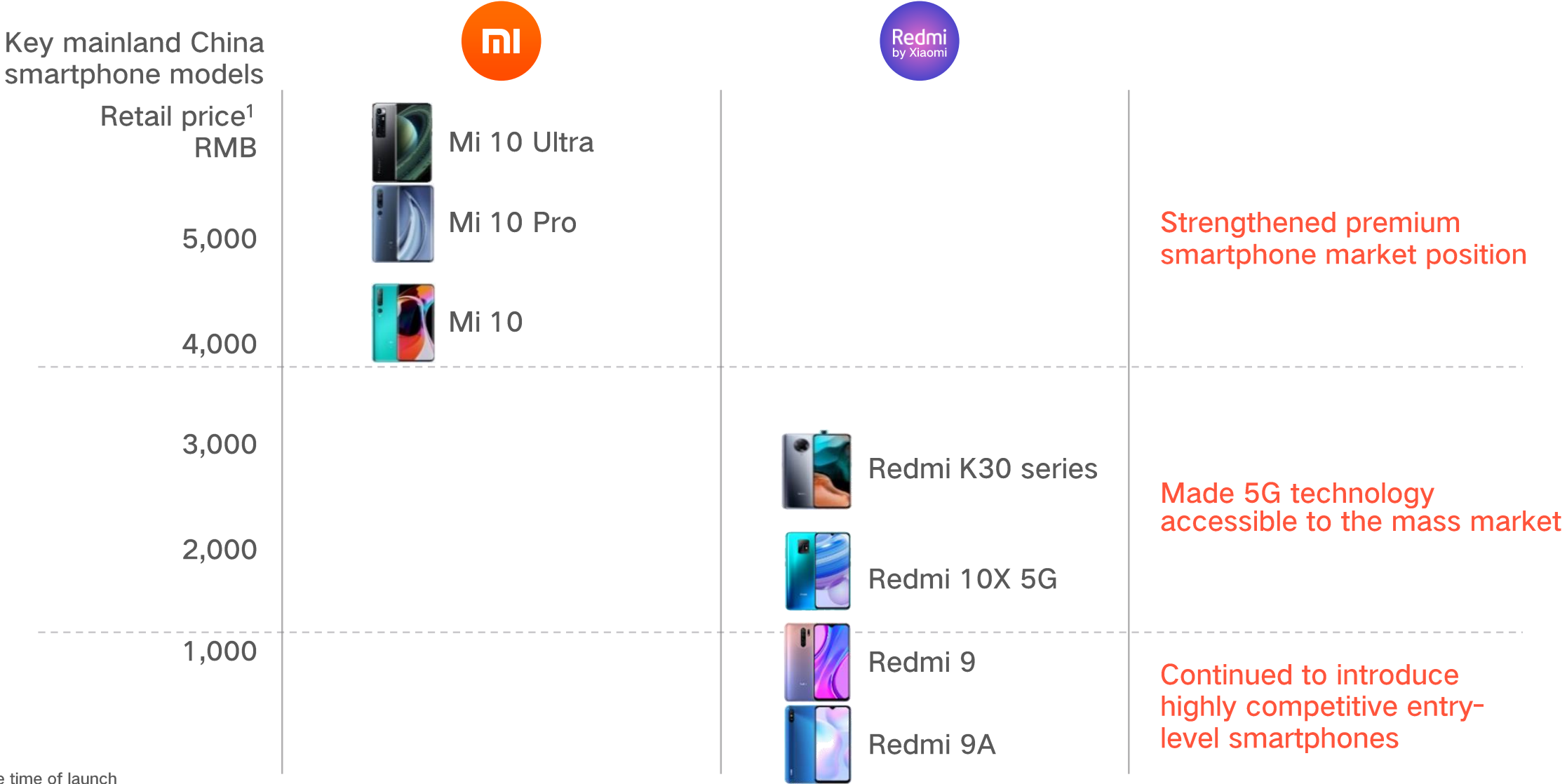
Mainland China smartphone ASP continued to increase, driven by strong growth of premium smartphones

Overseas smartphone ASP decreased slightly due to a change in product mix, with global shipments of Redmi 9 Series exceeding 14 million units¹



¹From product launch in June 2020 to September 30, 2020

Successful entry into the premium smartphone market while making 5G technology accessible to the mass market



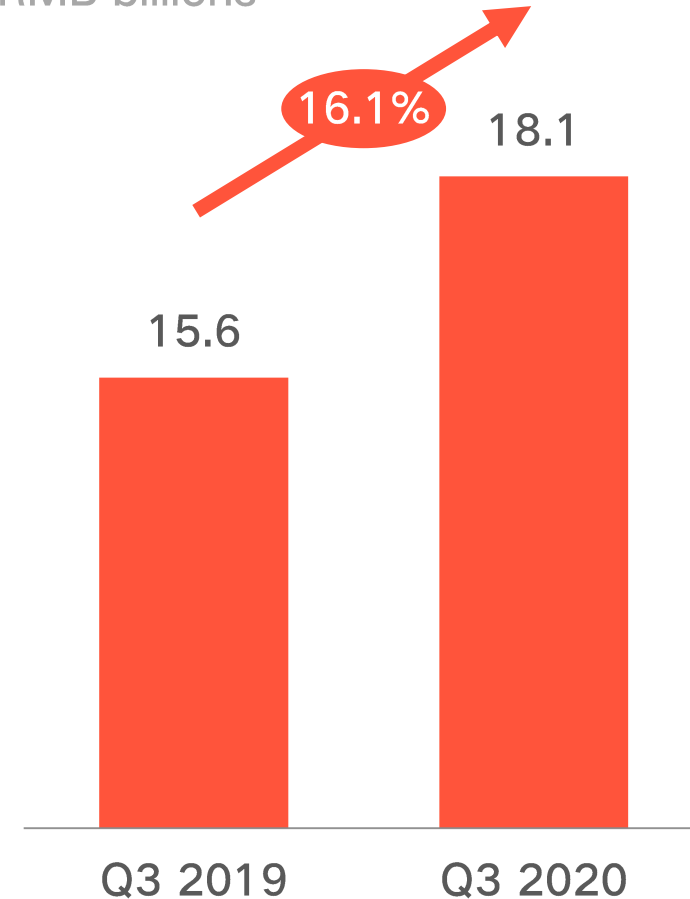
¹At the time of launch

AIoT

In Q3 2020

IoT and lifestyle product revenue reached RMB18.1 billion, up **16.1%** YoY, recovering from the impact of the pandemic

IoT and lifestyle product revenue
RMB billions



Global leading consumer AIoT platform



289.5 million

Connected devices¹
Up **35.8%** YoY



5.6 million

Users with 5 or more devices
connected to Xiaomi's AIoT platform¹
Up **59.0%** YoY



78.4 million

AI assistant MAU²
Up **35.5%** YoY



43.1 million

Mi Home App MAU²
Up **34.2%** YoY

¹As of September 30, 2020, excluding smartphones and laptops

²In September, 2020

Strengthened our position in premium TV market



Xiaomi TV Master
65" OLED TV
RMB12,999



Mi TV LUX Transparent
Edition
RMB49,999



Mi TV LUX 82"
RMB9,999



Mi TV LUX 82" Pro
RMB49,999

Global smart TV shipments in Q3 2020 reached **3.1 million** units

Ranked **No.1** in mainland China for 7 consecutive quarters¹

¹ According to AVC, by shipments in Q3 2020

Overseas IoT and lifestyle product revenue up 56.2% YoY

 Overseas sales exceeded mainland China sales

Major overseas
AIoT products



Mi Band



Mi Electric Scooter



Xiaomi TWS Earbuds



Mi Robot Vacuum Cleaner



Mi Air Purifier

Market position

No.1 globally¹

No.1 globally²

No.2 globally¹

No.2 in mainland China³

No.1 in mainland China³

¹According to Canalys, by shipments in Q2 2020

²According to iResearch, by shipments in 2019

³According to IDC, by shipments in Q2 2020

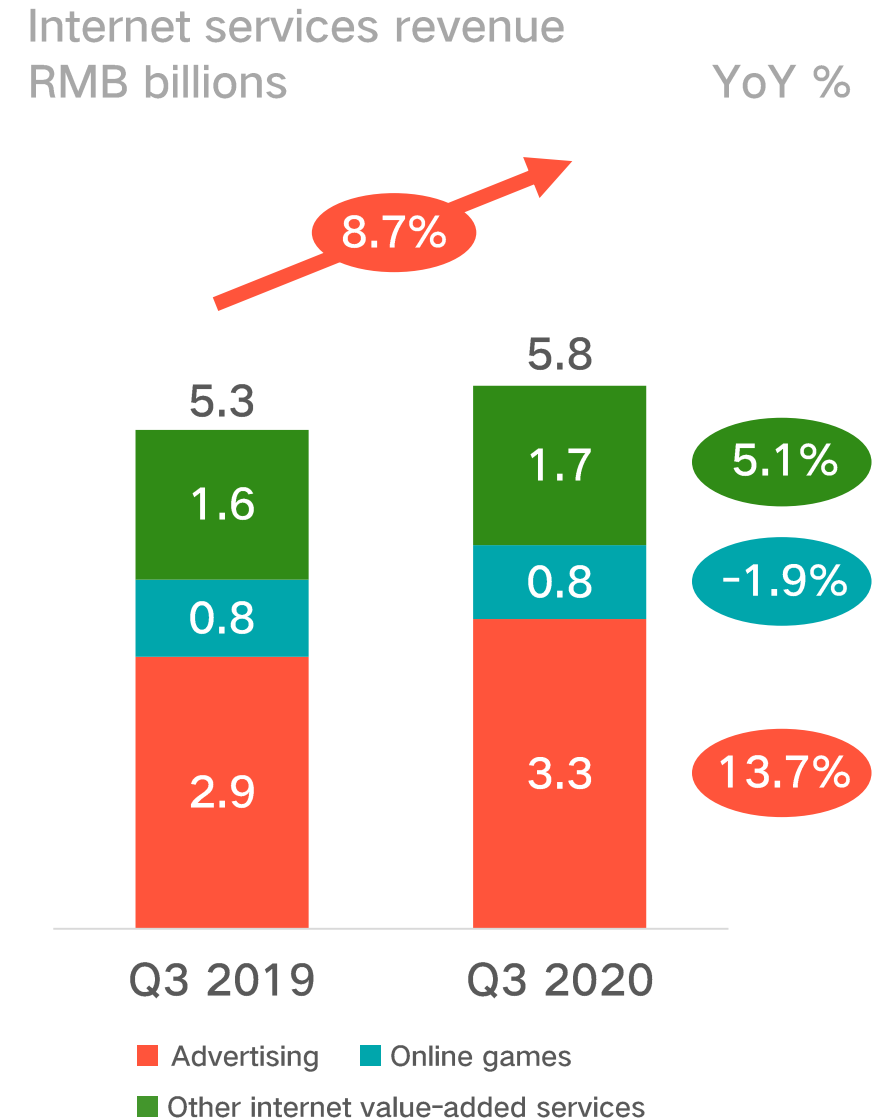
Internet Services

In Q3 2020

Internet services revenue reached RMB5.8 billion, up 8.7% YoY

Quarterly advertising revenue reached historical high

Record overseas internet services revenue

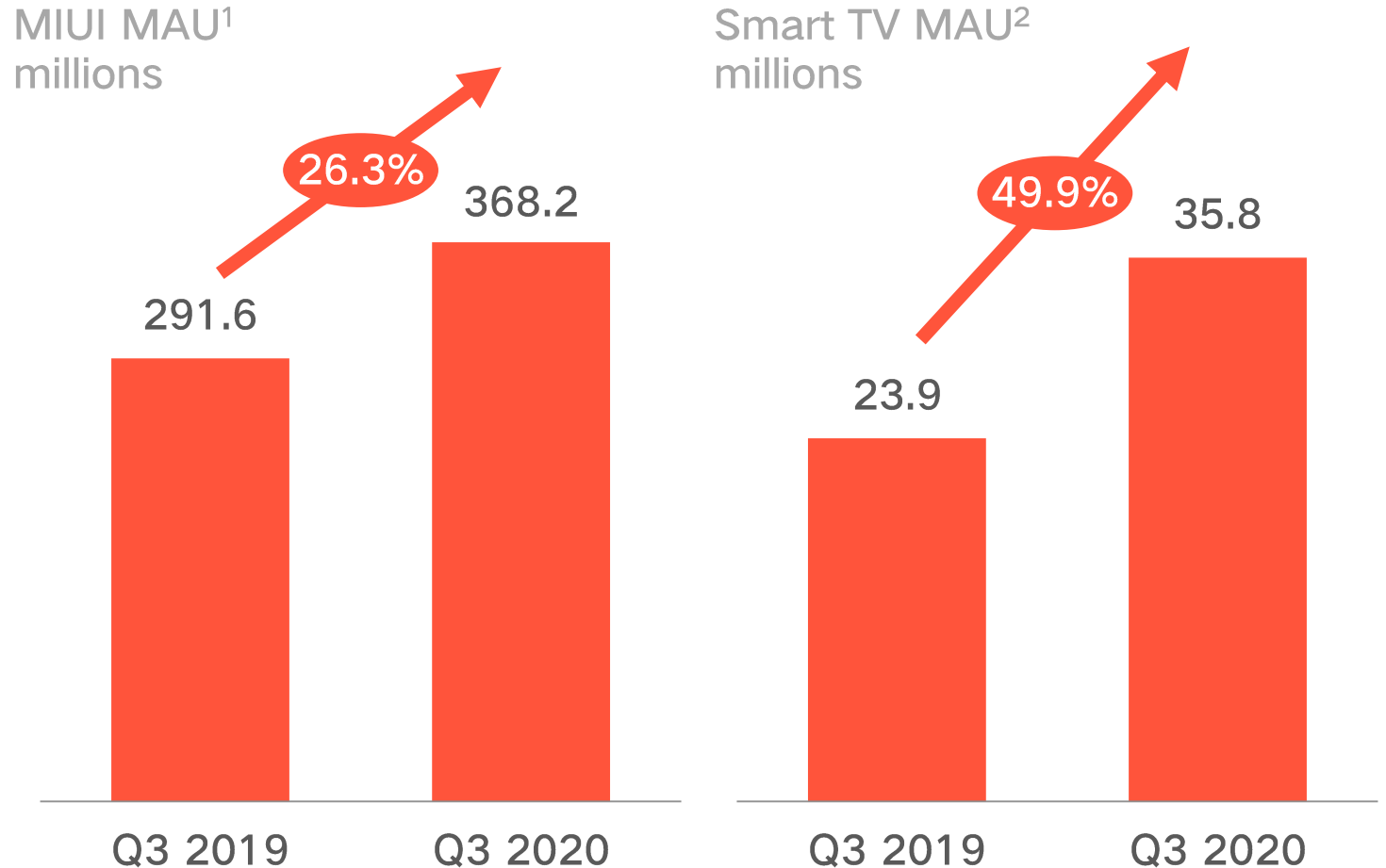


Strong user growth

Global MIUI MAU¹ reached **368.2 million**, up **26.3%** YoY

Mainland China MIUI MAU¹ reached **109.4 million**

Smart TV MAU² grew **49.9%** YoY to **35.8 million**, with paid subscribers reaching **4.2 million**



¹ As of September in respective quarters

² As of September in respective quarters, including both smart TV and Mi box users

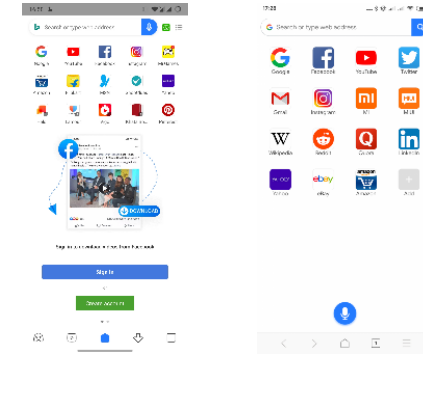
Overseas internet services revenue increased by **75.6%** YoY

Rapid growth in overseas internet services revenue driven by expanding user base

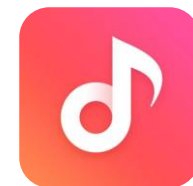
Overseas internet services revenue accounted for **12.0%** of total internet services revenue in Q3 2020



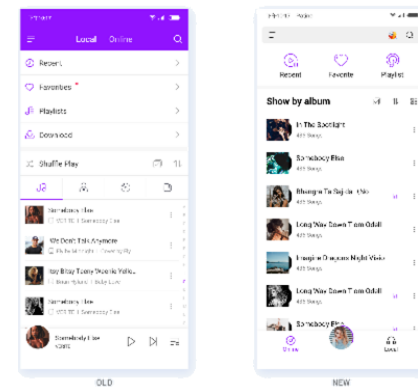
Mi Browser



No.1 on Xiaomi smartphones in Russia¹



Mi Music



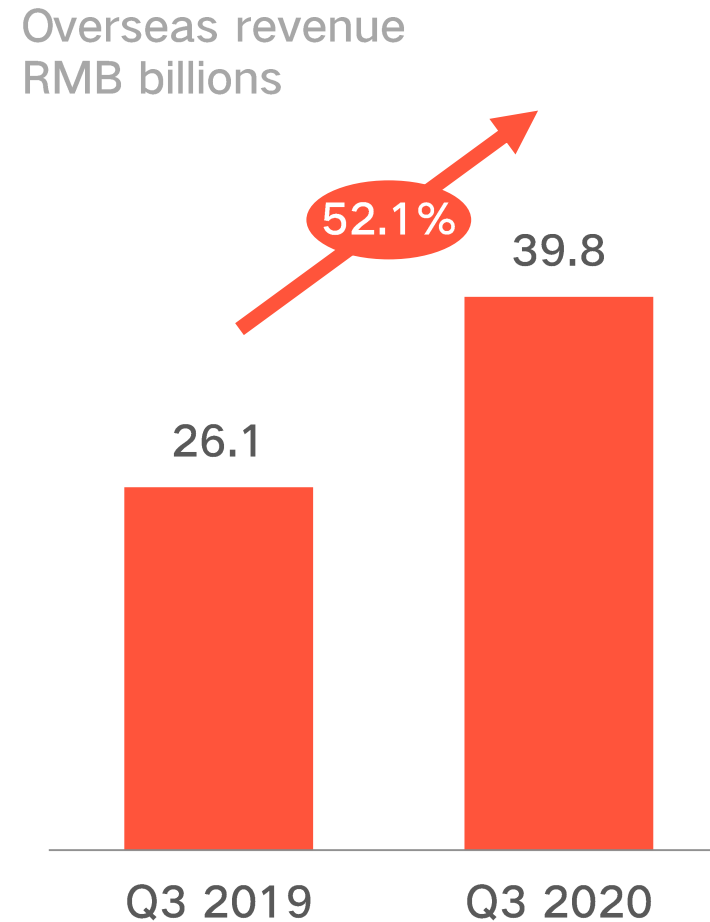
No.1 on Xiaomi smartphones in India, Indonesia and Russia¹

¹By DAU within the same category, in September 2020

Overseas

Overseas revenue hit record high in Q3 2020

Overseas revenue reached RMB39.8 billion in Q3 2020, up **52.1%** YoY



Smartphone market share ranked top 5 in 54 markets, top 3 in 36 markets and #1 in 10 markets



Ranked Top 3 in Western Europe with YoY growth of 107.3% in Q3 2020, ranked No.1 in Spain for the third consecutive quarter

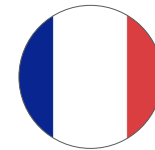
Western Europe smartphone market share		
Vendor	Q3 2020 market share	Shipment YoY growth
Samsung	35.8%	5.6%
Apple	24.8%	13.4%
Xiaomi	13.3%	107.3%
Huawei	11.8%	-32.3%
Others	14.3%	27.7%
Total	100.0%	10.1%



Spain #1



Italy #2



France #3



Germany #4

Market share

33.9%

18.6%

16.2%

8.6%

Shipment YoY growth

93.0%

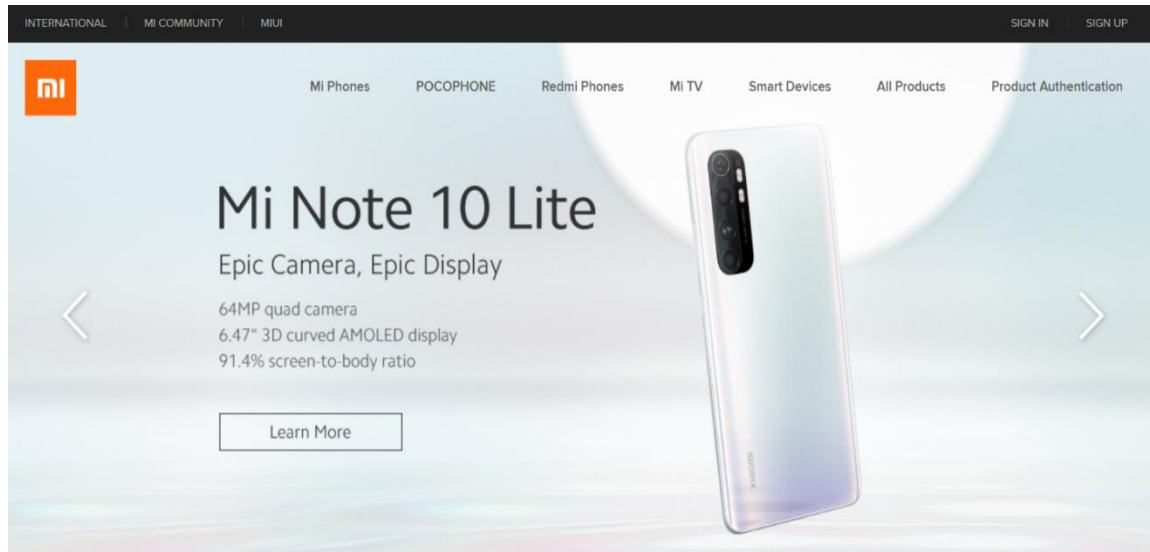
122.1%

134.4%

438.4%

Continued to expand overseas channels – online

Mi.com



Mi.com is available in **32** countries and regions as of Q3 2020

E-commerce platforms



Overseas online smartphone shipments (excluding India) reached **10 million+** units in the first nine months of 2020




Continued to expand overseas channels – carriers

Partnered with **50+** carriers, expanded into **100+** carrier sub-networks of **50** countries

Shipments through carrier channels grew **200%+** YoY in the first nine months of 2020

Western Europe smartphone market share in carrier channels doubled to 4.6%¹ in Q3 2020

Partner carriers with leading market share

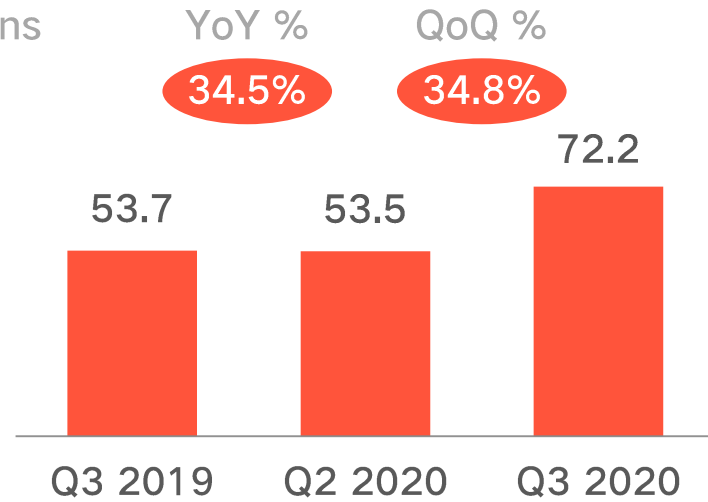
Market	Carriers
 Italy	Vodafone Windtre TIM
 Poland	Orange T-mobile Play
 Spain	Orange Vodafone Movistar

¹According to Canalys, by shipments

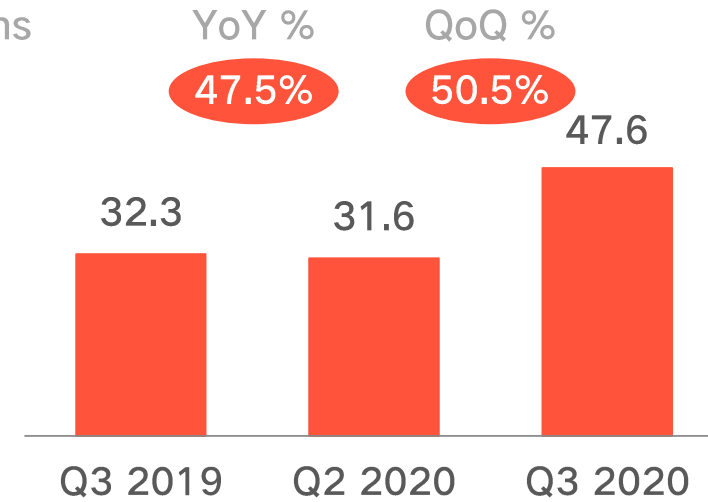
Financials

Revenue by segment

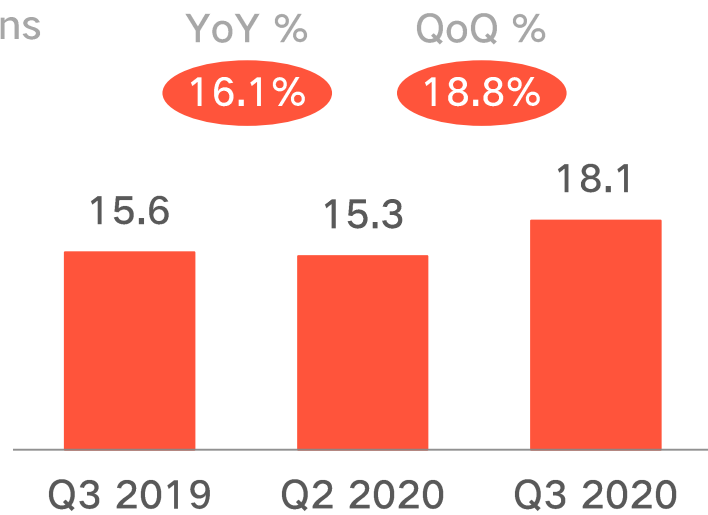
Total revenue
RMB billions



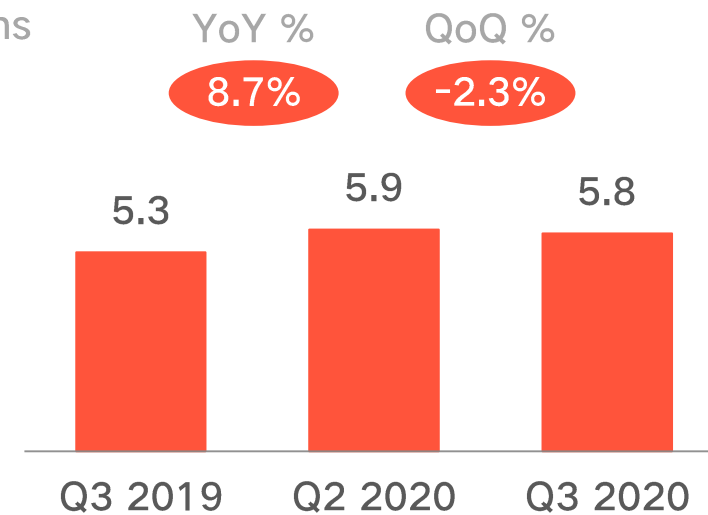
Smartphone revenue
RMB billions



IoT and lifestyle product revenue
RMB billions

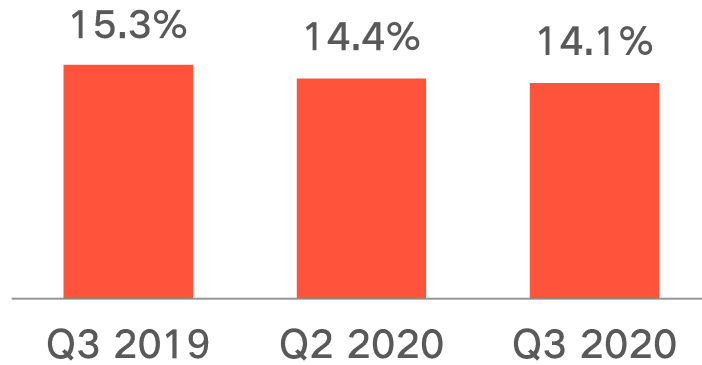


Internet services revenue
RMB billions

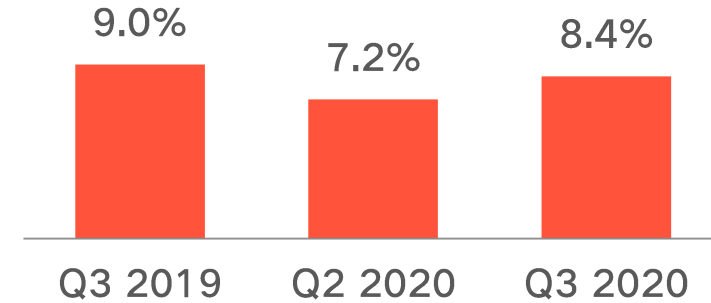


Gross margin by segment

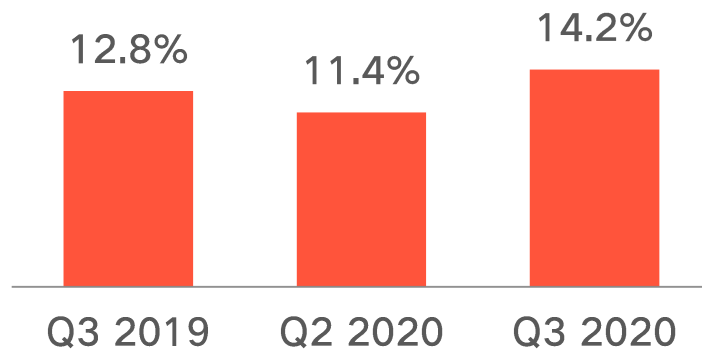
Overall gross margin



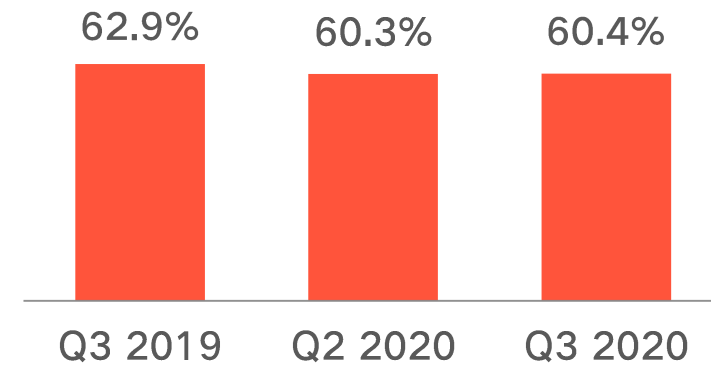
Smartphone gross margin



IoT and lifestyle products gross margin



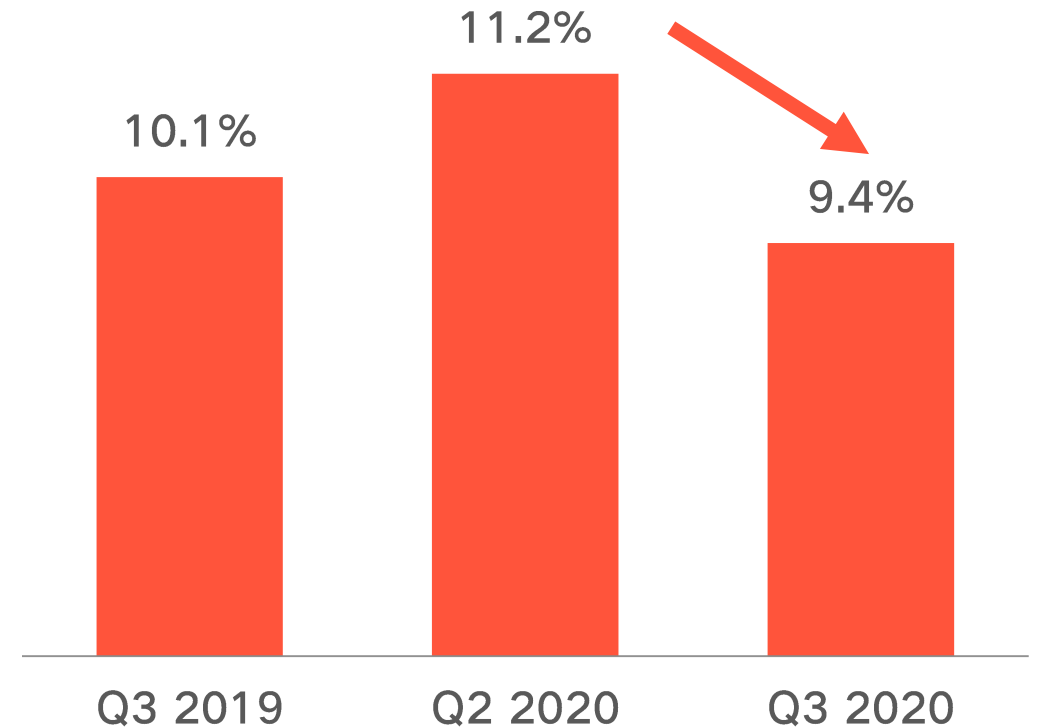
Internet services gross margin



Higher operating leverage

Operating expense ratio

Continued to step up investments in brand building and R&D, while overall operating expense ratio declined due to operating leverage



Adjusted net profit saw steady growth

Adjusted net profit
RMB billions

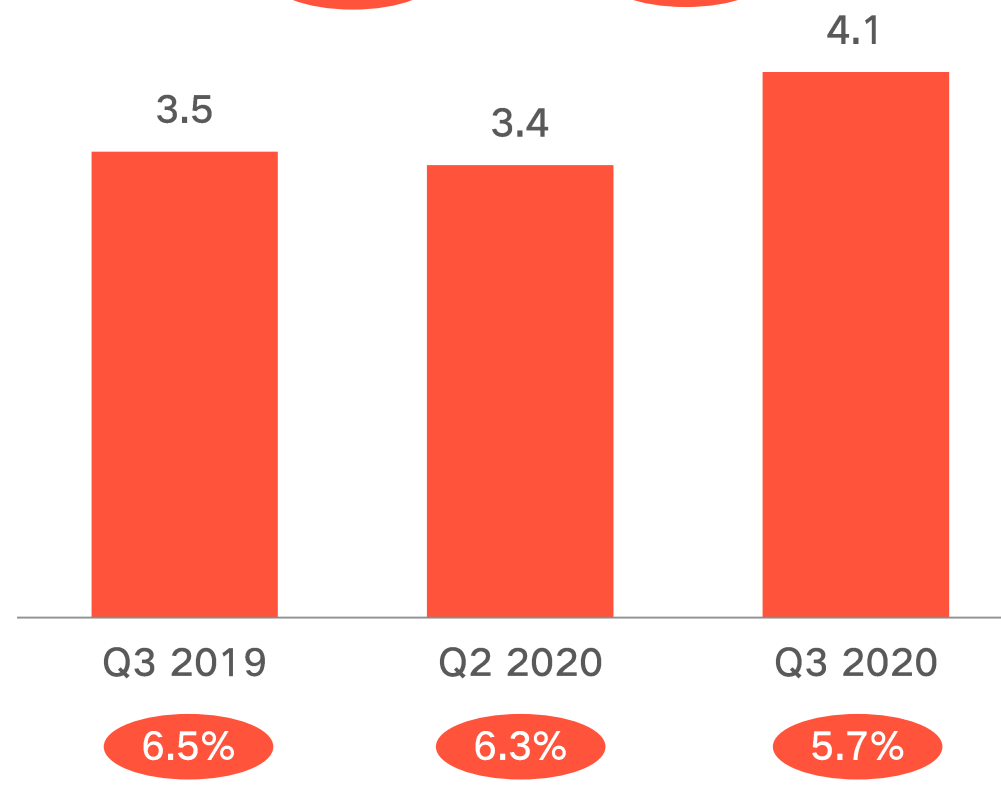
YoY %

QoQ %

18.9%

22.4%

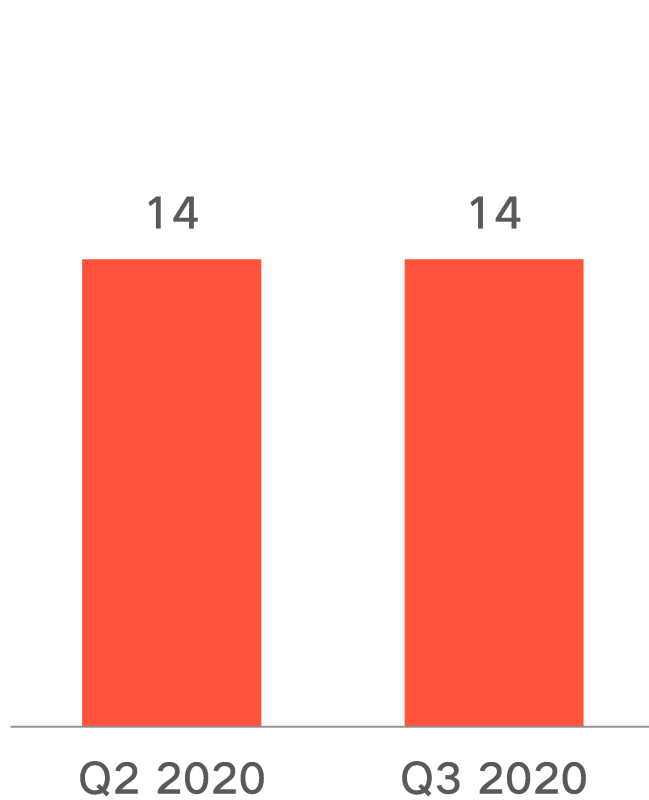
Adjusted net profit saw steady growth in 2020, reaching a record high of RMB4.1 billion in Q3, up **18.9% YoY**



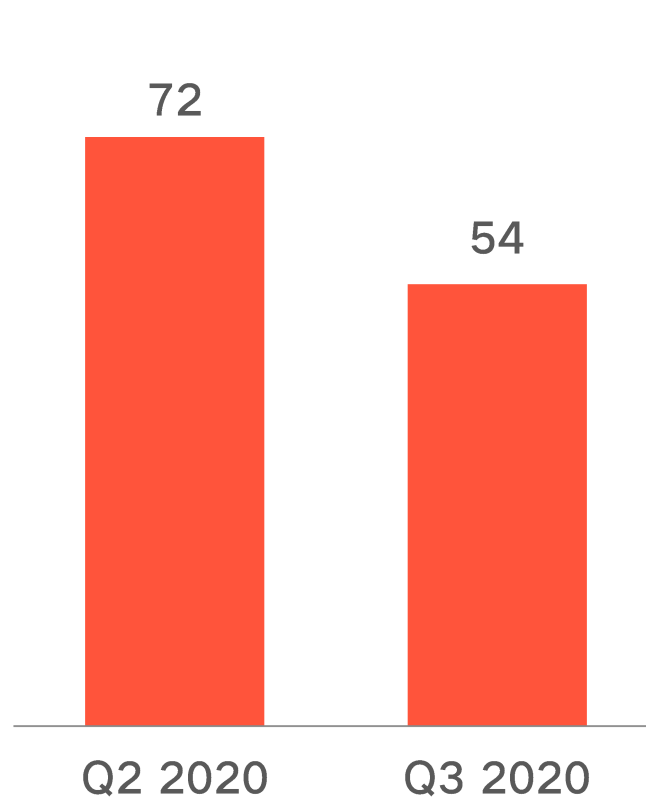
¹Defined as profit for the period, as adjusted by adding back (i) share-based compensation, (ii) net fair value changes on investments, (iii) amortization of intangible assets resulting from acquisitions, (iv) changes of value of financial liabilities to fund investors, and (v) income tax effects

Efficient working capital management

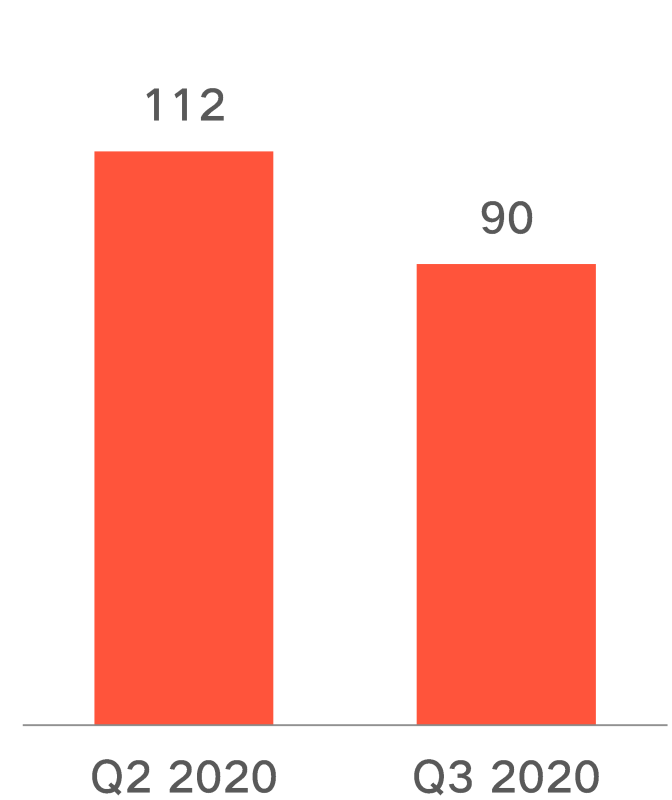
AR turnover days



Inventory turnover days

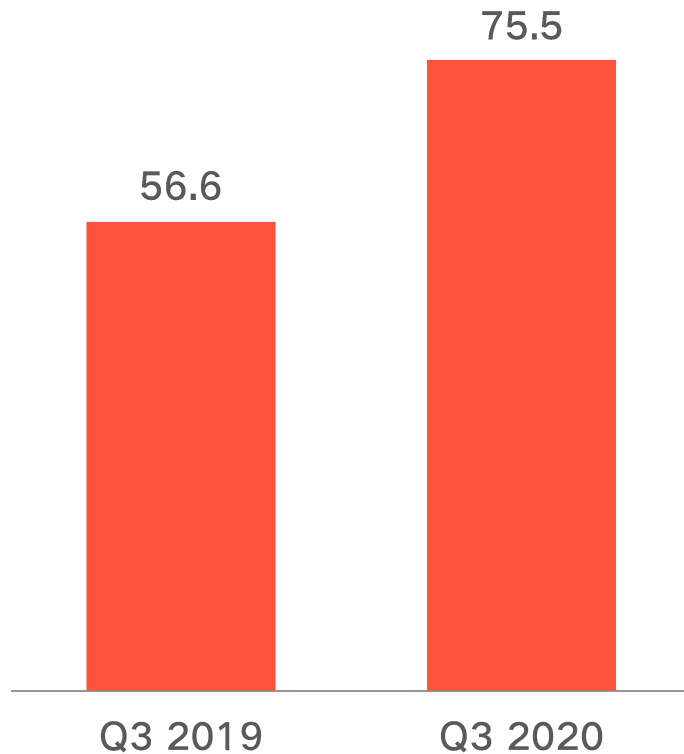


AP turnover days

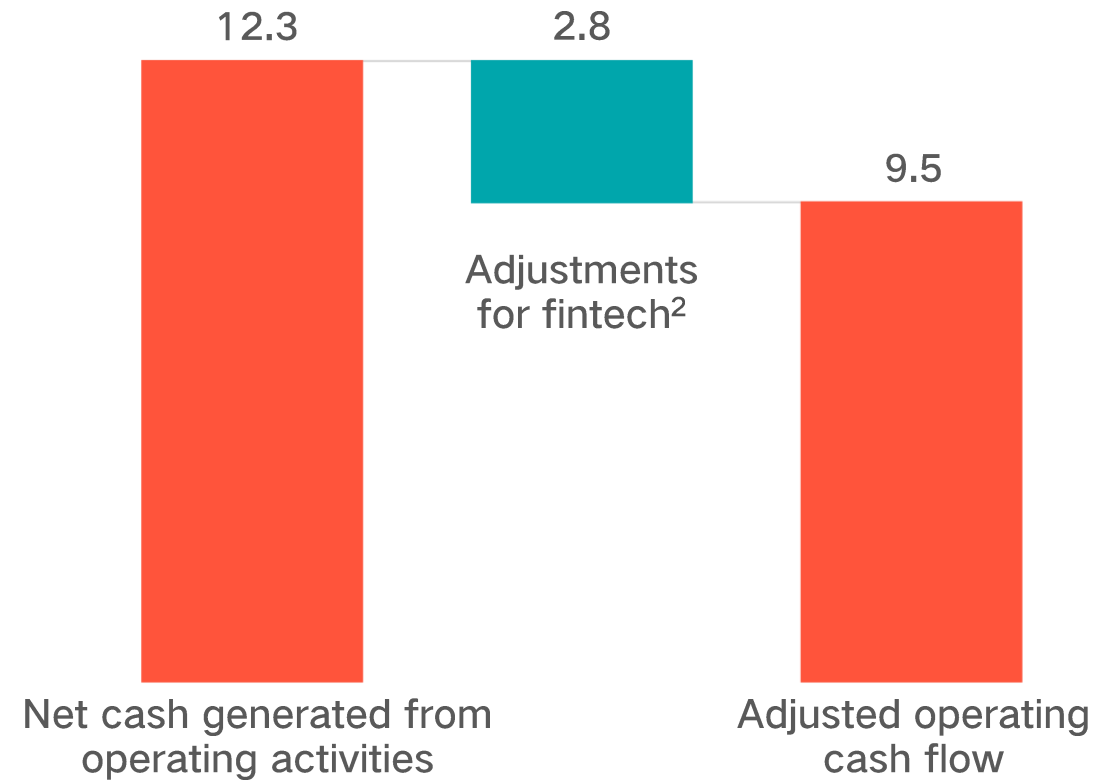


Adequate cash resources and strong operating cash flow performance

Cash resources¹
RMB billions



Q3 2020 adjusted operating cash flow
RMB billions



¹Include (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, (v) short-term investments measured at amortized cost and (vi) long-term bank deposits

²Include (i) the decrease in loan and interest receivables and impairment provision for loan receivables mainly resulting from the fintech business, (ii) the decrease in trade payables resulting from the finance factoring business, (iii) the increase in restricted cash resulting from the fintech business and (iv) the increase in deposits from customers resulting from the aistar bank

Strong investment performance

Selected investee companies listed since 2018



As of Q3 2020, we invested in over **300** companies,
 after-tax net gains on disposal of investments was **RMB0.7 billion**
 Total amount of investment¹ was RMB50.6 billion, **HKD2.4 per share**²

¹Include (i) fair value of our stakes in listed investee companies (based on the stock price on September 30, 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 September 30, 2020

²RMB to HKD exchange rate of 1.14 on September 30, 2020

