



Xiaomi Corporation

Q2 2023 Results Announcement



Disclaimer

By attending the meeting where this presentation is made, or by reading the presentation materials, you agree to be bound by the following limitations:

The information in this presentation has been prepared by representatives of Xiaomi Corporation (the “Company”, and together with its subsidiaries, the “Group”) for use in presentations by the Group and does not constitute a recommendation regarding the securities of the Group. No part of this presentation should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever.

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained herein. Neither the Company nor any of the Company’s subsidiaries, affiliates, advisors or representatives shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially.

This presentation is based on the economic, regulatory, market and other conditions in effect on the date hereof. It should be understood that subsequent developments may affect the information contained in this presentation, which neither the Company nor its subsidiaries, affiliates, advisors or representatives are under an obligation to update, revise or affirm.

The information communicated in this presentation may contain certain statements that are or may be forward looking. These statements typically contain words such as “will”, “may”, “expects”, “forecasts”, “plans” and “anticipates” and words of similar import. By their nature forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There may be additional material risks that are currently not considered to be material or of which the Company and its advisors or representatives are unaware. Against the background of these uncertainties, readers should not rely on these forward-looking statements. Neither the Company nor its subsidiaries, affiliates, advisors or representatives assume any responsibility to update forward-looking statements or to adapt them to future events or developments.

This presentation and the information contained herein does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for any securities of the Company or any of its subsidiaries or affiliates in any jurisdiction. The securities of the Company have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and may not be offered, sold or delivered within the United States or to U.S. persons absent from registration under or an applicable exemption from the registration requirements of the United States securities laws.

In addition, certain information related to other companies and market in general presented in this presentation has been obtained from publicly available information. The accuracy and appropriateness of that information has not been verified by the Company and cannot be guaranteed.

No invitation is made by this presentation or the information contained herein to enter into, or offer to enter into, any agreement to purchase, acquire, dispose of, subscribe for or underwrite any securities or structured products, and no offer is made of any shares in or debentures of a company for purchase or subscription except as permitted under relevant laws.



Q2 2023 Overall Performance

Financial Performance

Revenue
RMB

67.4 billion

Adjusted Net Profit¹
RMB

5.1 billion, up 147.0% YoY

Including expenses related to smart EV and other new initiatives²
RMB1.4 billion

Smartphone Market Position

#3

Global Market Share Ranking³

51 markets

Ranked Top 3³

12.9%

Global Market Share³

61 markets

Ranked Top 5³

User Base

606.0 million

Global MIUI MAU⁴
10.8% YoY

149.3 million

Mainland China MIUI MAU⁴
6.5% YoY

AIoT Platform

654.5 million

AIoT Connected Devices⁵
24.2% YoY

#1

TV Shipments in Mainland China⁶

#1

TWS Brand in Mainland China³

13.0 million

Users with 5 or More Connected Devices⁵
27.8% YoY

#3

Tablet Brand in Mainland China³

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 of non-IFRS adjustments

² Expenses related to smart EV and other new initiatives do not include share-based compensation expenses related to smart EV and other new initiatives

³ According to Canalys, by shipments in Q2 2023

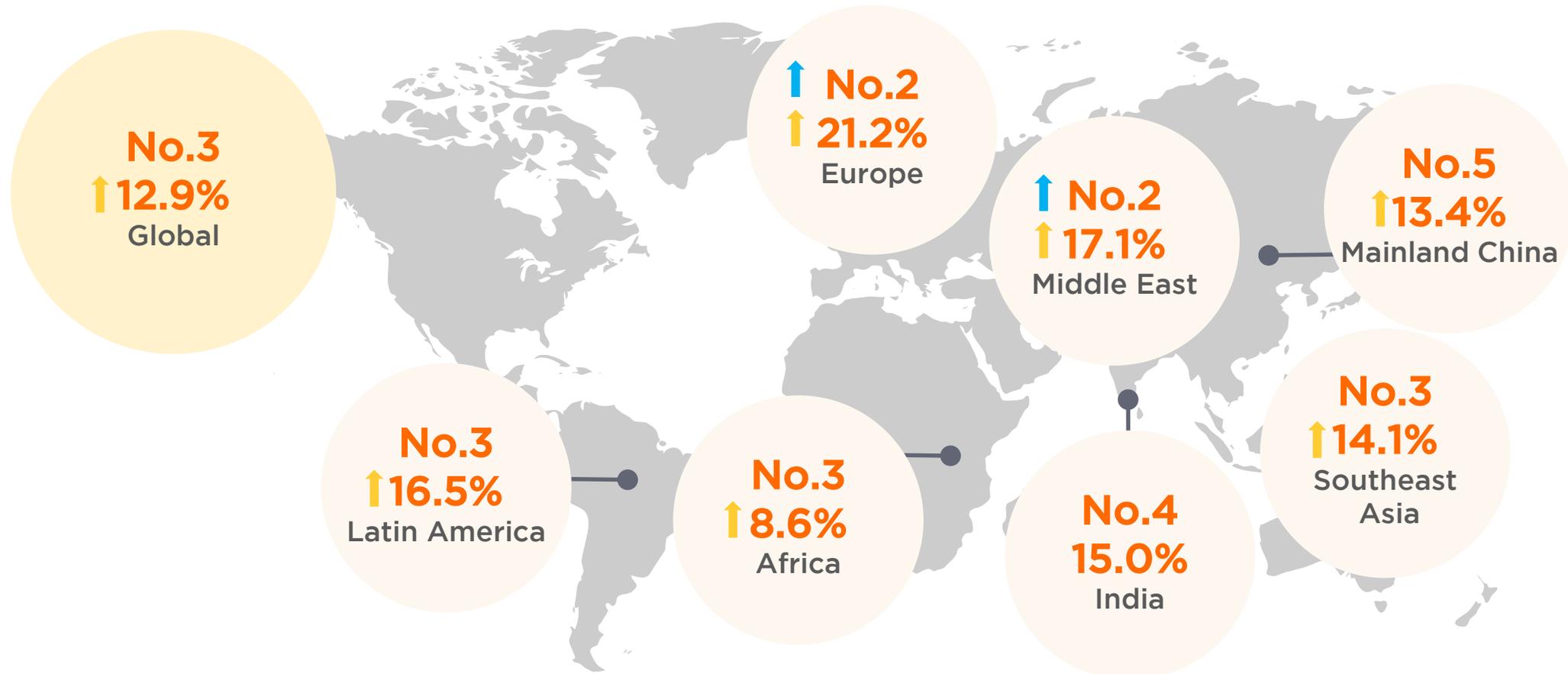
⁴ In June 2023

⁵ As of June 30, 2023, excluding smartphones, tablets and laptops

⁶ According to AVC, by shipments in 1H 2023

Global Smartphone Shipments Ranked No.3 in Q2 2023 Achieved Leadership Across All Major Markets Globally

Q2 2023 Smartphone Shipments Ranking and Market Share



↑ Market Share Improved Compared with Q1 2023 ↑ Ranking Improved Compared with Q1 2023

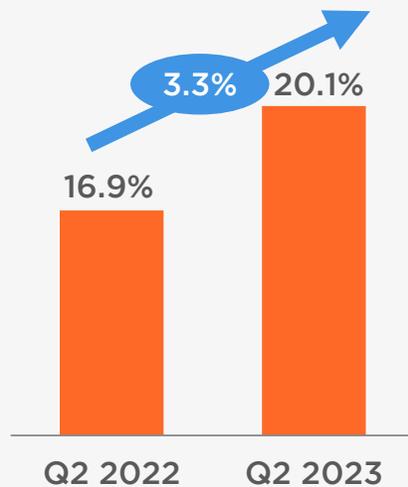
Steadfast Execution of Smartphone Premiumization Strategy



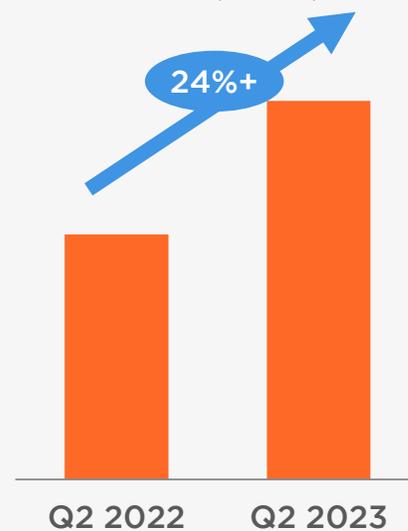
Three Design Principles of Premium Smartphones:

All-round performance, no shortcoming
Focus on user experience, not on specifications
Deep integration between software and hardware

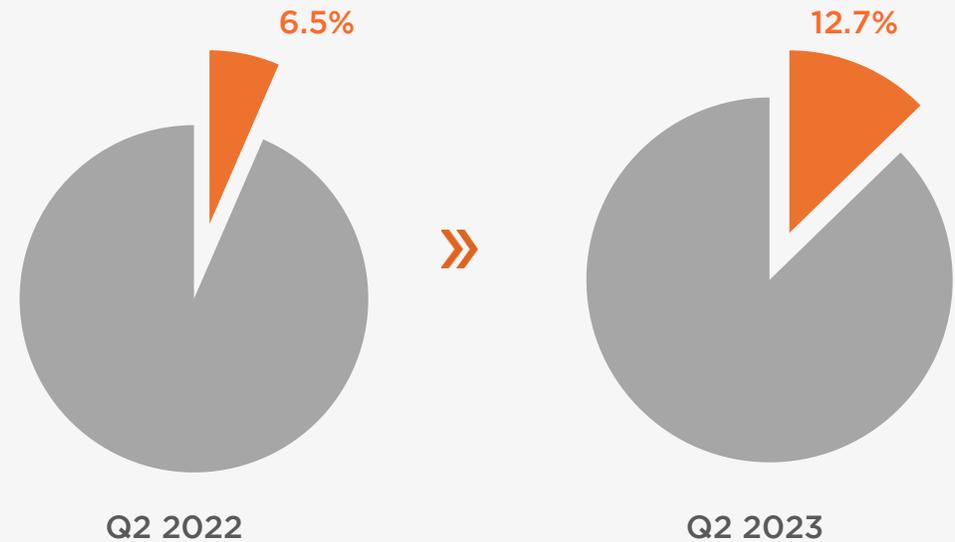
Premium Smartphone
as % of Total
Smartphone Units Sold in
Mainland China¹



Mainland China
Smartphone
ASP (RMB)



RMB4,000-6,000 Smartphone
Market Share¹ in Mainland China



¹ By units sold in mainland China, according to third-party data. Premium smartphones in mainland China are smartphones with retail prices at or above RMB3,000



Xiaomi MIX Fold 3: Combining Slim, Lightweight, and Flagship Experiences

Launched in Mainland China in August 2023

XIAOMI MIX Fold 3

小米 | 徕卡 联合研发 



5.26mm Unfolded
255g Lightweight



Proprietary Hinge
Technology



Quad Camera System
with Leica Optical Lens
Covering **Five** Focal Lengths



Powerful Snapdragon
8 Gen 2 Leading Version



Self-developed Surge Dual Batteries
Self-developed Surge
P2 Charging Chip and
G1 Battery Management Chip
Wireless Charging



Two Exceptional Displays with
Peak Brightness up to **2,600 Nits**

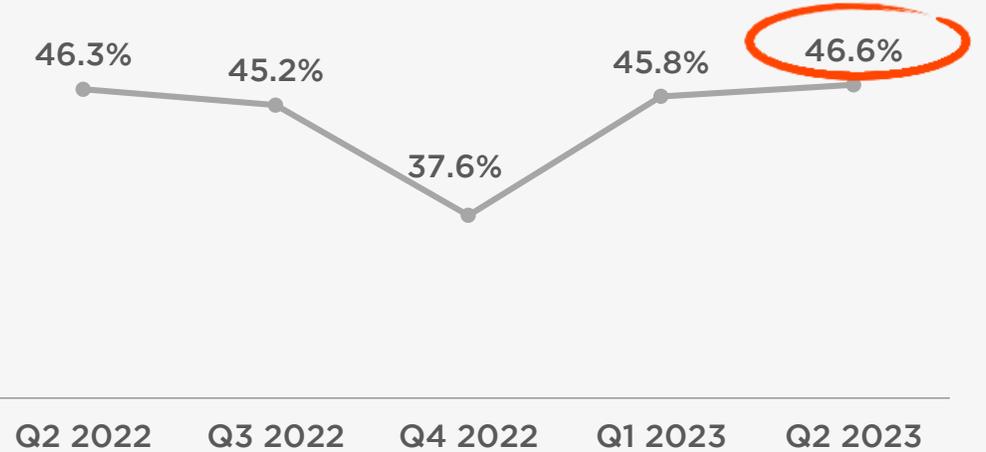
Sales Volume Reached 2.25 times of Last Generation
in the First Five Minutes of Sales Launch

Premium Smartphones Contributed to the Growth of Offline Retail Performance in Mainland China

Average single-store GMV by Quarter¹



% of Premium Smartphone Units Sold via Offline Retail Stores²



¹ Average single-store GMV by quarter is calculated as the total GMV generated from offline retail stores in the quarter divided by the average of the number of offline retail stores at the beginning and the end of the quarter

² By units sold in mainland China, according to third-party data. Premium smartphones in mainland China are smartphones with retail prices at or above RMB3,000



Xiaomi Technology Philosophy

Continuously invest in technologies that will benefit humanity

12 technology fields with 99 verticals

Over RMB100 billion investment during the 5 years between 2022 to 2026

Xiaomi Technology Strategy

(Software x Hardware) ^{AI}

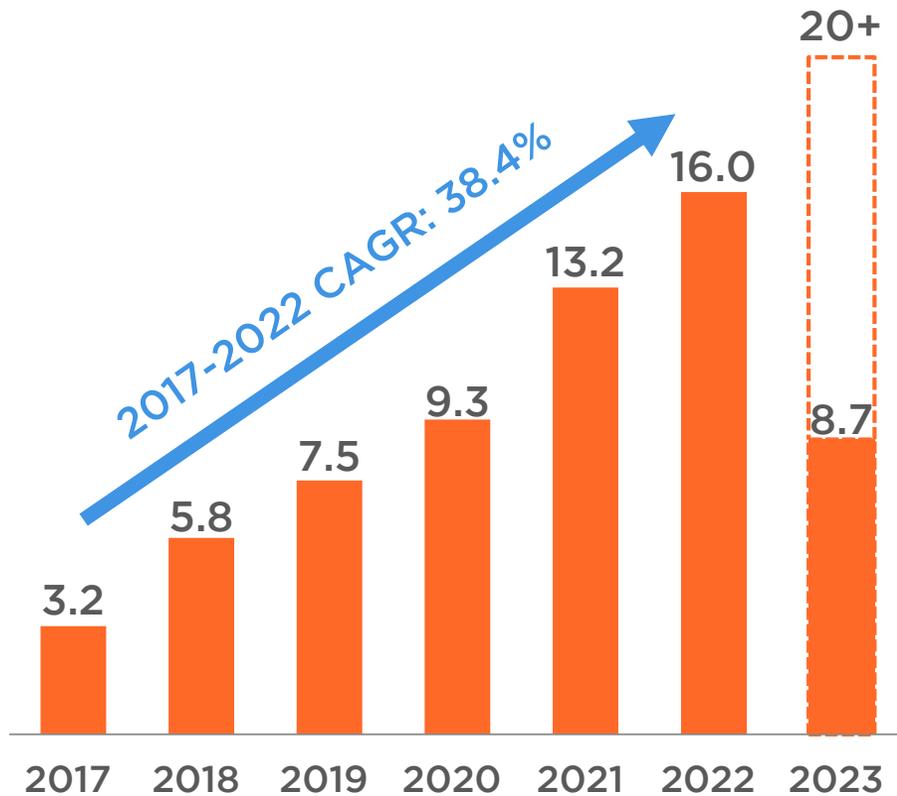
Focus on fundamental technology and long-term commitment to investment

Deep integration between software and hardware empowered by AI



R&D Expenses Reached RMB4.6 billion in Q2 2023

R&D Expenses
RMB Billions



Q2 2023
R&D Expenses
Up **21.0%** YoY

Number of
R&D Employees¹
~52%
of Total Employees¹

Number of Granted
Patents Globally¹
33,000+

Ranking of Valid Global Patent Families of
Declared 5G Standard Essential Patent²

Ranking	Top 10 Patent Owner	Global Patents
1	Huawei	14.59%
2	Qualcomm	10.04%
10	Xiaomi	4.10%

¹ As of June 30, 2023

² Global 5G Standard Essential Patent and Standard Proposal Research Report (2023) issued by China Academy of Information and Communications Technology

Continued to Explore New Frontier Cutting-edge Technology

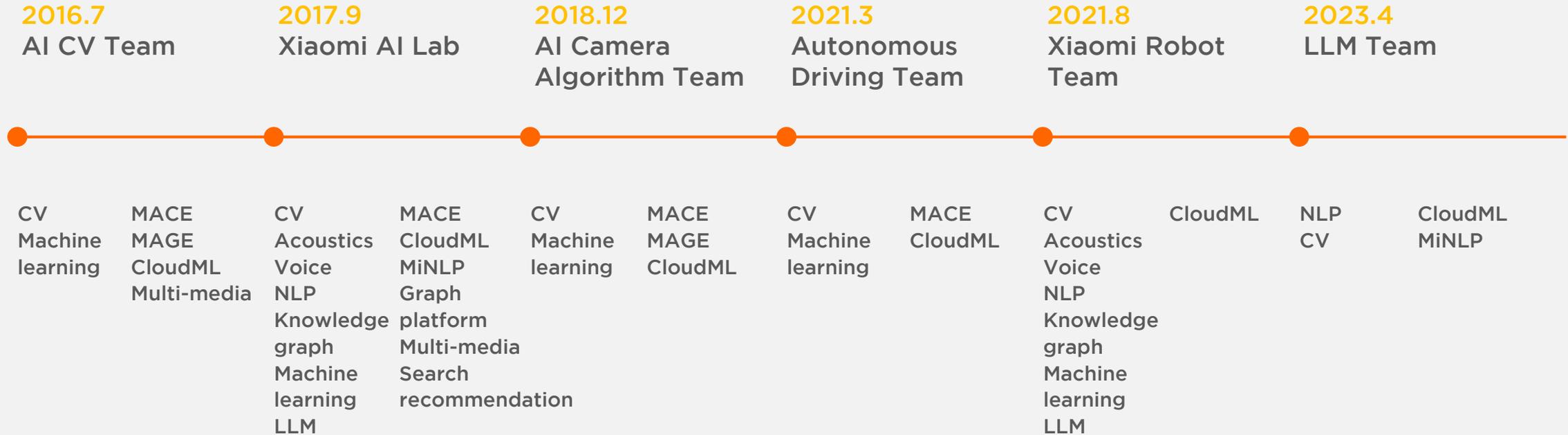


Second-generation Bio-inspired Quadruped Robot CyberDog 2

- ✓ More **intelligent** and **lifelike**
- ✓ Equipped with our **self-developed CyberGear Micro-actuator**, which further enhances mobility and supports high-difficulty maneuvers, such as continuous back flips, and fall recovery
- ✓ A fusion sensing and decision-making system, offering **19 sensors** for vision, touch and hearing
- ✓ **Open-source ecosystem** that attracts different levels of users to participate



Investments in AI Since 2016



3,000+ AI-related employees

Notes: CV denotes computer vision. NLP denotes natural language processing. LLM denotes large language model.

Fully Embrace LLM

Goal of Xiaomi LLM
Light and on-device model



Xiaomi AI Assistant (MAU over 110 million)
empowered by LLM is currently available for invitation testing



AI-dedicated Fund focusing on LLM

Our Self-developed LLM Has Received Top Rankings from Authoritative Benchmarks

In C-EVAL and CMMLU evaluation benchmarks, our LLM (MiLM-6B) ranked **No.1** among the same scale (<10 billion) models

Deployed an on-device LLM (1.3 billion) on smartphone, **with a similar performance on some tasks as bigger (6 billion) cloud-based models**

C-EVAL 榜单		CMMLU 榜单	
大模型	平均分	大模型	平均分
MiLM-6B	60.2	MiLM-6B	60.37
Qwen-7B	59.6	Baichuan-13B	54.63
InternLM-7B	52.8	ChatGLM2-6B	50.79

*Results as of August 11, 2023

	平均分	STEM	人文学科	社会科学	其他	中国特定主题
MiLM-1.3B	50.79	40.51	54.82	54.15	53.99	52.26
Baichuan-13B	54.63	42.04	60.49	59.55	56.6	55.72
ChatGLM2-6B	49.95	41.28	52.85	53.37	52.24	50.58

CMMLU Chinese multi-tasking audio comprehension assessment, data as of August 11, 2023

Q2 2023 Revenue Achieved QoQ Growth of 13.2%



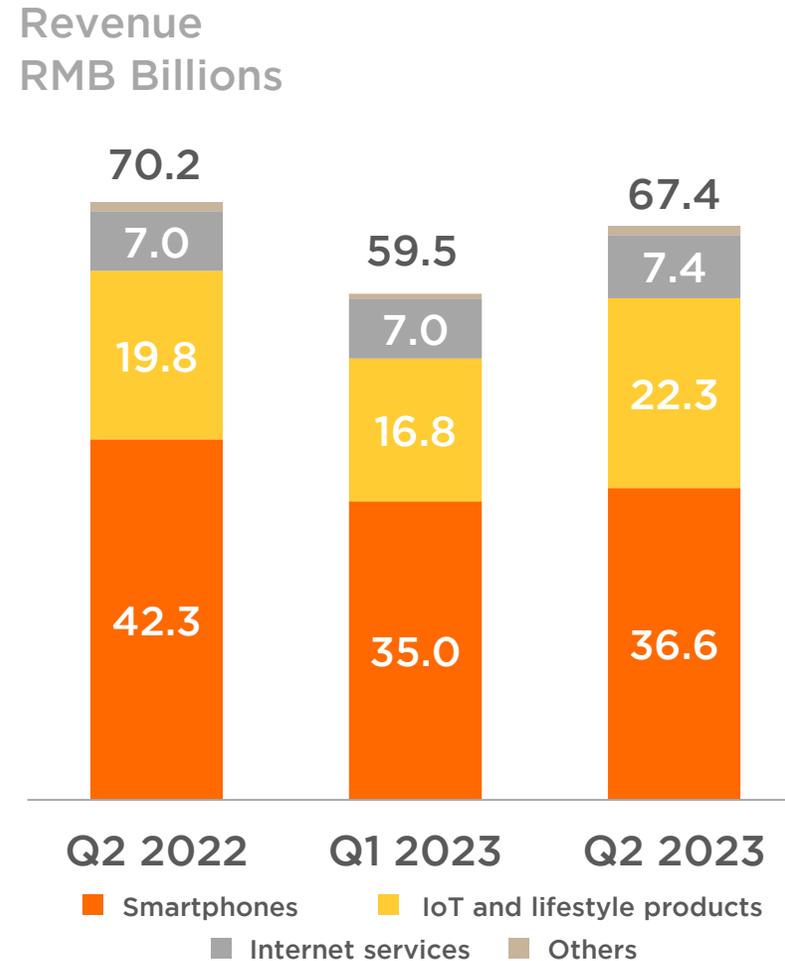
In Q2 2023

Total revenue RMB67.4 billion, up **13.2%** QoQ

Smartphone revenue grew **4.6%** QoQ

IoT and lifestyle products revenue achieved **YoY** and **QoQ** growth

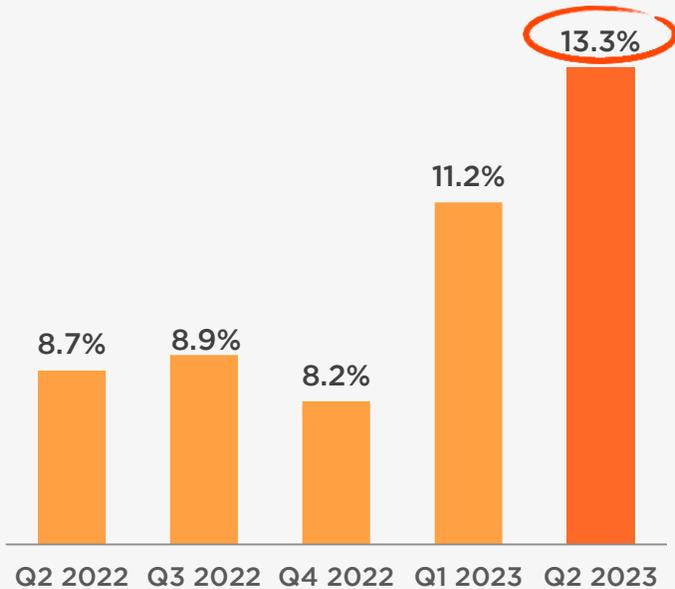
Internet services revenue reached a **record high**



Gross Profit Margins Reached Record Highs

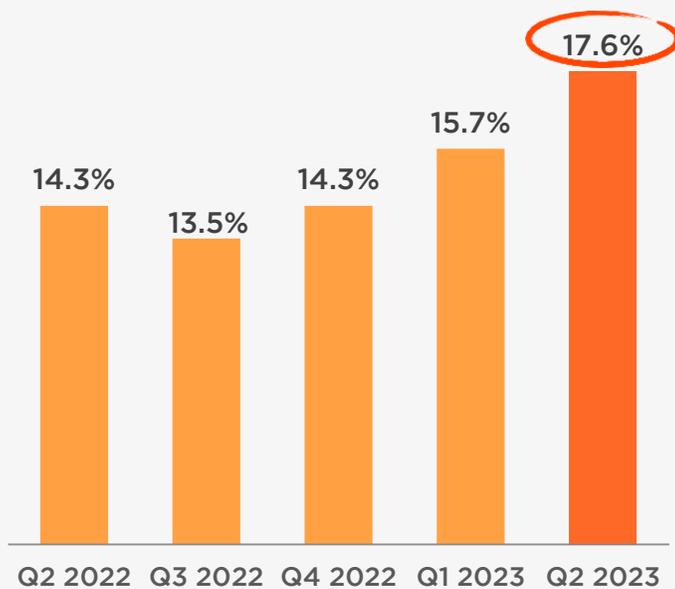
Smartphone Gross Profit Margin

%



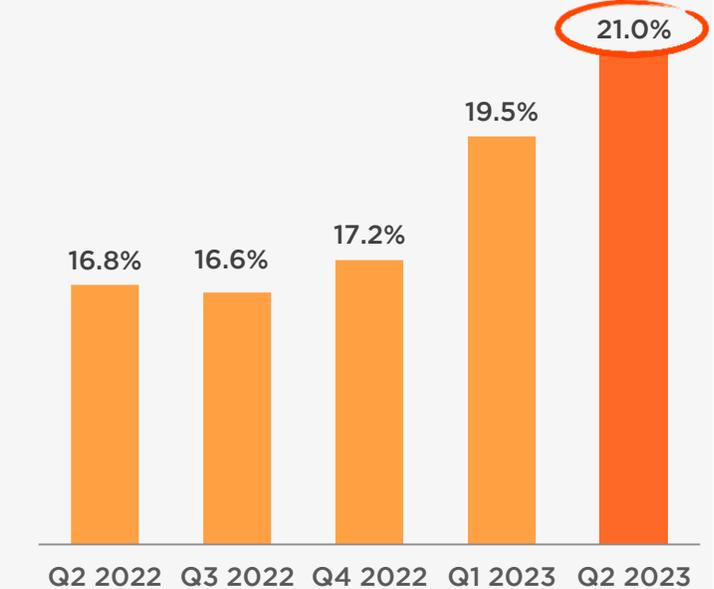
AIoT Gross Profit Margin

%



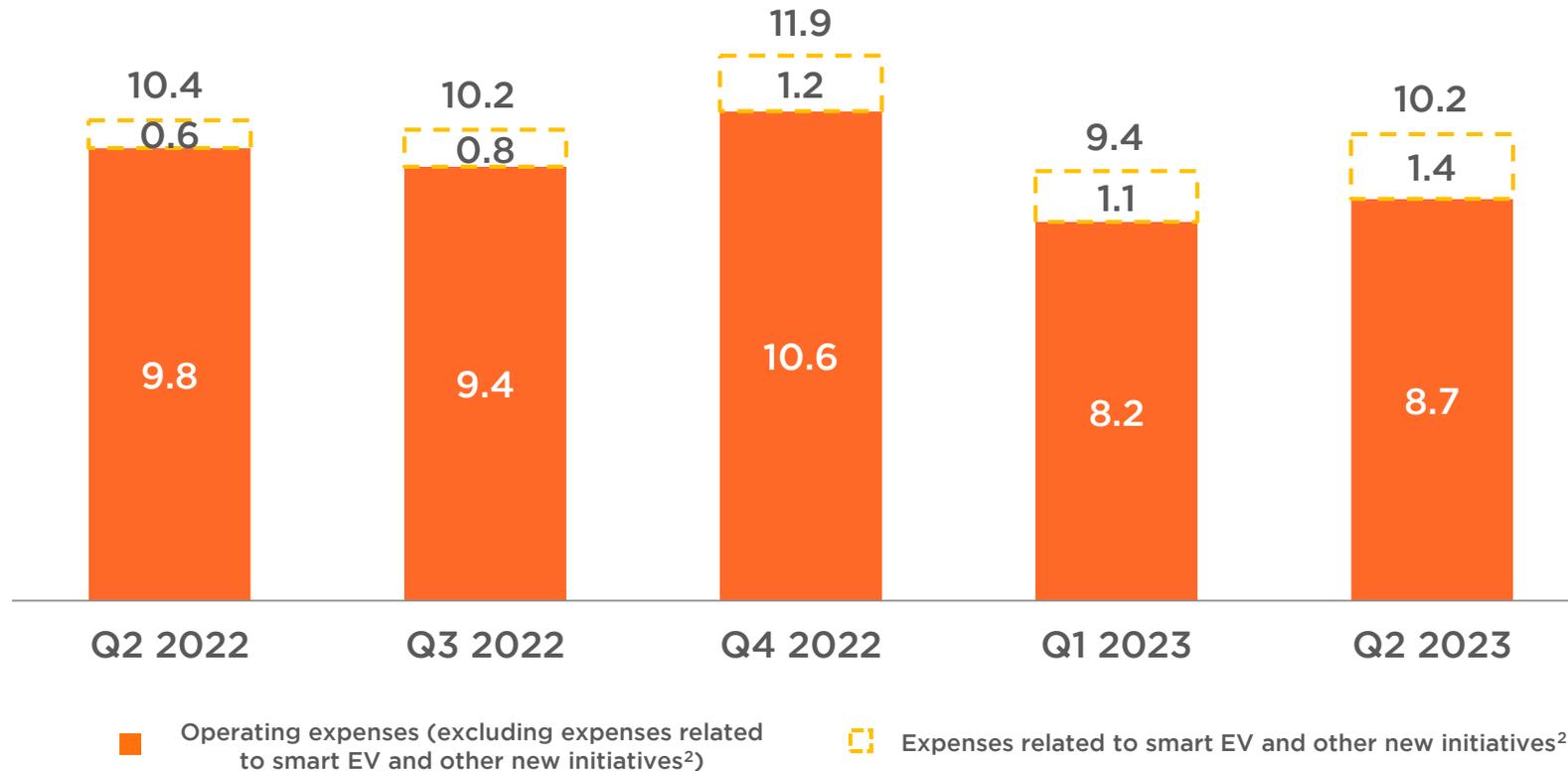
Overall Gross Profit Margin

%



Operating Expenses¹ Decreased by RMB1.1 billion YoY

Operating Expenses
RMB Billions

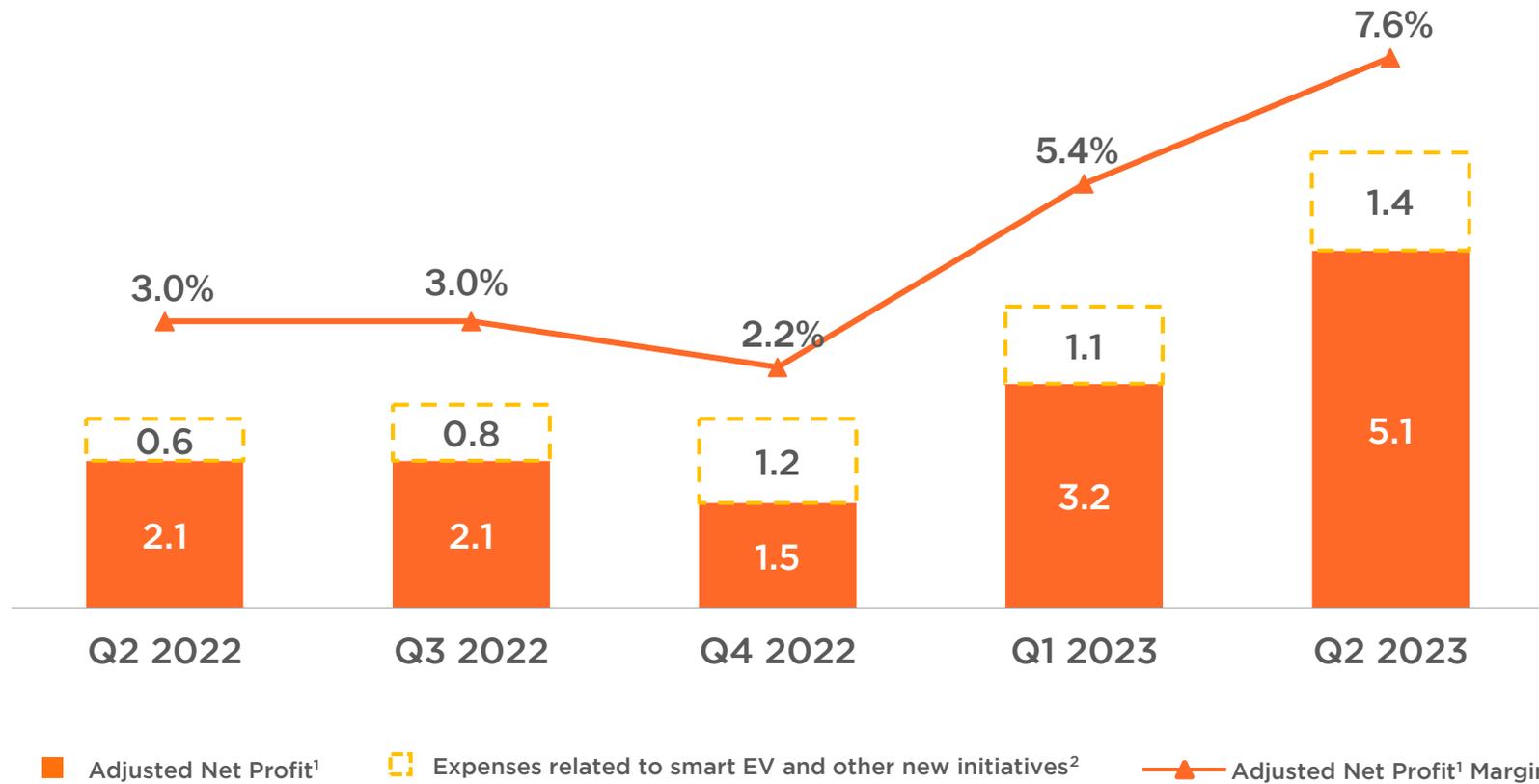


¹Excluding expenses related to smart EV and other new initiatives. Expenses related to smart EV and other new initiatives do not include share-based compensation expenses related to smart EV and other new initiatives

² Expenses related to smart EV and other new initiatives do not include share-based compensation expenses related to smart EV and other new initiatives

Adjusted Net Profit Increased 147.0% YoY

Adjusted Net Profit¹
RMB Billions

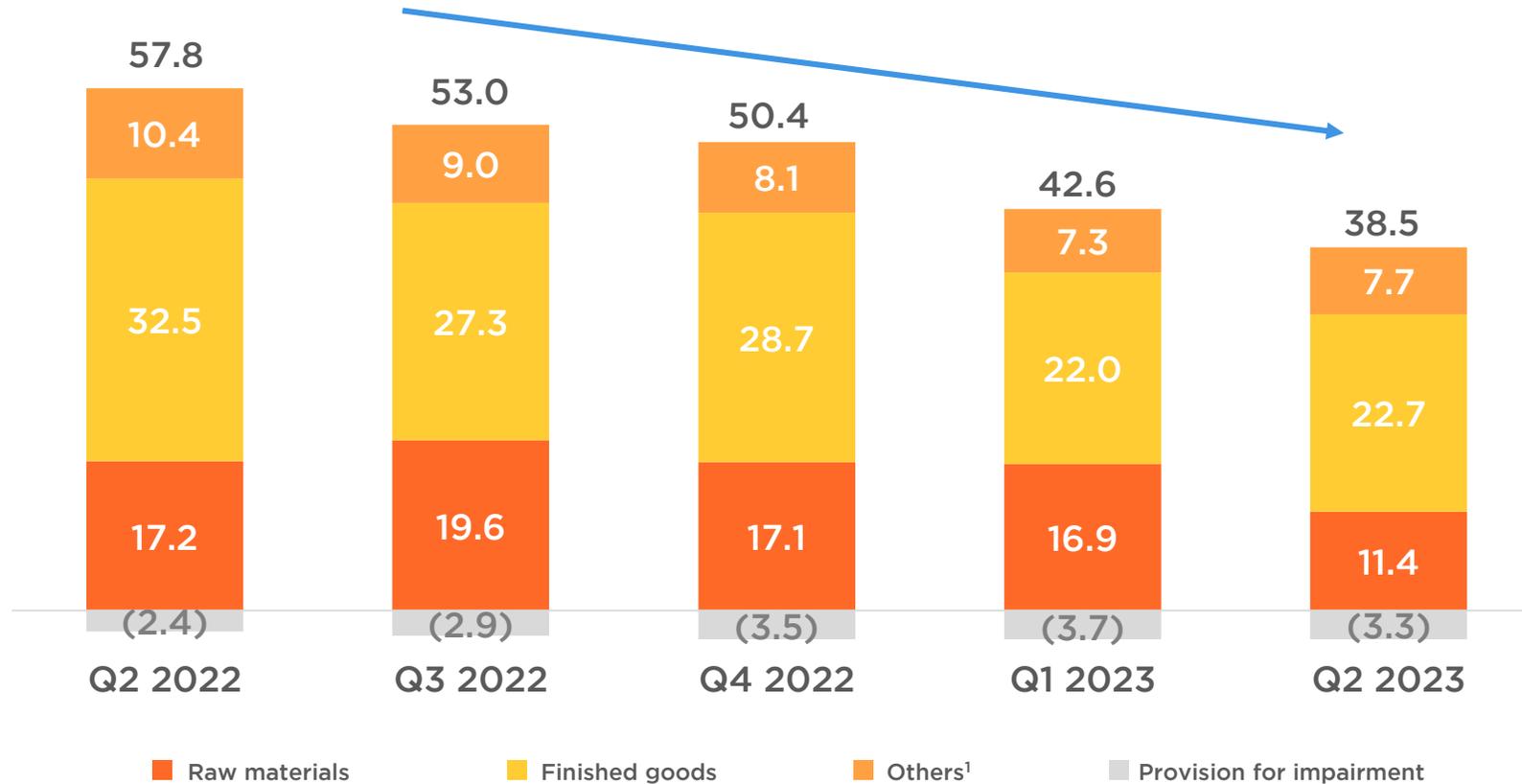


¹ Defined as profit for the period, as adjusted by adding back (i) share-based compensation, (ii) net fair value changes on investments, (iii) amortization of intangible assets resulting from acquisitions, (iv) changes of value of financial liabilities to fund investors, and (v) income tax effects of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

² Expenses related to smart EV and other new initiatives do not include share-based compensation expenses related to smart EV and other new initiatives

Lowest Inventory Levels in 10 Quarters

Inventory
RMB Billions

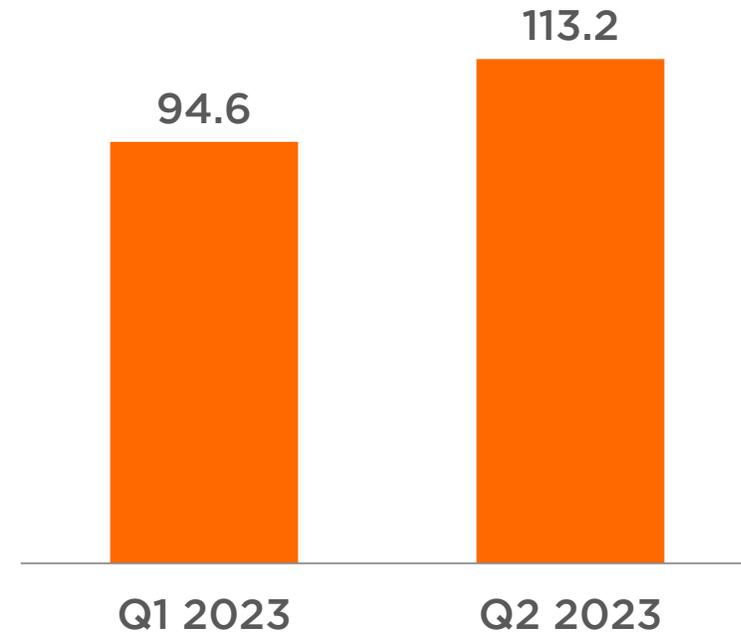


¹Including work in progress, spare parts, and others

Strong Cash Position



Cash Resources¹
RMB Billions



Our cash resources were approximately
RMB113.2 billion

¹ Including but not limited to (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, (vi) long-term bank deposits and (vii) other investments included in long-term investments measured at fair value through profit or loss

Continued to Execute Our 2023 Operation Strategies



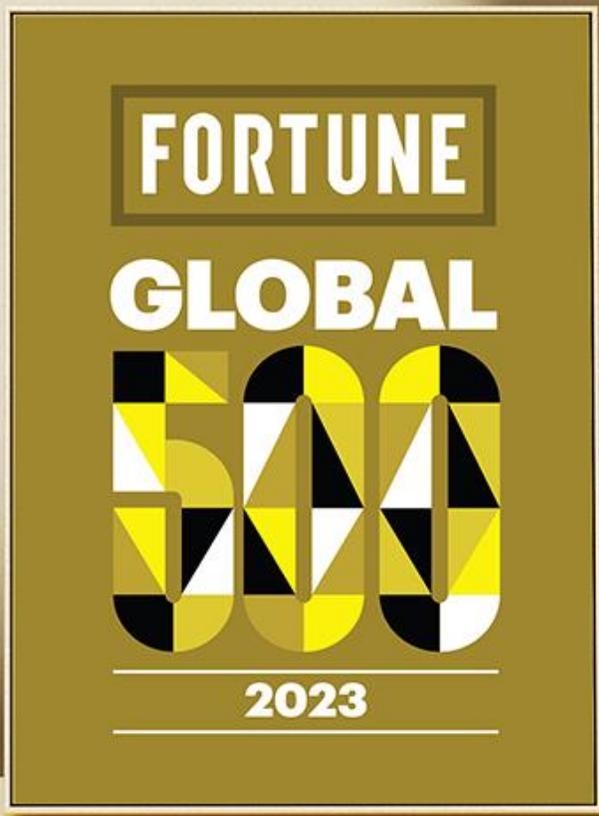
**Continue to Invest in
the Future**

**Smartphone
Premiumization**

Prudent Operations

**Cost Control and
Efficiency
Improvement**

**Dual Emphasis on
Scale and
Profitability**



Listed as Fortune Global 500
for the **5th** consecutive year

Achieve Carbon Neutrality by 2040



By **2040**



Achieve **carbon neutrality** in our own operations of our existing businesses¹



100% renewable energy

¹Based on our latest earnings announcement, our existing businesses include smartphones, IoT and lifestyle products, internet services, and others



Smartphones

Resilient Performance Despite Macroeconomic Headwinds



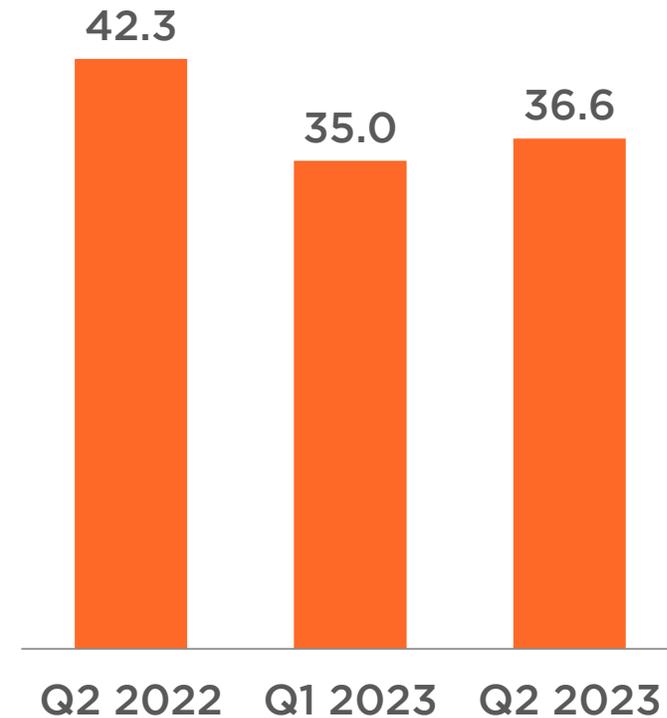
In Q2 2023, smartphones revenue was RMB36.6 billion

Smartphone shipments were 32.9 million units

ASP increased to RMB1,112, up 2.8% YoY

Gross profit margin reached 13.3%, a **record high**

Smartphones Revenue
RMB Billions



Global Smartphone Shipments Ranked No.3 in Q2 2023



Vendor	Q2 2023 Shipments (Million Units)	Q2 2023 Market Share	QoQ Shipments Changes
Samsung	53.0	20.5%	-12.2%
Apple	43.0	16.7%	-25.8%
Xiaomi	33.2	12.9%	8.8%
OPPO	25.2	9.8%	-5.4%
Transsion	22.7	8.8%	47.8%
Others	81.0	31.4%	2.7%
Total	258.2	100.0%	-4.3%

Mainland China Smartphone Shipments Ranked No.5 in Q2 2023



Vendor	Q2 2023 Shipments (Million Units)	Q2 2023 Market Share	QoQ Shipments Changes
vivo	11.4	17.8%	0.6%
OPPO	11.4	17.7%	-9.8%
Apple	10.4	16.2%	-22.2%
HONOR	10.3	16.0%	5.6%
Xiaomi	8.6	13.4%	1.4%
Others	12.2	19.0%	0.7%
Total	64.3	100.0%	-5.0%



Redmi K60 Ultra: Dual-chip Ultra Performance

Launched in Mainland China in August 2023

Performance



MediaTek
Dimensity 9200+



Pixelworks
X7

Camera



Sony IMX800
Flagship Sensor
Xiaomi AI Image
Solution 2.0

Charging



120W Wired Charging
5,000mAh



Sales Volume Exceeded 220,000 Units
in the First Five Minutes of Sales Launch

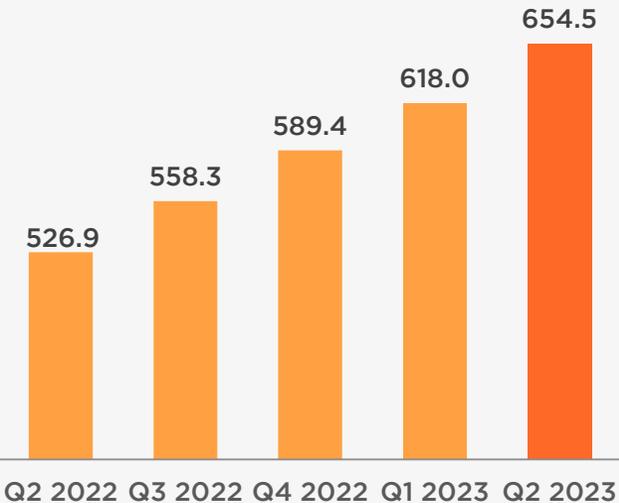


AIoT

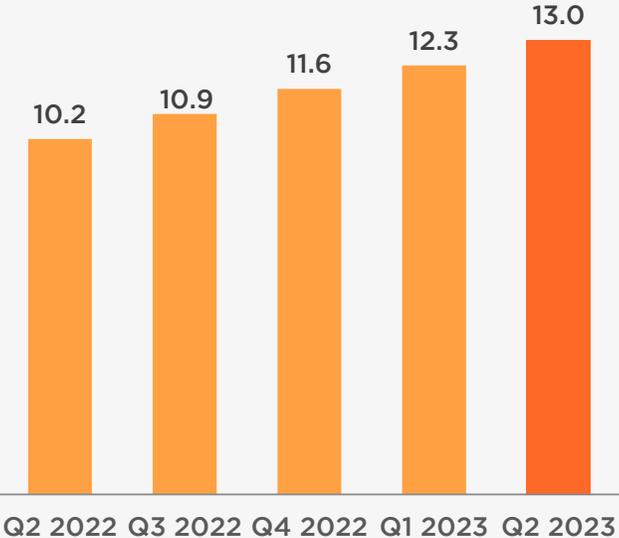
Global Leading Consumer AIoT Platform



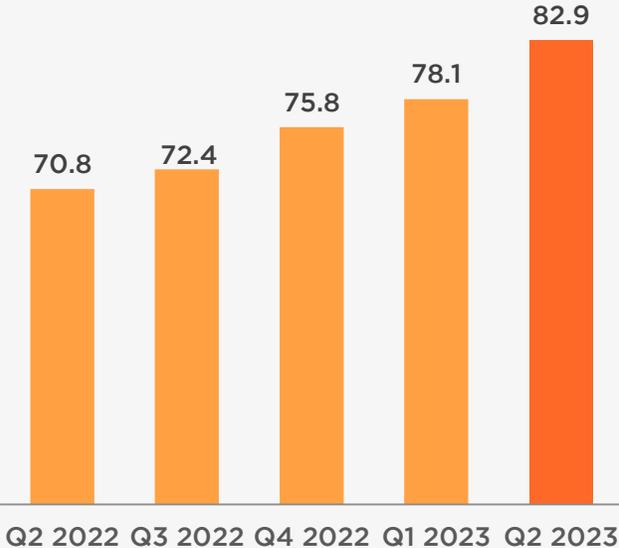
Number of Connected Devices¹
Millions



Users with 5 or More Devices
Connected to Xiaomi's AIoT
Platform¹
Millions



Mi Home App MAU
Millions



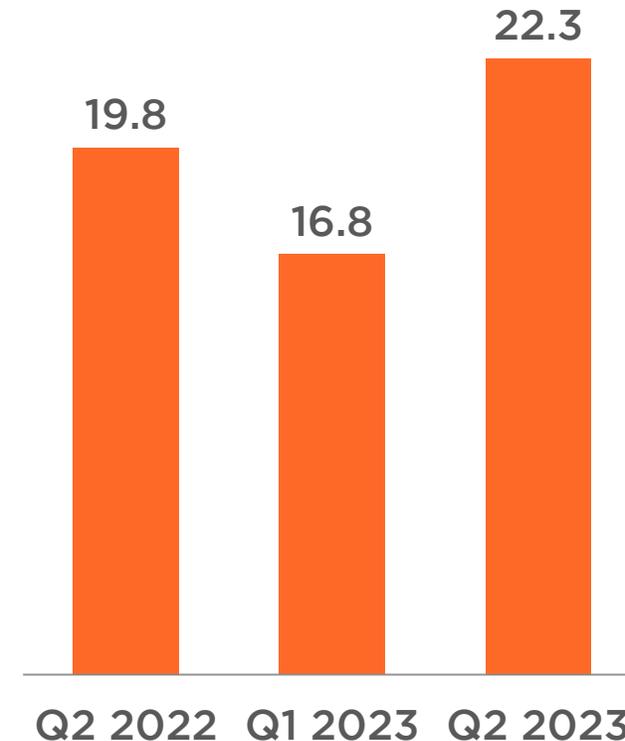
¹ Excluding smartphones, tablets and laptops

Increased IoT and Lifestyle Products Revenue

In Q2 2023, IoT and lifestyle products revenue reached RMB22.3 billion, up 12.3% YoY

Gross profit margin reached 17.6%, a **record high**

IoT and Lifestyle Products Revenue
RMB Billions



Smart Large Home Appliances: Solid Growth

Revenue Reached a **Record High**, up **70%+** YoY in Q2 2023

Air Conditioners

Air conditioner shipments reached a **record high** of **over 2.3 million** units in Q2 2023, up **90%+** YoY



Refrigerators

Refrigerator shipments reached a **record high** of **over 500k** units in Q2 2023



Washing Machines

Washing machine shipments **exceeded 300k** units in Q2 2023



Smart TV: No.1 TV Shipments in Mainland China in 1H 2023



Xiaomi TV S Pro 100"
Launched in Mainland China in August 2023

No.1 TV Shipments
in Mainland China in 1H 2023¹

Global Smart TV Shipments in Q2 2023
2.6 million

Ranked **Top 5** Globally²

¹ According to AVC, by shipments in 1H 2023

² According to AVC, by shipments in Q2 2023

Tablet: Fast-growing Brand in Mainland China



Xiaomi Pad 6 Max 14 with 14" Screen
Launched in Mainland China in August 2023

Mainland China Shipments
in Q2 2023

up **50%+** YoY

Ranked **Top 3**¹



¹ According to Canalsys, by shipments in Q2 2023

Wearables: Leading Position in Mainland China



Leading Brand

TWS

Mainland China Shipments¹

No.1



Wearable Bands

Mainland China Shipments¹

No.2



New Product Launch

Xiaomi Smart Band 8 Pro

Launched in Mainland China in August 2023

A **high-resolution 1.74" AMOLED** screen

A variety of compatible **accessories**

Powerful **health management** and **sports** functions



¹ According to Canalis, by shipments in Q2 2023. Wearable bands include basic bands, basic watches, and smart watches



Internet Services



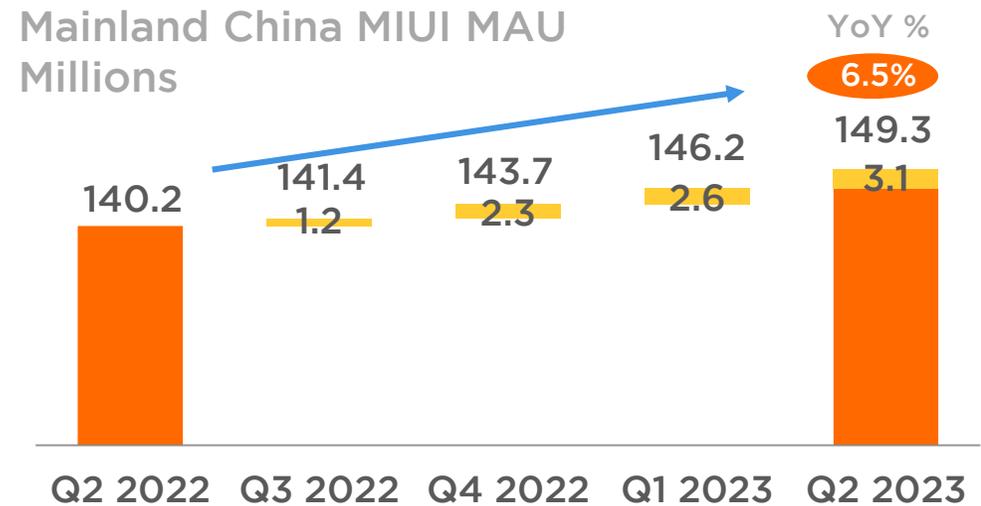
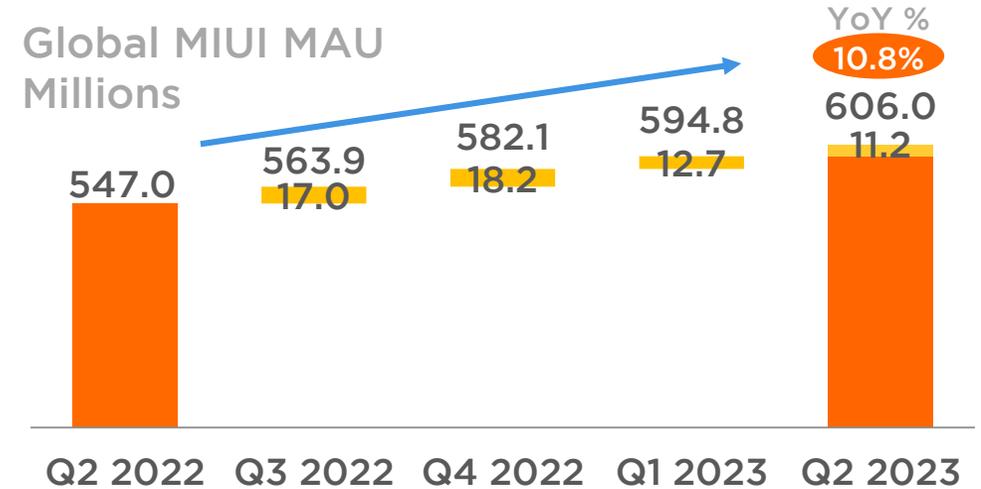
Global MIUI MAU Reached 606 million and Mainland China MIUI MAU Reached 149 million in Q2 2023

Global MIUI MAU¹ reached 606.0 million,
YoY growth of 59.1 million (10.8%)

Mainland China MIUI MAU¹ reached 149.3
million, YoY growth of 9.1 million (6.5%)

Global TV MAU² exceeded 62 million

All three metrics reached **record highs**



¹ In June 2023

² In June 2023, including TV, TV box and TV stick users

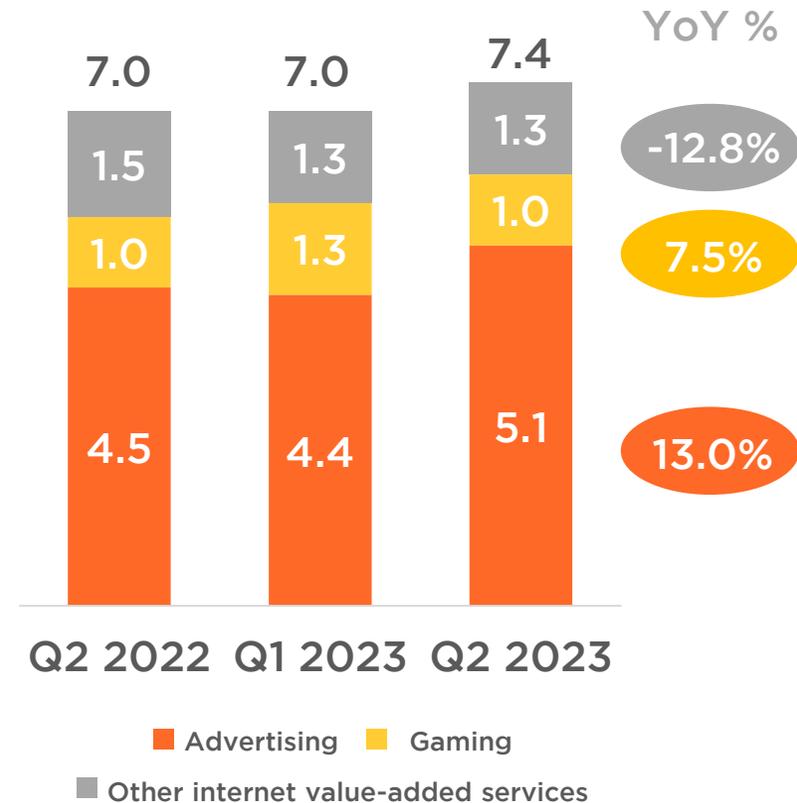
Record Internet Services Revenue

In Q2 2023, internet services revenue reached RMB7.4 billion, a **record high**

Advertising revenue reached a **record high**, up 13.0% YoY

Gaming revenue continued to grow YoY for **eighth consecutive quarters**

Internet Services Revenue
RMB Billions

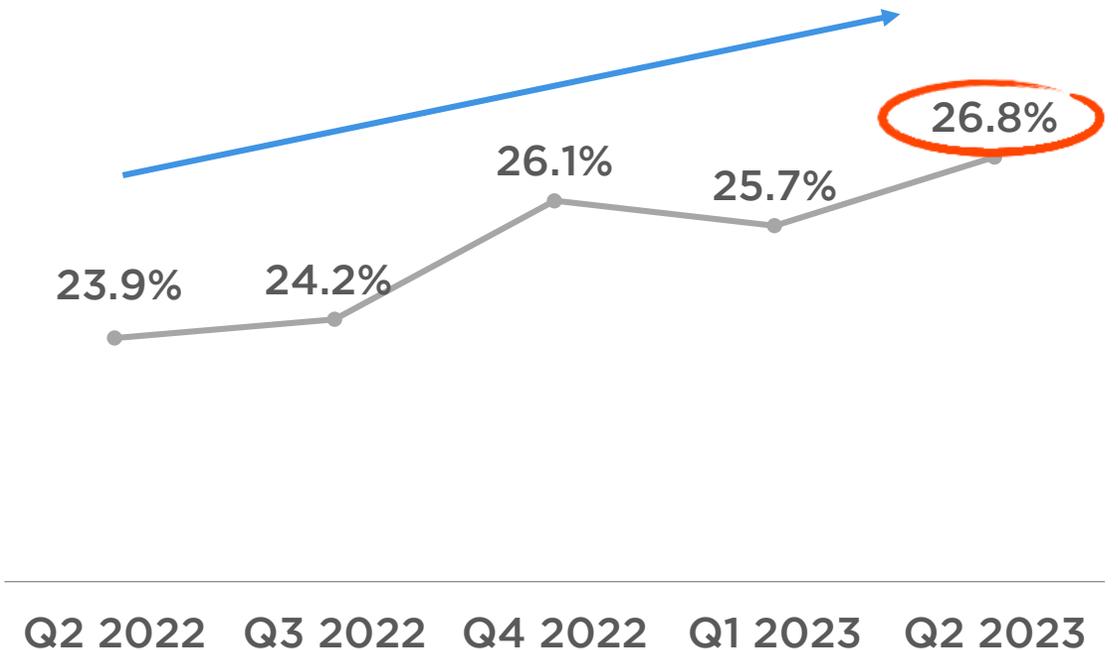


Overseas Internet Services Revenue Reached a Record High



In Q2 2023, overseas internet services revenue reached a **record high** of RMB2.0 billion, up **19.7%** YoY, accounting for **26.8%** of total internet services revenue

Overseas Internet Services Revenue as % of Total Internet Services Revenue





ESG

ESG Awards and Recognitions

S&P Global



Named on the inaugural
Sustainability Yearbook 2023 (China Edition)
Selected as **Industry Mover**

Institutional Investor

Institutional Investor

2023 ASIA (EX-JAPAN) EXECUTIVE TEAM

MOST HONORED COMPANY

Best ESG
in Technology Hardware Sector
For **two** consecutive years

Giving Back to Our Community

Disaster Relief

RMB25 million rainstorm disaster donation to Beijing and Hebei in August 2023¹

Talent Development

2023 Xiaomi Scholarships and Xiaomi Young Talents Program Newly-joined School List²



¹ By Beijing Xiaomi Foundation

² Schools are ranked in no specific order



IR@xiaomi.com
<https://ir.mi.com/>