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In H1 2020

Total revenue was RMB103.2 billion, up 7.9% YoY

Adjusted net profit\(^1\) was RMB5.7 billion

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\(^1\) 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.
In Q2 2020

Total revenue was RMB53.5 billion, up 3.1% YoY

Net income was RMB4.5 billion

Adjusted net profit\(^1\) was RMB3.4 billion, up 46.6% QoQ

\(^1\) 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
Overseas business has largely recovered from the pandemic

Overseas smartphone activation\(^2\) has surpassed the pre-pandemic level

In overseas markets (excluding India), smartphone activation\(^2\) has achieved 120% of the pre-pandemic level

In India, smartphone activation\(^2\) has achieved 72% of the pre-pandemic level

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\(^1\) Daily average smartphone activation for each month, as % of the daily average in January

\(^2\) Daily average smartphone activation in July 2020
Ranked Top 3 in Europe with the highest YoY growth¹ in Q2 2020

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Q2 2020 shipment volume</th>
<th>Q2 2020 market share</th>
<th>Q2 2019 shipment volume</th>
<th>Q2 2019 market share</th>
<th>Shipment YoY growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Samsung</td>
<td>12.7</td>
<td>29.9%</td>
<td>18.3</td>
<td>40.6%</td>
<td>-30.8%</td>
</tr>
<tr>
<td>Apple</td>
<td>9.0</td>
<td>21.3%</td>
<td>6.4</td>
<td>14.1%</td>
<td>42.0%</td>
</tr>
<tr>
<td>Xiaomi</td>
<td>7.1</td>
<td>16.8%</td>
<td>4.3</td>
<td>9.6%</td>
<td>64.9%</td>
</tr>
<tr>
<td>Huawei</td>
<td>7.0</td>
<td>16.6%</td>
<td>8.5</td>
<td>18.8%</td>
<td>-17.2%</td>
</tr>
<tr>
<td>HMD Global</td>
<td>1.1</td>
<td>2.5%</td>
<td>1.2</td>
<td>2.7%</td>
<td>-12.3%</td>
</tr>
<tr>
<td>Others</td>
<td>5.5</td>
<td>13.0%</td>
<td>6.4</td>
<td>14.2%</td>
<td>-13.6%</td>
</tr>
<tr>
<td>Total</td>
<td>42.4</td>
<td>100.0%</td>
<td>45.1</td>
<td>100.0%</td>
<td>-5.9%</td>
</tr>
</tbody>
</table>

Million units

Source: Canalys

¹Among top 5 smartphone vendors, by shipments
Relentlessly pursuing advanced technologies: Mi 10 Ultra

World’s **first** 120x AI super zoom camera
World’s **first** 120W wired and 50W wireless fast charging

![Mi 10 Ultra](image)

<table>
<thead>
<tr>
<th>Device</th>
<th>Camera Score</th>
<th>Selfie Score</th>
<th>Audio Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Xiaomi Mi 10 Ultra</td>
<td>130</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Huawei P40 Pro</td>
<td>128</td>
<td>103</td>
<td>59</td>
</tr>
<tr>
<td>Honor 30 Pro+</td>
<td>125</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oppo Find X2 Pro</td>
<td>124</td>
<td>72</td>
<td>74</td>
</tr>
<tr>
<td>Xiaomi Mi 10 Pro</td>
<td>124</td>
<td>83</td>
<td>76</td>
</tr>
</tbody>
</table>

No.1 in overall camera, photo and video scores on DXOMARK\(^1\)

\(^1\)At the time of launch
Xiaomi has been globally acknowledged for our innovation

**#422**
2020 Fortune Global 500
Up 46 places compared to 2019

**#24**
Boston Consulting Group’s 50 Most Innovative Companies of 2020

The Derwent Top 100 Global Innovators of 2020
Smartphones
In Q2 2020

Smartphone revenue reached RMB31.6 billion, up 4.3% QoQ

Smartphone shipments reached 28.3 million units
Our premium smartphones were well-received by the market

**Mainland China**

- **Mi 10**
  - No.1 in the price range of RMB3,500-4,500 during JD 618 shopping festival

- **Redmi K30 Pro**
  - Best-selling 5G smartphone during JD 618 shopping festival

**Overseas**

- **Mi 10/10 Pro**
  - €799/999+

- **Mi Note 10**
  - €549+

- **Mi 10 Lite**
  - €349+

Overseas shipments of premium smartphones\(^1\) grew 99% YoY in Q2 2020

\(^1\)Smartphones with retail price at €300 or above
Driven by 5G and premium smartphone rollouts, our smartphone ASP recorded 11.8% YoY and 7.5% QoQ growth in Q2 2020.
Achieving great progress in the premium smartphone market while making leading technologies accessible to the mass market

Key mainland China smartphone models in H1

<table>
<thead>
<tr>
<th>Retail price¹ RMB</th>
<th>Mi 10 Ultra</th>
<th>Mi 10 Pro</th>
<th>Mi 10</th>
<th>Redmi K30 Pro</th>
<th>Mi 10 Lite 5G</th>
<th>Redmi K30 Ultra</th>
<th>Redmi K30 5G</th>
<th>Redmi 10X 5G</th>
<th>Redmi 10X 4G</th>
<th>Redmi 9</th>
<th>Redmi 9A</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,000</td>
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</tbody>
</table>

¹At the time of launch

- Strengthened premium smartphone market position
- Made 5G technology accessible to the mass market
- Continued to introduce highly competitive entry-level smartphones
AIoT
In Q2 2020

IoT and lifestyle products revenue reached RMB15.3 billion, up 2.1% YoY and 17.5% QoQ
Our core strategy: Smartphone × AIoT

- Smartphone is the cornerstone of our business model
- AIoT platform will revolve around smartphone to build up a smart living ecosystem
Global leading consumer AIoT platform

<table>
<thead>
<tr>
<th>271.0 million</th>
<th>5.1 million</th>
<th>78.4 million</th>
<th>40.8 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connected devices¹</td>
<td>Users with 5 or more devices connected to Xiaomi’s IoT platform¹</td>
<td>AI assistant MAU YoY growth of 57.1%²</td>
<td>Mi Home APP MAU YoY growth of 34.1%²</td>
</tr>
<tr>
<td>YoY growth of 38.3%</td>
<td>YoY growth of 63.9%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Increase smartphone retention: higher retention rate for smartphone users with connected IoT devices
- Increase cross selling: for IoT users as of June 30, 2019, the average number of connected devices increased by over 25% in the subsequent 12 months

¹ As of June 30, 2020, excluding smartphones and laptops
² In June 2020
Enhanced the connectivity and user experience of our AIoT platform

Control hub of smart living

One click configuration for smart devices

Enhance interaction among smart devices, including smartphone, laptop, smart TV, smartwatch and AI speaker
No.1 TV brand in mainland China: continue to introduce innovative products

Entering premium TV markets with Mi TV LUX 65” OLED and Mi TV LUX Transparent Edition, the world’s first mass-produced transparent TV

Global smart TV shipments in Q2 2020 reached ~2.8 million units, up 1.7% despite a decline in global TV market

Ranked No.1 in mainland China for 6 consecutive quarters¹

¹ According to AVC, by shipments in Q2 2020
Further expand IoT products to overseas markets

In H1 2020, we debuted our smart TVs in several new markets, including Italy, Poland and France.

We held our first global ecosystem product launch in July 2020.
Internet Services
In Q2 2020

Internet services revenue reached RMB5.9 billion, up 29.0% YoY

Advertising was up 23.2% YoY
Online games was up 54.5% YoY
Other internet value-added services was up 27.0% YoY
Strong user growth

Global MIUI MAU\(^1\) reached 343.5 million, an increase of 23.3% YoY

Mainland China MIUI MAU\(^1\) in Q2 2020 was 109.7 million

TV MAU\(^2\) grew 41.8% YoY to 32.0 million

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\(^1\) As of June in respective quarters
\(^2\) As of June in respective quarters, including both TV and TV box users
Solid advertising growth despite the challenging environment

Advertising revenue increased 23.2% YoY and 15.6% QoQ in Q2 2020, mainly driven by:

- the rapid growth of overseas internet advertising revenue
- gradual recovery of advertising budget
Increasingly diversified revenue streams driving sustained revenue growth

In Q2 2020, 39.0% of internet services revenue was from internet services outside of advertising and gaming from mainland China smartphones, up 39.5% YoY
Continued to expand our TV internet services

MIUI for TV 3.0

Increasing premium brand advertisers
- Rolex
- Bvlgari
- Cartier
- Omega
- Hermes
- Bottega Veneta
- Tiffany & Co
- Celine
- YSL
- Porsche

Diversified TV membership

New TV value added services, such as Karaoke
Overseas
Despite the impact of the pandemic, overseas revenue reached RMB24.0 billion in Q2 2020, up 10.0% YoY, contributing to 44.9% of total revenue.
Smartphone market share ranked top 5 in 50 markets and top 3 in 25 markets

No.1
- India
- Spain
- Ukraine
- Poland
- Greece
- Belarus
- Myanmar

No.2
- France
- Russia
- Slovakia
- Croatia
- Latvia
- Nepal

No.3
- Austria
- Portugal
- Sweden
- Lithuania
- Hungary
- Turkey
- Qatar
- Laos
- Cambodia
- Israel
- Nigeria
- Peru

No.4-5
- Germany
- Netherlands
- Italy
- Indonesia
- Kenya
- Romania
- Saudi Arabia
- South Korea
- Slovenia
- Colombia
- Kuwait
- UAE

- China
- Czech Republic
- Egypt
- Mexico
- Brazil
- Sri Lanka
- Switzerland
- Chile
- Estonia
- Singapore
- Malaysia

Source: Canalys smartphone analysis (sell-in shipments), Q2 2020
### Western Europe smartphone market share

<table>
<thead>
<tr>
<th>Rank</th>
<th>Vendor</th>
<th>Q2 2020 market share</th>
<th>Shipment YoY growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>Samsung</td>
<td>31.6%</td>
<td>-30.0%</td>
</tr>
<tr>
<td>#2</td>
<td>Apple</td>
<td>27.6%</td>
<td>42.4%</td>
</tr>
<tr>
<td>#3</td>
<td>Huawei</td>
<td>13.0%</td>
<td>-25.9%</td>
</tr>
<tr>
<td>#4</td>
<td>Xiaomi</td>
<td>12.4%</td>
<td>115.9%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>100%</td>
<td>-5.1%</td>
</tr>
</tbody>
</table>

### Market share by country

- **Spain #1**: Market share 36.8%, Shipment YoY growth 150.6%
- **France #2**: Market share 15.4%, Shipment YoY growth 82.1%
- **Germany #4**: Market share 8.3%, Shipment YoY growth N.A.
- **Italy #4**: Market share 15.8%, Shipment YoY growth 107.4%

Source: Canalys
India’s No.1 smartphone brand

No.1 for 12 consecutive quarters:
Q3 2017 to Q2¹ 2020
Q2 2020 market share: 30.7%²

¹Source: IDC
²Source: Canalys
Gross margin by segment

Overall gross margin

14.0% 14.4%

Q2 2019 Q2 2020

Gross margin by segment in Q2 2020

- Smartphones 7.2%
- IoT and lifestyle products 11.4%
- Internet services 60.3%
Operating expense ratio increased due to 1) continuous investment in R&D and brand building and 2) lower operating leverage due to the pandemic

R&D expenses increased 25.8% YoY in Q2 2020
The increase of the inventory turnover days was caused by longer inventory cycle for overseas smartphones and the impact of pandemic.
Adequate cash resources and strong operating cash flow performance

Cash resources\(^1\)
RMB billion

<table>
<thead>
<tr>
<th></th>
<th>H1 2019</th>
<th>H1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>51.3</td>
<td>64.4</td>
</tr>
</tbody>
</table>

Q2 2020 adjusted operating cash flow
RMB billion

<table>
<thead>
<tr>
<th>Net cash generated from operating activities</th>
<th>Adjusted operating cash flow</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>4.3</td>
<td>6.7</td>
</tr>
<tr>
<td>Adjustments for fintech(^2)</td>
<td></td>
</tr>
<tr>
<td>2.4</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\)Include (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

\(^2\)Include (i) the increase in loan and interest receivables and impairment provision for loan receivables mainly resulting from the fintech business, (ii) the increase in trade payables resulting from the finance factoring business, and (iii) the increase in restricted cash resulting from the fintech business
Three guiding principles of our business

Never cease to explore and innovate
Offer products with the best price-to-performance ratio
Make the coolest products