Xiaomi Corporation

Q2 2022 Results Announcement
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Q2 2022 Overall Performance

--- Solid Financial Performance ---

Revenue
RMB 70.2 billion

Adjusted Net Profit\(^1\)
RMB 2.1 billion

*Including expenses related to smart EV and other new initiatives RMB611 million*

--- Leading Smartphone Market Position ---

Global Market Share Ranking\(^2\)
#3

Global Market Share\(^2\)
13.8%

--- Record High User Base ---

Global MIUI MAU\(^3\)
547.0 million
20.5% YoY

Mainland China MIUI MAU\(^3\)
140.2 million
13.1% YoY

--- Leading AIoT Platform ---

AIoT Connected Devices\(^4\)
526.9 million
40.7% YoY

Users with 5 or More Connected Devices\(^4\)
10.2 million
37.0% YoY

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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 of non-IFRS adjustments

\(^2\) According to Canalys, by shipments in Q2 2022

\(^3\) In June 2022

\(^4\) As of June 30, 2022, excluding smartphones, tablets and laptops
Xiaomi has moved up the Fortune Global 500 list for the 4th consecutive year, rising 72 places in 2022 compared to last year.
Global Smartphone Market Share Enjoyed QoQ Growth for 2 Consecutive Quarters

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Q2 2022 Shipments (Million Units)</th>
<th>Q2 2022 Market Share</th>
<th>Shipments QoQ Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Samsung</td>
<td>61.8</td>
<td>21.5%</td>
<td>-16.2%</td>
</tr>
<tr>
<td>Apple</td>
<td>49.5</td>
<td>17.2%</td>
<td>-12.5%</td>
</tr>
<tr>
<td>Xiaomi</td>
<td>39.6</td>
<td>13.8%</td>
<td>1.0%</td>
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<tr>
<td>OPPO</td>
<td>27.3</td>
<td>9.5%</td>
<td>-6.0%</td>
</tr>
<tr>
<td>vivo</td>
<td>25.4</td>
<td>8.8%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Others</td>
<td>83.8</td>
<td>29.2%</td>
<td>-4.3%</td>
</tr>
<tr>
<td>Total</td>
<td>287.4</td>
<td>100.0%</td>
<td>-7.7%</td>
</tr>
</tbody>
</table>

Source: Canalys, by shipments
Continued to Execute Smartphone Premiumization Strategy

Premium Smartphones Launched in Mainland China

- **2021 Q1**: Xiaomi Mix Fold
  - **2021 Q2**: Xiaomi 11 Ultra
  - **2021 Q3**: Xiaomi 11 Pro, Xiaomi Mix 4
  - **2021 Q4**: Xiaomi 11

- **2022 Q1**: Xiaomi 12 Pro
- **2022 Q2**: Xiaomi 12S Pro
- **2022 Q3**: Xiaomi Mix Fold 2

RMB 6,000+

- **Xiaomi Mix Fold**

RMB 5,000-5,999

- **Xiaomi 11 Ultra**
- **Xiaomi 12S Ultra**

RMB 4,000-4,999

- **Xiaomi 11 Pro**
- **Xiaomi Mix 4**
- **Xiaomi 12 Pro**
- **Xiaomi 12S Pro**

RMB 3,000-3,999

- **Xiaomi 11**
- **Xiaomi 12**
- **Xiaomi 12X**
- **Xiaomi 12S**

Note: Based on the retail price at first sales launch in mainland China

1 By shipments in mainland China, according to third-party data
Outstanding Results During 618 e-Commerce Shopping Festival

Cumulative Paid GMV
RMB18.7 billion¹

No.1 Android Smartphone Brand by Sales Volume and Sales Value²

148 No.1 Rankings by Sales Volume or Sales Value across AIoT Categories³

Note: From 20:00:00 May 31, 2022 to 23:59:59 June 18, 2022
¹ Across all channels and platforms
² Across JD.com, Tmall.com, Pinduoduo, Douyin and Kuaishou
³ Across JD.com and Tmall.com
Growing Offline Retail Presence in Mainland China

As of Q2 2022, the number of offline retail stores exceeded 10,600

% of Premium Smartphone Units Sold via Offline Retail Stores¹

IoT and Lifestyle Products GMV² as % of Total Offline Retail Store GMV

Smartphone offline market share in mainland China reached 8.0% in Q2 2022³

Average Single-store GMV⁴ increased by 20%+ in June 2022, compared with December 2021

¹ By shipments in mainland China, according to third-party data. Premium smartphones are smartphones with retail prices at or above RMB3,000 in mainland China
² Including GMV of services offered in offline retail stores
³ By shipments in Q2 2022 in mainland China, according to third-party data
⁴ Average single-store GMV is calculated as the total GMV generated from offline retail stores in the month divided by the average of the number of offline retail stores at the beginning and the end of the month
Xiaomi Technology
Ecosphere
R&D Expenses Expected to Reach RMB17 billion in 2022 and Exceed RMB100 billion in the Next 5 Years

R&D Expenses
RMB Billions

2017 3.2
2018 5.8
2019 7.5
2020 9.3
2021 13.2
2022E 17.0

CAGR: 39.7%

Xiaomi Technology Ecosphere

Smartphones  Wearable Devices  Smart Home  Smart Manufacturing  Smart EVs  Bionic Robots
Xiaomi MIX Fold 2: Ultra Slim Foldable Smartphone

**Design**
- One of the **thinnest** foldable smartphones (5.4mm unfolded)
- **Self-developed Micro Waterdrop Hinge**

**Display**
- Two displays with exceptional quality
- 2K+ inner display with **Eco² OLED POL-LESS technology**
- **Flexible Ultra Thin Glass**

**Camera**
- **Leica-certified Summicron lenses**
- Sony IMX766 sensor
- Authentic **Leica imaging experience**

**Experience**
- Snapdragon® 8+ Gen 1 Mobile Platform
- 4,500mAh battery
- **MIUI Fold 13 compatibility**
Xiaomi Wearables: Inter-connected Experience with Smartphones

48dB Smart Dynamic Noise Cancellation

Built-in Dimensional Audio

Hi-Res Audio Wireless Certified

100+ Fitness Modes

Enhanced Health Functions

Xiaomi Share

Xiaomi Buds 4 Pro

Xiaomi Watch S1 Pro
Mijia Dual-Drum Washer Dryer 15kg

- Large capacity, with two drums that can wash and dry two loads of clothes separately and simultaneously
- Stand-alone suspension system to reduce vibration and noise
- Anti-bacteria and anti-mites deep cleaning

Mijia Smart Purifying Range Hood P1

- Dynamic particle capturing technology
- Strong air suction for cooking fumes and PM2.5
- High-speed cyclone-style smoke absorbing system to prevent fumes from spreading
Smart EVs: Self-developed Autonomous Driving Technology

**First-tier Player in Autonomous Driving Technology in 2024**

- RMB 3.3 Billion Investment in the First R&D Phase
- 500+ Dedicated Team Member for Autonomous Driving
  - 140 Testing Vehicles in the First Phase
- Self-developed Full Stack Approach
  - Covering Multiple Driving Scenarios and Auto-parking Solution

First-tier Player in Autonomous Driving Technology in 2024
Natural and stable walking posture thanks to the self-developed humanoid bipedal control algorithm
Advanced vision capabilities with a self-developed Mi-Sense depth vision module and combined with an AI interaction algorithm
Ability to recognize 85 types of environmental sounds and 45 classifications of human emotions
Smartphones
In Q2 2022, smartphone revenue reached RMB42.3 billion, with macroeconomic headwinds and COVID-19 resurgence impacting overall smartphone market demand.

Smartphone shipments reached 39.1 million units, up 1.5% QoQ, despite that global industry shipments dropped by 7.7% QoQ\(^1\)
Xiaomi 12S Series: Xiaomi’s First Co-engineered Imaging System with Leica

- **Snapdragon® 8+ Gen 1 Mobile Platform**
- Xiaomi’s self-developed Surge G1 battery management chip and Surge P1 charging chip
- Sony’s IMX989 1” sensor, approaching traditional cameras in terms of hardware specifications
- Imaging system “co-engineered with Leica”, offering "Leica Authentic Look” and "Leica Vibrant Look"

**Positive Review Rate on JD.com**

- Xiaomi 12S: 98.37%
- Xiaomi 12S Pro: 98.39%
- Xiaomi 12S Ultra: 98.68%

Note: Specifications based on Xiaomi 12S Ultra

1 As of August 4, 2022
Redmi K50 Ultra: All-round Upgrade

- Ultra Performance: Snapdragon® 8+
- Ultra Display: Flatscreen Display
- Ultra Experience: 120W Fast Charging Technology + 5,000mAh Battery

Mercedes-AMG PETRONAS Formula One Team Summer Edition Redmi K50

Balance between Image Quality and Battery Life
Fingerprint under Panel
Leadership Across All Major Markets

Q2 2022 Xiaomi Smartphone Ranking and Market Share

Ranking Improved Compared with Q1 2022

Market Share Improved Compared with Q1 2022

No.1 19.1% India

No.2 21.7% Europe

No.3 16.3% Southeast Asia

No.3 16.6% Latin America

No.3 7.4% Africa

No.4 15.7% Mainland China

Source: Canalys, by shipments
Continued Expansion of Overseas Carrier Markets

Market Share of Carrier Channels in Europe

- Q4 2021: 16.3%
- Q1 2022: 17.0%
- Q2 2022: 18.0%

Market Share of Carrier Channels in Latin America

- Q4 2021: 14.9%
- Q1 2022: 17.7%
- Q2 2022: 19.3%

Smartphone Shipments Through Carrier Channels in Q2 2022

Ranked Top 3 in 40 Overseas Markets

Source: Canalys, by shipments
In Q2 2022, IoT and lifestyle products revenue reached RMB 19.8 billion, up 1.7% QoQ.

Revenue from mainland China market achieved solid QoQ growth, while revenue from overseas markets decreased QoQ impacted by macroeconomic headwinds.
Global Leading Consumer AIoT Platform

526.9 million
Connected Devices¹
Up 40.7% YoY

10.2 million
Users with 5 or More Devices Connected to Xiaomi’s AIoT Platform¹
Up 37.0% YoY

115.0 million
AI Assistant MAU²
Up 12.7% YoY

70.8 million
Mi Home App MAU²
Up 25.2% YoY

¹ As of June 30, 2022, excluding smartphones, tablets and laptops
² In June 2022
Smart TV: Maintained Leadership in Mainland China

Global Smart TV Shipments in Q2 2022
2.6 million
Ranked Top 5 Globally

No.1 TV Brand in Mainland China
No.1 Smart TV Brand in India

Ranked No.1 by Combined Sales Volume During 618 e-Commerce Shopping Festival

1 According to AVC, by shipments in Q2 2022
2 IDC Quarterly Smart Home Device Tracker, Q1 2022 Release; by shipments in Q1 2022
3 From 20:00:00 May 31, 2022 to 23:59:59 June 18, 2022, across JD.com and Tmall.com
White Goods: Continued to Penetrate High-end Market

Revenue of White Goods\(^1\) Grew by 25%+ YoY in Q2 2022 and Reached Record High

**Air Conditioners**

Air conditioner shipments exceeded 1.2 million units in Q2 2022, up 35%+ YoY. Shipments in the first 7 months of 2022 exceeded total shipments in full year 2021

**Refrigerators**

Refrigerator shipments ~160k units in Q2 2022, up 30%+ YoY

**Washing Machines**

Washing machine shipments exceeded 240k units in Q2 2022

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\(^1\)Including air conditioners, refrigerators and washing machines
Xiaomi Pad 5 Pro 12.4: Designed for Work and Entertainment

- High-performing Snapdragon 870
- Large 12.4" high-quality display with hardware-level blue light reduction for a comfortable and smooth viewing experience
- 67W charging + 10,000mAh battery
- MIUI Pad 13 highly compatible with a wide range of APPs
- 20MP high-definition mid-front camera for the convenience of video conference
- Versatile accessories including keyboard and pen to facilitate multitasking
Wearables: Leading Brand Globally and in Mainland China

TWS

Global Shipments¹
No.3

Mainland China Shipments¹
No.1

Wearable Bands

Xiaomi Smart Band 7 Pro: Brand-new Design
- Large Rectangular Always-on Display
- Built-in GPS
- 117 Fitness Modes
- All-day Health Tracking

Mainland China Shipments Exceeded 400k
Since Launch in July 2022

¹ According to Canalys, by shipments in Q2 2022
Internet Services
Global MIUI MAU reached 547.0 million, a record high, YoY growth of 93.1 million.

Mainland China MIUI MAU reached 140.2 million, a record high, YoY growth of 16.3 million.

Global TV MAU reached ~53 million.

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1 In June 2022
2 In June 2022, including TV, TV box and TV stick users
In Q2 2022, internet services revenue reached RMB7.0 billion

Internet services gross margin reached 73.0% in Q2 2022, due to increased contribution from advertising business

Global advertising revenue remained stable despite declined overall advertising budget in mainland China
Overseas internet services revenue reached a record high of RMB1.7 billion, up 52.1% YoY in Q2 2022, accounting for 23.9% of total internet services revenue.

Western Europe MIUI MAU\(^1\) increased 55%+ YoY and Latin America MIUI MAU\(^1\) increased 55%+ YoY.

\(^1\) In June 2022
Multiple Monetization Engines Driving Advertising Business

### Performance-based and Brand Ads

**Mainland China:**
- Revenue decreased QoQ given COVID-19-related lockdown resulting in lower overall advertising budget

**Overseas:**
- Stronger content and service operations led to **record high** revenue

### Search

**Mainland China:**
- Revenue increased QoQ due to increased search volume

**Overseas:**
- Revenue reached a **record high** as a result of improved monetization capability and growing MIUI MAU

### Pre-installation

**Mainland China:**
- Revenue increased QoQ given increased pre-installed units

**Overseas:**
- Stronger content and service operations led to **record high** revenue as a result of improved monetization capability and growing MIUI MAU

- Revenue grew QoQ as we continued to expand our partnership in overseas markets such as Europe, Latin America and South East Asia
TV Internet Services Revenue Continued to Grow

Strengthened monetization thanks to enriched **contents** and extended **user scenarios** such as sports and family.

Mainland China TV VAS\(^1\) Revenue

\[\text{Revenue}^{\sim 25\%}\]

\(^1\) TV VAS primarily includes subscription services
Quarterly Revenue by Region and Segment

**Total Revenue by Region, Q2 2022**

- **Mainland China**: 70.2 billion RMB (48.4%)
- **Overseas**: 70.2 billion RMB (51.6%)

**Total Revenue RMB Billions**

- Q2 2021: 87.8
- Q1 2022: 73.4
- Q2 2022: 70.2

**Smartphones Revenue RMB Billions**

- Q2 2021: 59.1
- Q1 2022: 45.8
- Q2 2022: 42.3

**IoT and Lifestyle Products Revenue RMB Billions**

- Q2 2021: 20.7
- Q1 2022: 19.5
- Q2 2022: 19.8

**Internet Services Revenue RMB Billions**

- Q2 2021: 7.0
- Q1 2022: 7.1
- Q2 2022: 7.0
Quarterly Gross Margin by Segment

Overall

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<tr>
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<th>Q2 2021</th>
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<tr>
<td></td>
<td>17.3%</td>
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<td>16.8%</td>
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IoT and Lifestyle Products

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<th>Q1 2022</th>
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<tr>
<td></td>
<td>13.2%</td>
<td>15.6%</td>
<td>14.3%</td>
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Smartphones

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<th>Q1 2022</th>
<th>Q2 2022</th>
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<tbody>
<tr>
<td></td>
<td>11.8%</td>
<td>9.9%</td>
<td>8.7%</td>
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Internet Services

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<th>Q2 2021</th>
<th>Q1 2022</th>
<th>Q2 2022</th>
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<tr>
<td></td>
<td>74.1%</td>
<td>70.8%</td>
<td>73.0%</td>
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Continue to Invest in R&D

Operating expense ratio was 14.8% in Q2 2022 with increased investment in R&D, including expenses related to smart EV and other new initiatives of RMB611 million.
Our cash resources reached approximately **RMB102.5 billion**

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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
ESG
ESG Awards and Recognitions

**Forbes**

**2022 BEST EMPLOYER SELECTION**

- China’s Best Employer of the Year
- China’s Most Sustainable Employer of the Year
- China’s Most Digitally Responsible Employer of the Year

**Institutional Investor**

- Best ESG in Technology Hardware Sector

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Institutional Investor

2022 ASIA (EX-JAPAN) EXECUTIVE TEAM

MOST HONORED COMPANY
“My Own Voice” Project: Create a unique and customized voice for a user with speech disorders, using our self-developed Text-To-Speech technology

Collaborated with Xinyang government to customize Redmi Note 11E model for elderly people and bring convenience to their life

Xiaomi Electric Scooter 4 Pro obtained IoT Security Rating Gold level certification from Underwriter Laboratories Inc, which marked the world’s first electric scooter with such a high-level safety rating
Giving back to Our Community

Disaster and COVID-19 Relief

- Reconstructed 79 schools in Henan Province since the flood disaster in July 2021¹
- RMB1 million COVID-19 donation to Hainan Red Cross Society in August 2022¹

Talent Development

- Donate RMB500 million to Beijing Municipal Natural Science Foundation Committee to support fundamental research in fields such as AI and smart manufacturing¹
- Since February 2022, Xiaomi Young Scholar Program¹ has been rolled out to over 10 universities in mainland China, including Peking University and Tsinghua University

¹ By Beijing Xiaomi Foundation