Stock Codes: 1810 (HKD counter) and 81810 (RMB counter)

XIAOMI CORPORATION

(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)

2026 INTERIM REPORT

This interim report (in both English and Chinese versions) has been posted on the Company's website at www.mi.com and the Stock Exchange's website at www.hkexnews.hk. Shareholders who have chosen to rely on copies of the corporate communications (including but not limited to annual report and (where applicable) summary financial report, interim report and (where applicable) summary interim report, notice of meeting, listing document, circular and proxy form) posted on the aforesaid websites in lieu of any or all the printed copies thereof may request the printed copy of the interim report.

Shareholders who have chosen or are deemed to have consented to receive the corporate communications using electronic means and who have difficulty in receiving or gaining access to the interim report posted on the Company's website will promptly upon request be sent the interim report in printed form free of charge.

Shareholders may at any time choose to change their choice of means of receipt (in printed form or by electronic means through the Company's website) and language (in English only, in Chinese only or in both Chinese and English) of all future corporate communications from the Company by sending reasonable prior notice in writing by post to the Hong Kong Share Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or by email at xiaomi.ecom@computershare.com.hk.

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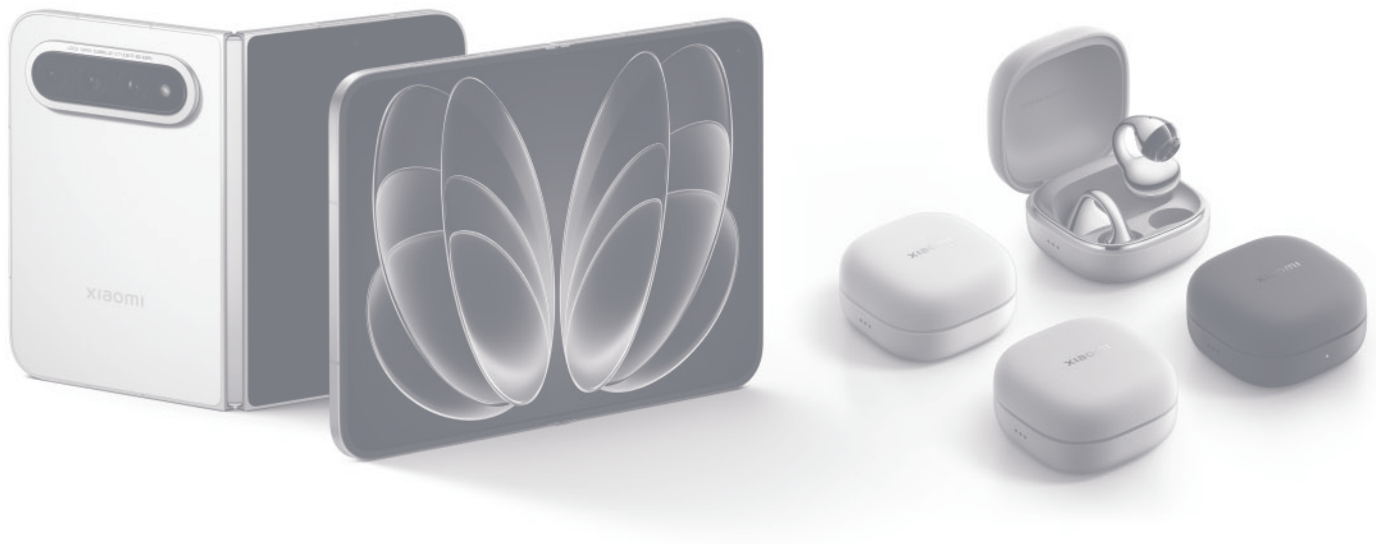

We relentlessly
build amazing products
with honest prices
to let everyone in the world
enjoy a better life through
innovative technology


XRING
O3
XRING
O100
D100


xiaomi AI Cube
Prototype
xiaomi
XRING LAB
AUTO MODE | Speed: 6.3 | TAB to switch
W/Up Forward S/Down Backward A/Left Left D/Right Right
Space Brake Tab Toggle Mode
R Reset

CORPORATE INFORMATION

Board of Directors

Executive Directors

Lei Jun (雷軍) *(Chairman of the Board)*
Lin Bin (林斌) *(Vice Chairman of the Board)*
Liu De (劉德)

Non-Executive Director

Liu Qin (劉芹)

Independent Non-Executive Directors

Chen Dongsheng (陳東升)
Wong Shun Tak (王舜德)
Cai Jinqing (蔡金青)

Audit Committee

Wong Shun Tak (王舜德) *(Chairman)*
Liu Qin (劉芹)
Chen Dongsheng (陳東升)

Remuneration Committee

Chen Dongsheng (陳東升) *(Chairman)*
Lei Jun (雷軍)
Wong Shun Tak (王舜德)

Nomination Committee

Wong Shun Tak (王舜德) *(Chairman)*
Lin Bin (林斌)
Cai Jinqing (蔡金青)

Corporate Governance Committee

Chen Dongsheng (陳東升) *(Chairman)*
Wong Shun Tak (王舜德)
Cai Jinqing (蔡金青)

Joint Company Secretaries

So Ka Man (蘇嘉敏) (resigned with effect from August 18, 2026)
Liu Hao (劉灝) (resigned with effect from August 18, 2026)
Chan Hiu Lam (陳曉琳) (appointed with effect from August 18, 2026)
Gao Yuan (高原) (appointed with effect from August 18, 2026)

Authorized Representatives

Lin Bin (林斌)
So Ka Man (蘇嘉敏) (resigned with effect from August 18, 2026)
Chan Hiu Lam (陳曉琳) (appointed with effect from August 18, 2026)

Auditor

PricewaterhouseCoopers
Certified Public Accountants and Registered Public Interest Entity Auditor
22/F, Prince's Building, Central, Hong Kong

Registered Office

Maples Corporate Services Limited
PO Box 309
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Cayman Islands

Head Office and Principal Place of Business in the Chinese Mainland

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Haidian District
Beijing
The People's Republic of China

Principal Place of Business in Hong Kong

Room 1928, 19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
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Hong Kong Legal Advisor

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42/F, Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

Compliance Advisor

Guotai Junan Capital Limited
27/F, Low Block
Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

Principal Share Registrar and Transfer Office

Maples Fund Services (Cayman) Limited
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Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

Principal Banker

Shouti Technology Finance Sub-Branch, Beijing Branch, China Merchants Bank

Stock Codes

1810 (HKD counter) and 81810 (RMB counter)

Company Website

www.mi.com

KEY HIGHLIGHTS

	Unaudited Six months ended June 30, 2026	June 30, 2025
	(RMB in millions, unless specified)	
Revenue	**208,063.2**	227,249.4
Gross profit	**43,419.0**	51,506.9
Operating profit	**16,182.8**	26,562.1
Profit before income tax	**17,294.0**	27,570.8
Profit for the period	**14,198.0**	22,765.9
Non-IFRS Measure: Adjusted Net Profit[1]	**12,291.2**	21,506.3

[1] See the section entitled "Non-IFRS Measure: Adjusted Net Profit" for more information about the non-IFRS measure.

xiaomi

Six months ended June 30, 2026

Total revenue	Smartphone × AIoT segment revenue	Smart EV, AI and other new initiatives segment revenue	Gross profit margin
208.1 RMB billion	163.3 RMB billion	44.8 RMB billion	20.9%

Smartphone shipments	Connected IoT devices[1]	Global MAU[2]	Smart EV deliveries
65.0 million units	1,160.8 million units	766.5 million	185,055 vehicles

Notes:

(1) As of June 30, 2026, excluding smartphones and tablets.

(2) In June 2026, global monthly active users including smartphones and tablets.

CHAIRMAN'S STATEMENT

Dear Shareholders,

I am pleased to present our interim report for the six months ended June 30, 2026 to the shareholders.

OVERALL PERFORMANCE

SMARTPHONE X AIOT

SMART EV, AI AND OTHER NEW INITIATIVES

CORPORATE SOCIAL RESPONSIBILITY

1. Overall Performance

In the first half of 2026, geopolitical uncertainties persisted, while significant increases in key component costs, including memory, along with intensified industry competition, continued to create headwinds for our business. Meanwhile, the artificial intelligence (AI) industry entered a phase of rapid advancement. We proactively optimized our operational management, focusing on foundational technology capabilities, including AI, to empower our "Human × Car × Home" ecosystem. Total revenue for the first half of 2026 reached RMB208.1 billion. Segment-wise, in the first half of 2026, revenue of our smartphone × AIoT segment reached RMB163.3 billion; revenue of our smart electric vehicle ("**EV**"), AI and other new initiatives segment reached RMB44.8 billion. In the first half of this year, our adjusted net profit reached RMB12.3 billion.

In the first half of 2026, our smartphone shipments reached 65.0 million units. According to Omdia, we maintained top 3 global smartphone shipment ranking in the first half of 2026. As of June 30, 2026, the number of connected IoT devices on our AIoT platform (excluding smartphones and tablets) reached a record high of 1,160.8 million, up 17.4% year-over-year. In June 2026, our global monthly active users ("**MAU**")[2] reached a record high of 766.5 million, up 4.8% year-over-year. In the first half of 2026, we achieved total deliveries of 185,055 vehicles, up 17.7% year-over-year.

We continued to execute on our 2020–2030 goal of investing in foundational core technologies and becoming a global leader in the evolving realm of cutting-edge technologies. In the first half of 2026, our research and development ("**R&D**") expenses increased by 25.6% year-over-year to RMB18.2 billion. As of June 30, 2026, our research and development personnel accounted for 47.2% of our total employees. As of June 30, 2026, we have obtained more than 47,000 patents worldwide.

We continued to advance our AI capabilities. *Xiaomi MiMo-V2.5*, our foundation model launched in April 2026, continued to receive widespread support from users globally. On the OpenRouter platform, *Xiaomi MiMo-V2.5* ranked as the No. 1 model in weekly token usage[3], reaching 10.5 trillion tokens. In June 2026, we officially unveiled *Xiaomi Miloco 2.0* (*Xiaomi Local Copilot 2.0*), an open-source AI solution for home intelligence, powered by the Xiaomi MiMo large language model. Compared to *Xiaomi Miloco 1.0*, *Xiaomi Miloco 2.0* further explores new smart home scenarios, moving toward proactive home intelligence that "remembers, recognizes people, and takes action".

We simultaneously explore the frontier of embodied intelligence. In July 2026, we launched and open-sourced *Xiaomi-Robotics-U0*, a 38-billion parameter multimodal autoregressive generative foundation model for embodied intelligence. On the WorldArena benchmark, *Xiaomi-Robotics-U0* ranked No. 1 among 126 models worldwide with the highest overall score[4]. In the same month, we also launched *Xiaomi-Robotics-1*, an embodied foundation model for real-world mobile manipulation tasks, pre-trained on 100,000 hours of real-world data. *Xiaomi-Robotics-1* ranked No. 1 on the RoboCasa365 simulation benchmark[5]. Also in July 2026, we demonstrated our robotics capabilities at the Xiaomi EV factory. We improved the success rate of our robots in dual-side tasks at the self-tapping threaded insert nut loading station from 90.2% to 98%. Moreover, our robots were deployed at new workstations in the logistics area of the final assembly workshop, including center console side-cover sorting and returnable box folding, achieving success rates of 90% for both tasks. In June 2026, Xiaomi's robotics team won first place in both the GigaBrain Challenge-RoboChallenge Track of the CVPR 2026 Workshops and the WBC (Whole Body Control) Track of the ICRA 2026, underscoring our cutting-edge R&D capabilities in embodied intelligence.

[2] Including smartphones and tablets.

[3] From July 20, 2026 to July 26, 2026.

[4] As of July 15, 2026.

[5] As of July 15, 2026.

CHAIRMAN'S STATEMENT

In August 2026, we officially launched the beta version of Xiaomi HyperOS 4, our next-generation operating system. We continue to improve foundational experience and usability. We have added precise load calculation and memory preloading capabilities to our proprietary Xiaomi HyperCore, and established a runtime environment for Xiaomi HyperOS applications. In addition, we have upgraded our omni-ecosystem AI capabilities with the introduction of "Xiaomi Hyper XiaoAi 2.0". Through improvements to the AI architecture and the integration of the Xiaomi MiMo large language model, it possesses enhanced task orchestration and content generation capabilities. Furthermore, we have conducted specialized optimizations for cross-app and cross-device scenarios, enabling AI to evolve from merely "understanding instructions" to actually "getting things done."

We steadily improved the operational efficiency of our new retail stores. As of June 2026, the number of our large Xiaomi stores (over 500 square meters) in the Chinese Mainland exceeded 270. At the same time, we steadily expanded our new retail model in the overseas markets, with the total number of overseas new retail stores surpassing 640, covering Southeast Asia, Europe, East Asia, Latin America, the Middle East, Africa, etc.

In the first half of 2026, we continued to improve operating efficiency, with the operating expense ratio of our smartphone × AIoT segment reaching 14.5%. Meanwhile, we continued to invest proactively in the future, and our capital expenditures for the first half of 2026 amounted to approximately RMB6.9 billion, including RMB3.9 billion allocated to the smart EV, AI and other new initiatives segment.

We are committed to continuously enhancing shareholder value and have been actively repurchasing our shares in the open market. We adopted a new share repurchase program on May 26, 2026, with a total amount of up to HKD20 billion. Since the beginning of this year[6], we have repurchased approximately 377.5 million shares in the amount of approximately HK$11.7 billion, exceeding last year's total repurchase amount.

Our brand continued to gain recognition globally. In July 2026, we ranked No. 232 on the Fortune Global 500 list, up 65 spots from 2025, marking our 8th consecutive year on the list and our highest ranking since our debut in 2019. In the same month, we ranked No. 2 in the Top 50 2026 Kantar BrandZ Chinese Global Brand Builders, marking our 9th consecutive year on the list.

[6] From January 1, 2026 to August 13, 2026.

2. Smartphone × AIoT

In the first half of 2026, revenue from our smartphone × AIoT segment reached RMB163.3 billion. The gross profit margin of our smartphone × AIoT segment reached 21.2%.

Smartphones

In the first half of 2026, the global smartphone industry faced broad headwinds from significant increases in memory costs. According to Omdia, global smartphone shipments were down 3% year-over-year in the first half of 2026. Facing these headwinds, we proactively optimized our product mix and pricing strategy, while actively adjusting shipment cadence. Our global smartphone shipments reached 65.0 million units in the first half of this year, and our smartphone revenue reached RMB86.4 billion, with a gross profit margin of 9.3%.

We continued to advance our premiumization strategy and proactively improve our product mix. In the first half of 2026, the average selling price ("**ASP**") of our smartphones reached a record high, up 16.5% year-over-year to RMB1,330. According to third-party data, in the first half of 2026, our smartphone units with retail prices at or above RMB3,000 sold in the Chinese Mainland accounted for 27.4% of our total smartphone units sold, up 1.1 percentage points year-over-year.

According to Omdia, in the first half of 2026, we ranked No. 3 globally in smartphone shipments. Our smartphone shipments ranked No. 2 in Southeast Asia, Latin America and the Middle East with market shares of 18.0%, 16.8% and 13.3%, respectively. We ranked No. 3 in Europe and Africa, with market shares of 16.9% and 10.0%, respectively. In the first half of 2026, our smartphone shipments ranked among the top three in 52 countries and regions globally and among the top five in 68 countries and regions globally.

CHAIRMAN'S STATEMENT

IoT and lifestyle products

In the first half of 2026, revenue from our IoT and lifestyle products reached RMB56.0 billion. The gross profit margin of our IoT and lifestyle products reached 22.3%.

As of June 30, 2026, the number of connected IoT devices (excluding smartphones and tablets) on our AIoT platform reached 1,160.8 million, up 17.4% year-over-year. The number of users with five or more devices connected to our AIoT platform (excluding smartphones and tablets) reached 24.6 million, up 20.2% year-over-year. In June 2026, the MAU of our Xiaomi Home App grew to 124.1 million, up 9.7% year-over-year. The MAU of our AI Assistant ("小愛同學") grew to 174.9 million, up 14.2% year-over-year.

Our tablet business maintained stable performance. According to Omdia, in the first half of 2026, our tablet shipments ranked No. 5 globally and No. 4 in the Chinese Mainland.

According to Omdia, in the first half of 2026, our TWS earbud shipments ranked No. 2 globally and No. 2 in the Chinese Mainland. Our shipments of wearable bands[7] ranked No. 2 globally and No. 2 in the Chinese Mainland.

Our overseas IoT and lifestyle products continued to grow. In the first half of 2026, driven by the expansion of overseas channels and broader product categories, our overseas IoT and lifestyle products revenue increased rapidly year-over-year.

Internet services

In the first half of 2026, our internet services revenue reached RMB18.5 billion, up 1.9% year-over-year. The gross profit margin of our internet services was 76.4%, up 0.3 percentage points year-over-year.

Our internet user base continued to expand. The MAU globally and in the Chinese Mainland both hit record highs. In June 2026, our global MAU reached 766.5 million, up 4.8% year-over-year, and our MAU in the Chinese Mainland reached 197.7 million, up 7.0% year-over-year. In June 2026, the global MAU of our smart TVs[8] reached 76.9 million, up 4.3% year-over-year.

In the first half of 2026, our advertising business sustained growth momentum, with advertising revenue reaching RMB14.3 billion, up 6.2% year-over-year. Our overseas internet services revenue reached RMB5.9 billion. Overseas internet services revenue accounted for 31.7% of our total internet services revenue.

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[7] Including basic bands, basic watches and smart watches.

[8] Including *Xiaomi Box* and *Xiaomi TV Stick*.

3. Smart EV, AI and Other New Initiatives

In the first half of 2026, revenue from our smart EV, AI and other new initiatives segment reached RMB44.8 billion, up 12.3% year-over-year, consisting of RMB42.9 billion from smart EV and RMB1.9 billion from other related businesses (including AI business revenue generated by the Xiaomi MiMo large language model series). In the first half of 2026, the gross profit margin of our smart EV, AI and other new initiatives segment was 19.6%. In the first half of 2026, the loss from operations[9] related to our smart EV, AI and other new initiatives segment was RMB5.7 billion.

In the first half of 2026, the overall passenger vehicle market in the Chinese Mainland experienced a downturn, with retail volume declining by 20% year-over-year[10]. We achieved total deliveries of 185,055 vehicles in the first half of this year, up 17.7% year-over-year. In the first half of 2026, the *Xiaomi SU7 Series* ranked No. 1 in sales volume among pure electric sedans priced above RMB200,000 in the Chinese Mainland[11]. According to the July 2026 China Vehicle Value Retention Ratio Research Report, jointly released by China Automobile Dealers Association and Jingzhengu, the *Xiaomi YU7 Series* ranked first among one-year major pure electric vehicles, with a value retention ratio[12] of 82.8%. The *Xiaomi SU7 Series* ranked fourth, with a value retention ratio of 75.3%. Meanwhile, the *Xiaomi SU7 Series* ranked first in value retention ratio among one-year major pure electric sedans.

We continued to refine our technologies and enrich our product portfolio. The *Xiaomi YU7 GT* was officially launched on May 21, 2026, positioned as a "sports car-level SUV designed for long-distance travel", and priced starting at RMB389,900. Notably, the *Xiaomi YU7 GT* is the first model developed with deep engagement from the team at the Xiaomi EV Europe R&D and Design Center. In early 2025, Xiaomi established this center in Munich, Germany, bringing together top global automotive experts and renowned designers. The team focuses on high performance, luxury experience, and innovative research, with core members recruited from leading global automakers. On May 21, 2026, we also officially launched the *Xiaomi YU7 Standard*, featuring a comprehensive suite of advanced technologies. It delivers a CLTC[13] range of 643km and is priced starting at RMB233,500.

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[9] Income/(loss) from operations is defined as gross profit minus operating expenses.

[10] According to China Passenger Car Association (CPCA).

[11] Source: BitAuto, as of June 30, 2026.

[12] Value Retention Ratio is calculated as used-car resale price divided by new-car manufacturer's suggested retail price.

[13] China Light-duty Vehicle Test Cycle.

CHAIRMAN'S STATEMENT

In July 2026, we officially unveiled the Xiaomi Kunlun Technical Architecture, including the Xiaomi Kunlun Platform, Xiaomi Kunlun HyperRange, and Xiaomi Kunlun Total Safety. Built on this technical architecture, we debuted our first extended-range SUV series: the *Xiaomi SkyNomad Series*, including two variants: the *Xiaomi SkyNomad N90 Max* and the *Xiaomi SkyNomad N70 Max*. We defined the *Xiaomi SkyNomad Series* as an "intelligent, reconfigurable, spacious SUV". The *Xiaomi SkyNomad Series* adopts a fully flat floor from front to rear, with specially optimized rear wheel-arches packaging to deliver a rectangular layout. The extra-long seat slide rails offer flexible space utilization, accommodating face-to-face seating, a mobile workspace, and a flat-bed mode. In terms of Xiaomi Kunlun HyperRange, we use a large-battery extended-range architecture, dual-motor all-wheel drive, and Xiaomi Kunlun 1.5T range-extender unit. The *Xiaomi SkyNomad Series* delivers a CLTC combined range of up to 1,705 km. In terms of Xiaomi Kunlun Total Safety, the *Xiaomi SkyNomad Series* adopts an Armor Cage-type body structure and integrated hot-stamped door ring, equipped with the Xiaomi Armor Scale Battery. And its multi-directional collision test standards exceed the industry's stringent standards. The *Xiaomi SkyNomad Series* is scheduled to launch in September 2026.

We continue to strengthen our EV safety systems. In June 2026, in the assessment under the C-ICAP (China Intelligent-connected Car Assessment Programme, Revision of Version 2024), the *Xiaomi YU7*[14] achieved the highest ratings across all four dimensions: driving assistance, parking assistance, smart cockpit and privacy protection. In July 2026, in the safety tests under the C-NCAP (China New Car Assessment Programme, 2024 Edition), the *Xiaomi YU7*[15] achieved a "Five-Star Plus Rating" safety certification. The *Xiaomi YU7* performed exceptionally across all three safety test dimensions: occupant protection, VRU (vulnerable road user) protection and active safety.

We are continuously honing our technologies through track testing. In April 2026, our *Xiaomi YU7 GT with Track Package* set a new SUV lap record at the Nürburgring Nordschleife, becoming the fastest SUV with a lap time of 7:22.755. In June 2026, our *Xiaomi YU7 GT with Track Package* set the first autonomous driving lap record at the Nürburgring Nordschleife, achieving a lap time of 10:29.483.

[14] The tested model was the long-range version of *Xiaomi YU7*.

[15] The tested model was the long-range version of *Xiaomi YU7*.

4. Corporate Social Responsibility (CSR)

We are committed to advancing sustainable development. In April 2026, we published our Xiaomi Corporation 2025 Environmental, Social and Governance (ESG) Report, which we have released for the eighth consecutive year. The report provides a comprehensive overview of our strategies and achievements in 2025 across key areas such as data security and privacy protection, responsible marketing and sincere services, circular economy, sustainable supply chain, talent nurturing, and corporate governance. As part of our low-carbon development efforts, in the first half of 2026, our total renewable electricity consumption amounted to 66,353MWh. This included 56,213MWh from renewable electricity procurement and 10,140MWh from on-site distributed photovoltaic systems across our campuses.

As we advanced the development of low-carbon materials, we continued to increase our investment in the proprietary research and development of core materials. Our self-developed Xiaomi Titan Alloy 2.0 has achieved carbon emissions of 1.1 kgCO_2e per kilogram, representing approximately a 93% reduction compared with conventional primary aluminum. It has been verified under the international Environmental Product Declaration (EPD) system and registered. While maintaining excellent structural strength, it also delivers enhanced toughness, with all performance metrics meeting stringent automotive structural component standards. Xiaomi Titan Alloy 2.0 has entered mass production and is deployed in the *New-Generation Xiaomi SU7 Series* and the *Xiaomi YU7 Series*. This material technology breakthrough further strengthened our proprietary technology capabilities and enhanced the competitiveness of premium products in our smart EV business, while reinforcing the low-carbon competitiveness of our products in global markets.

In terms of poverty and disaster relief, in July 2026, following floods, hailstorms, and other disasters in Guangxi, Hubei, Gansu, Liaoning, Jilin, Hebei and other regions, the Xiaomi Foundation donated RMB10 million in cash to support emergency relief, transitional resettlement, and post-disaster reconstruction in the affected areas. To promote technology innovation, as of June 30, 2026, the Xiaomi Innovation Joint Fund[16] has cumulatively donated approximately RMB274 million, supporting 182 research teams in the Chinese Mainland.

Lei Jun
Chairman

Hong Kong
August 18, 2026

[16] Established with donations from Beijing Xiaomi Foundation.

MANAGEMENT DISCUSSION AND ANALYSIS

First Half of 2026 Compared to First Half of 2025

The following table sets forth the comparative figures for the first half of 2026 and 2025:

	Unaudited Six months ended June 30, 2026	 June 30, 2025
	(RMB in millions)	
Revenue	208,063.2	227,249.4
Cost of sales	(164,644.2)	(175,742.5)
Gross profit	43,419.0	51,506.9
Research and development expenses	(18,185.7)	(14,475.1)
Selling and marketing expenses	(16,925.0)	(14,977.8)
Administrative expenses	(3,112.1)	(3,157.2)
Fair value changes on financial instruments measured at fair value through profit or loss	7,306.2	6,190.5
Share of net profits of investments accounted for using the equity method	86.2	150.4
Other income	3,245.0	461.2
Other gains, net	349.2	863.2
Operating profit	16,182.8	26,562.1
Finance income, net	1,111.2	1,008.7
Profit before income tax	17,294.0	27,570.8
Income tax expenses	(3,096.0)	(4,804.9)
Profit for the period	14,198.0	22,765.9
Non-IFRS Measure: Adjusted Net Profit	12,291.2	21,506.3

Revenue

Revenue decreased by 8.4% from RMB227.2 billion in the first half of 2025 to RMB208.1 billion in the first half of 2026. The following table sets forth our revenue by segment in the first half of 2026 and the first half of 2025:

	Unaudited Six months ended			
	June 30, 2026		June 30, 2025	
	Amount	% of total revenue	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT	163,303.0	78.5%	187,406.1	82.5%
Smart EV, AI and other new initiatives	44,760.2	21.5%	39,843.3	17.5%
Total revenue	208,063.2	100.0%	227,249.4	100.0%

Smartphone × AIoT

Revenue from our smartphone × AIoT segment decreased by 12.9% from RMB187.4 billion in the first half of 2025 to RMB163.3 billion in the first half of 2026. The following table sets forth our revenue by line of our smartphone × AIoT segment in the first half of 2026 and the first half of 2025:

	Unaudited Six months ended			
	June 30, 2026		June 30, 2025	
	Amount	% of total revenue	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	86,392.0	41.5%	96,132.0	42.3%
IoT and lifestyle products	55,959.2	26.9%	71,051.4	31.3%
Internet services	18,512.0	8.9%	18,173.8	8.0%
Other related businesses	2,439.8	1.2%	2,048.9	0.9%
Total revenue of smartphone × AIoT segment	163,303.0	78.5%	187,406.1	82.5%

MANAGEMENT DISCUSSION AND ANALYSIS

(i) Smartphones

Revenue from our smartphones decreased by 10.1% from RMB96.1 billion in the first half of 2025 to RMB86.4 billion in the first half of 2026, primarily due to the decrease in our smartphone shipments, partially offset by the increase in our smartphone ASP. Our smartphone shipments decreased by 22.9% from 84.2 million units in the first half of 2025 to 65.0 million units in the first half of 2026, primarily due to the optimization of our product portfolio and the reduction in shipments of our mid-range and low-end smartphones, as well as the weakened global demand driven by the continued increase in price of key components. The ASP of our smartphones increased by 16.5% from RMB1,141.4 per unit in the first half of 2025 to RMB1,329.7 per unit in the first half of 2026, a record high, primarily due to the optimization of our product portfolio and the higher contribution from our premium smartphone shipments.

(ii) IoT and lifestyle products

Revenue from our IoT and lifestyle products decreased by 21.2% from RMB71.1 billion in the first half of 2025 to RMB56.0 billion in the first half of 2026, primarily due to the decreased revenue in the Chinese Mainland resulting from the reduction in national subsidies, partially offset by the increased revenue in the overseas markets, driven by tablets, smart TVs and certain lifestyle products.

(iii) Internet services

Revenue from our internet services increased by 1.9% from RMB18.2 billion in the first half of 2025 to RMB18.5 billion in the first half of 2026, primarily due to the increased revenue from our advertising business, partially offset by the decreased revenue from our gaming business and other value-added services.

(iv) Other related businesses

Revenue from our other related businesses increased by 19.1% from RMB2.0 billion in the first half of 2025 to RMB2.4 billion in the first half of 2026, primarily due to the increased revenue from sales of materials.

Smart EV, AI and Other New Initiatives

Revenue from our smart EV, AI and other new initiatives segment increased by 12.3% from RMB39.8 billion in the first half of 2025 to RMB44.8 billion in the first half of 2026.

Revenue from our smart EV increased by 10.9% from RMB38.7 billion in the first half of 2025 to RMB42.9 billion in the first half of 2026, primarily due to the increase in our vehicle deliveries, partially offset by the decrease in our vehicle ASP. Our vehicle deliveries increased by 17.7% from 157,171 units in the first half of 2025 to 185,055 units in the first half of 2026, primarily due to the increased deliveries of *Xiaomi YU7 Series*, partially offset by the decreased deliveries of *Xiaomi SU7 Series* resulting from discontinued sales of the first-generation *Xiaomi SU7 Series* in the first quarter of 2026. The ASP of our smart EV decreased by 5.8% from RMB246,247 per unit in the first half of 2025 to RMB231,848 per unit in the first half of 2026, primarily due to the lower contribution from deliveries of *Xiaomi SU7 Ultra*.

Revenue from our other related businesses increased by 62.7% from RMB1.1 billion in the first half of 2025 to RMB1.9 billion in the first half of 2026, primarily due to the increased revenue from after-sales services related to our smart EV business, as well as the increased revenue from our AI business related to Xiaomi MiMo large language model series.

Cost of Sales

Our cost of sales decreased by 6.3% from RMB175.7 billion in the first half of 2025 to RMB164.6 billion in the first half of 2026. The following table sets forth our cost of sales by segment in the first half of 2026 and the first half of 2025:

	Unaudited Six months ended			
	June 30, 2026		June 30, 2025	
	Amount	% of total revenue	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT	**128,669.8**	**61.8%**	145,825.4	64.2%
Smart EV, AI and other new initiatives	**35,974.4**	**17.3%**	29,917.1	13.1%
Total cost of sales	**164,644.2**	**79.1%**	175,742.5	77.3%

MANAGEMENT DISCUSSION AND ANALYSIS

Smartphone × AIoT

Cost of sales related to our smartphone × AIoT segment decreased by 11.8% from RMB145.8 billion in the first half of 2025 to RMB128.7 billion in the first half of 2026. The following table sets forth our cost of sales by line of our smartphone × AIoT segment in the first half of 2026 and the first half of 2025:

	Unaudited Six months ended			
	June 30, 2026		June 30, 2025	
	Amount	% of total revenue	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	78,316.1	37.6%	84,629.1	37.2%
IoT and lifestyle products	43,471.3	20.9%	54,175.0	23.8%
Internet services	4,363.7	2.1%	4,336.2	1.9%
Other related businesses	2,518.7	1.2%	2,685.1	1.3%
Total cost of sales of smartphone × AIoT segment	128,669.8	61.8%	145,825.4	64.2%

(i) Smartphones

Cost of sales related to our smartphones decreased by 7.5% from RMB84.6 billion in the first half of 2025 to RMB78.3 billion in the first half of 2026, primarily due to the decreased sales of our smartphones, partially offset by the increased price of key components.

(ii) IoT and lifestyle products

Cost of sales related to our IoT and lifestyle products decreased by 19.8% from RMB54.2 billion in the first half of 2025 to RMB43.5 billion in the first half of 2026, primarily due to the decreased sales of our IoT and lifestyle products.

(iii) Internet services

Cost of sales related to our internet services increased by 0.6% from RMB4.3 billion in the first half of 2025 to RMB4.4 billion in the first half of 2026, primarily due to the increased cost of our advertising business, partially offset by the decreased cost of our gaming business.

(iv) **Other related businesses**

Cost of sales related to our other related businesses decreased by 6.2% from RMB2.7 billion in the first half of 2025 to RMB2.5 billion in the first half of 2026, primarily due to the decreased sales from installation services provided for air conditioners.

Smart EV, AI and Other New Initiatives

Cost of sales related to our smart EV, AI and other new initiatives segment increased by 20.2% from RMB29.9 billion in the first half of 2025 to RMB36.0 billion in the first half of 2026, primarily due to the increased sales of our smart EV and AI business.

Gross Profit and Margin

As a result of the foregoing, our gross profit decreased by 15.7% from RMB51.5 billion in the first half of 2025 to RMB43.4 billion in the first half of 2026. Our gross profit margin decreased from 22.7% in the first half of 2025 to 20.9% in the first half of 2026.

	Unaudited Six months ended			
	June 30, 2026		June 30, 2025	
	Gross profit	Gross margin%	Gross profit	Gross margin%
	(RMB in millions, unless specified)			
Smartphone × AIoT	34,633.2	21.2%	41,580.7	22.2%
Smart EV, AI and other new initiatives	8,785.8	19.6%	9,926.2	24.9%
Total gross profit and margin	43,419.0	20.9%	51,506.9	22.7%

MANAGEMENT DISCUSSION AND ANALYSIS

Smartphone × AIoT

The gross profit margin from our smartphone × AIoT segment decreased from 22.2% in the first half of 2025 to 21.2% in the first half of 2026. The following table sets forth our gross profit and margin by line of our smartphone × AIoT segment in the first half of 2026 and the first half of 2025:

	Unaudited Six months ended June 30, 2026 Gross profit	 Gross margin%	 June 30, 2025 Gross profit	 Gross margin%
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	8,075.9	9.3%	11,502.9	12.0%
IoT and lifestyle products	12,487.9	22.3%	16,876.4	23.8%
Internet services	14,148.3	76.4%	13,837.6	76.1%
Other related businesses	(78.9)	(3.2%)	(636.2)	(31.1%)
Total gross profit and margin of smartphone × AIoT segment	34,633.2	21.2%	41,580.7	22.2%

The gross profit margin from our smartphones decreased from 12.0% in the first half of 2025 to 9.3% in the first half of 2026, mainly due to the increased price of key components.

The gross profit margin from our IoT and lifestyle products decreased from 23.8% in the first half of 2025 to 22.3% in the first half of 2026, mainly due to the decreased gross profit margin in the Chinese Mainland resulting from the increased price of key components, partially offset by the increased gross profit margin and higher revenue contribution of certain lifestyle products and wearables in the overseas markets.

The gross profit margin from our internet services increased from 76.1% in the first half of 2025 to 76.4% in the first half of 2026, mainly due to the higher revenue contribution of our advertising business.

Smart EV, AI and Other New Initiatives

The gross profit margin from our smart EV, AI and other new initiatives segment decreased from 24.9% in the first half of 2025 to 19.6% in the first half of 2026, mainly due to the lower contribution from deliveries of *Xiaomi SU7 Ultra*, the increased price of key components and the increased cost related to our AI business.

Operating Expenses

Our operating expenses increased by 17.2% from RMB32.6 billion in the first half of 2025 to RMB38.2 billion in the first half of 2026. Our operating expenses related to our smart EV, AI and other new initiatives segment increased by 34.8% from RMB10.7 billion in the first half of 2025 to RMB14.5 billion in the first half of 2026.

Research and Development Expenses

Our research and development expenses increased by 25.6% from RMB14.5 billion in the first half of 2025 to RMB18.2 billion in the first half of 2026, primarily due to the increased research and development expenses related to our smart EV, AI and other new initiatives, especially the higher investments in our AI infrastructure, and the pace of our research projects related to smartphone × AIoT.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 13.0% from RMB15.0 billion in the first half of 2025 to RMB16.9 billion in the first half of 2026, primarily due to the increase in selling and marketing expenses related to our smart EV business and expenses related to expansion of our new retail stores in the overseas markets.

Administrative Expenses

Our administrative expenses decreased by 1.4% from RMB3.2 billion in the first half of 2025 to RMB3.1 billion in the first half of 2026, primarily due to the decrease in compensation for administrative personnel.

Fair Value Changes on Financial Instruments Measured at Fair Value Through Profit or Loss

Our fair value changes on financial instruments measured at fair value through profit or loss increased from a gain of RMB6.2 billion in the first half of 2025 to a gain of RMB7.3 billion in the first half of 2026, primarily due to the higher fair value gains of both other investments in private equity investment funds and unlisted preferred shares investments in the first half of 2026, partially offset by the fair value losses of listed equity investments in the first half of 2026, compared to the fair value gains of listed equity investments in the first half of 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Share of Net Profits of Investments Accounted for Using the Equity Method

Our share of net profits of investments accounted for using the equity method decreased from RMB150.4 million in the first half of 2025 to RMB86.2 million in the first half of 2026.

Other Income

Our other income increased from RMB0.5 billion in the first half of 2025 to RMB3.2 billion in the first half of 2026, primarily due to the increase in subsidy income and value-added tax preferences.

Other Gains, Net

Our net other gains decreased from RMB0.9 billion in the first half of 2025 to RMB0.3 billion in the first half of 2026, primarily due to the decrease of disposal gains of investments accounted for using the equity method.

Finance Income, Net

Our net finance income increased from RMB1.0 billion in the first half of 2025 to RMB1.1 billion in the first half of 2026, primarily due to the increase of net interest income.

Income Tax Expenses

Our income tax expenses decreased from RMB4.8 billion in the first half of 2025 to RMB3.1 billion in the first half of 2026, primarily due to the decrease of taxable profit in the first half of 2026.

Profit for the Period

As a result of the foregoing, our profit for the period decreased by 37.6% from RMB22.8 billion in the first half of 2025 to RMB14.2 billion in the first half of 2026.

Adjusted Net Profit

Our adjusted net profit decreased by 42.8% from RMB21.5 billion in the first half of 2025 to RMB12.3 billion in the first half of 2026.

Non-IFRS Measure: Adjusted Net Profit

To supplement our consolidated results which are prepared and presented in accordance with all applicable IFRS Accounting Standards issued by the International Accounting Standards Board ("**IFRS Accounting Standards**"), we utilize non-IFRS adjusted net profit ("**Adjusted Net Profit**") as an additional financial measure. We define Adjusted Net Profit as profit for the period, as adjusted by taking out (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 investors, and (v) income tax effects of non-IFRS adjustments.

Adjusted Net Profit is not required by, or presented in accordance with, IFRS Accounting Standards. We believe that the presentation of non-IFRS measures when shown in conjunction with the corresponding IFRS Accounting Standards measures provides useful information to investors and management regarding financial and business trends in relation to our financial condition and results of operations, by eliminating any potential impact of items that our management does not consider to be indicative of our operating performance such as certain non-cash items and the impact of certain investment transactions. We also believe that the non-IFRS measures are appropriate for evaluating the Group's operating performance. However, the use of this particular non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under IFRS Accounting Standards. In addition, this non-IFRS financial measure may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures used by other companies.

The following tables set forth reconciliations of the Group's non-IFRS measures for the first half of 2026 and 2025 to the nearest measures prepared in accordance with IFRS Accounting Standards.

	Unaudited Six Months Ended June 30, 2026						
		Adjustments					
	As reported	Share-based compensation[1]	Net fair value changes on investments[2]	Amortization of intangible assets resulting from acquisitions[3]	Changes of value of financial liabilities to investors[4]	Income tax effects[5]	Non-IFRS
	(RMB in thousand, unless specified)						
Profit for the period	14,197,953	2,321,102	(5,959,689)	72,004	1,156,715	503,123	12,291,208
Net margin	6.8%						5.9%

MANAGEMENT DISCUSSION AND ANALYSIS

	Unaudited Six Months Ended June 30, 2025						
		Adjustments					
	As reported	Share-based compensation[1]	Net fair value changes on investments[2]	Amortization of intangible assets resulting from acquisitions[3]	Changes of value of financial liabilities to investors[4]	Income tax effects[5]	Non-IFRS
	(RMB in thousand, unless specified)						
Profit for the period	22,765,909	2,363,735	(4,872,245)	72,004	820,911	355,978	21,506,292
Net margin	10.0%						9.5%

Notes:

(1) Represents the expenses related to share-based payments.

(2) Primarily includes fair value changes on equity investments and preferred shares investments deducting the accumulative fair value changes for investments (including the financial assets measured at fair value through profit or loss ("**FAFVPL**") and the investments using the equity method transferred from FAFVPL) disposed in the current period, net gains/(losses) on deemed disposals of subsidiaries and investee companies, the impairment provision for investments, re-measurement impact on loss of significant influence in associates, and re-measurement impact on investments transferring from FAFVPL to investments using the equity method.

(3) Represents amortization of intangible assets resulting from acquisitions.

(4) Represents the changes of value of the financial liabilities payable to the investors.

(5) Income tax effects of non-IFRS adjustments.

Liquidity, Financial Resources and Gearing

On December 4, 2020, the Company completed a placing of a total of 1,000,000,000 placing shares at HK$23.70 for each placing share owned by Smart Mobile Holdings Limited to not less than six independent placees and, on December 9, 2020, the Company allotted and issued 1,000,000,000 subscription shares at HK$23.70 per subscription share under the general mandate to Smart Mobile Holdings Limited (the "**2020 Placing and Subscription**"). For further details, please refer to the announcements of the Company dated December 2, 2020, December 3, 2020 and December 9, 2020.

On March 27, 2025, the Company completed a placing of a total of 800,000,000 placing shares at HK$53.25 for each placing share owned by Smart Mobile Holdings Limited to not less than six independent placees and, on March 31, 2025, the Company allotted and issued 800,000,000 subscription shares at HK$53.25 per subscription share under the general mandate to Smart Mobile Holdings Limited (the "**2025 Placing and Subscription**"). For further details, please refer to the announcements of the Company dated March 25, 2025 and March 31, 2025.

Other than the funds raised through our Global Offering in July 2018, the 2020 Placing and Subscription, the 2025 Placing and Subscription and the issuance of debt securities as described in "Issuance of Debt Securities" below, we have historically funded our cash requirements principally from cash generated from our operations and bank borrowings. We had cash and cash equivalents of RMB37.3 billion and cash resources[17] of RMB219.3 billion as of June 30, 2026.

Our gearing ratio was -31.5%, which represented a net cash position, as of June 30, 2026. Our gearing ratio is calculated as net debt divided by total capital at the end of each financial period. Net debt equals to our total borrowings less our cash and cash equivalents, restricted cash and short-term bank deposits. Total capital is calculated as total equity plus net debt.

Issuance of Debt Securities

On April 29, 2020, Xiaomi Best Time International Limited, a wholly-owned subsidiary of the Company, issued US$600 million 3.375% senior notes due 2030 unconditionally and irrevocably guaranteed by the Company (the "**2030 Notes**"). For further details, please refer to the announcements of the Company dated April 20, 2020, April 23, 2020 and May 3, 2020.

On December 17, 2020, Xiaomi Best Time International Limited issued zero coupon guaranteed convertible bonds due 2027 guaranteed by the Company in the aggregate principal amount of US$855 million at an initial conversion price of HK$36.74 per conversion share (subject to adjustments) (the "**2027 Bonds**"). The 2027 Bonds are listed on the Stock Exchange. For further details, please refer to the announcements of the Company dated December 2, 2020, December 3, 2020, December 17, 2020 and December 18, 2020.

As of June 30, 2026, 12,112,587 Class B Shares were issued pursuant to conversion of the 2027 Bonds.

On July 14, 2021, Xiaomi Best Time International Limited issued US$800 million 2.875% senior bonds due 2031 (the "**2031 Bonds**") and US$400 million 4.100% senior green bonds due 2051 (the "**Green Bonds**"), both of which were unconditionally and irrevocably guaranteed by the Company. For further details of the 2031 Bonds and Green Bonds, please refer to the announcements of the Company dated July 6, 2021, July 8, 2021, July 14, 2021 and July 15, 2021.

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[17] Including (i) cash and cash equivalents, (ii) restricted cash, (iii) 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 investments measured at amortized cost, and (vii) treasury investments included in long-term investments measured at fair value through profit or loss.

MANAGEMENT DISCUSSION AND ANALYSIS

Consolidated Statement of Cash Flows

	Unaudited Six months ended	
	June 30, 2026	June 30, 2025
	(RMB in millions)	
Net cash generated from operating activities[1]	2,050.2	28,054.7
Net cash generated from/(used in) investing activities	18,222.7	(60,128.6)
Net cash (used in)/generated from financing activities[1]	(9,704.5)	34,434.3
Net increase in cash and cash equivalents	10,568.4	2,360.4
Cash and cash equivalents at the beginning of the period	26,914.4	33,661.4
Effects of exchange rate changes on cash and cash equivalents	(230.4)	(13.8)
Cash and cash equivalents at the end of the period	37,252.4	36,008.0

Note:

(1) Excluding (1) the change of trade payables related to the finance factoring business; (2) the change of loan and interest receivables and impairment provision for loan receivables mainly resulting from the fintech business; (3) the change of restricted cash resulting from the fintech business; and (4) the change of deposits from customers resulting from the Airstar Bank, the net cash generated from operating activities was RMB6.0 billion and RMB25.9 billion in the first half of 2026 and 2025, respectively. Excluding the change of borrowings for the finance factoring business, the net cash used in financing activities was RMB12.1 billion in the first half of 2026 and the net cash generated from financing activities was RMB34.8 billion in the first half of 2025. The information in this footnote is based on the management accounts of the Group, which have not been audited or reviewed by the Group's auditor. The accounting policies applied in the preparation of the management accounts are consistent with those used for other figures in this interim report.

Net Cash Generated from Operating Activities

Net cash generated from our operating activities represents the cash generated from our operations minus the income tax paid. Cash generated from our operations primarily comprises our profit before income tax adjusted by non-cash items and changes in working capital.

In the first half of 2026, our net cash generated from operating activities was RMB2.1 billion, representing cash generated from operations of RMB8.7 billion minus income tax paid of RMB6.6 billion. Cash generated from operations was primarily attributed to our profit before income tax of RMB17.3 billion, mainly adjusted by a fair value gain on financial instruments measured at fair value through profit or loss of RMB7.3 billion, an increase in inventories of RMB9.3 billion and an increase in prepayments and other receivables of RMB2.5 billion, partially offset by an increase in trade payables of RMB10.4 billion.

Net Cash Generated from Investing Activities

In the first half of 2026, our net cash generated from investing activities was RMB18.2 billion, which was primarily attributed to the net decrease of term bank deposits of RMB13.3 billion and the net decrease of short-term investments measured at fair value through profit or loss of RMB10.9 billion, partially offset by the purchase of property, plant and equipment of RMB3.6 billion and the purchase of long-term investments measured at amortized cost of RMB2.8 billion.

Net Cash Used in Financing Activities

In the first half of 2026, our net cash used in financing activities was RMB9.7 billion, which was primarily attributed to the payments for shares repurchase.

Borrowings

As of June 30, 2026, we had total borrowings of RMB39.3 billion.

Capital Expenditure

	Unaudited Six months ended	
	June 30, 2026	June 30, 2025
	(RMB in millions)	
Capital expenditures		
Smartphone × AIoT	3,017.9	3,287.4
Smart EV, AI and other new initiatives	3,876.7	4,310.1
Total	6,894.6	7,597.5

MANAGEMENT DISCUSSION AND ANALYSIS

Off-Balance Sheet Commitments and Arrangements

As of June 30, 2026, we had not entered into any significant off-balance sheet commitments or arrangements.

Future Plans for Material Investments and Capital Assets

As of June 30, 2026, we did not have plans for material investments and capital assets.

Investment Held

As of June 30, 2026, we had invested in about 410 companies with an aggregate book value of RMB92.0 billion. In the first half of 2026, we recorded a net gain on disposal of investments (after tax) of RMB1.0 billion.

The Group did not make or hold any significant investments (including any investment in an investee company with a value of 5% or more of the Group's total assets as of June 30, 2026) during the six months ended June 30, 2026.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

In the first half of 2026, we did not conduct any material acquisitions or disposals of subsidiaries, associates or joint ventures.

Employee and Remuneration Policy

As of June 30, 2026, we had 52,876 full-time employees, 50,118 of whom were based in the Chinese Mainland, primarily at our headquarters in Beijing. As of June 30, 2026, our research and development personnel, totaling 24,961 employees, were staffed across our various departments.

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our human resources strategy, we offer employees competitive compensation packages. The remuneration policy and package of the Group's employees are periodically reviewed. Apart from social security plans and in-house training programmes, discretionary bonuses and share-based awards may be awarded to employees according to the assessment of individual performance. As of June 30, 2026, 15,842 employees held share-based awards. The total remuneration expenses, including share-based compensation expenses, for the first half of 2026 were RMB16.0 billion.

Foreign Exchange Risk

The transactions of our Company are denominated and settled in our functional currency, the United States Dollar. Our Group's subsidiaries primarily operate in the PRC and other regions such as India, and are exposed to foreign exchange risk arising from the exposure to various currencies, primarily with respect to the United States Dollar. Therefore, foreign exchange risk primarily arises from the recognized assets and liabilities in our subsidiaries when receiving or expecting to receive foreign currencies from, or paying or expecting to pay foreign currencies to overseas business partners.

We will continue to monitor changes in currency exchange rates and will take necessary measures to mitigate any impacts caused by exchange rate fluctuations.

Pledge of Assets

As of June 30, 2026, our total restricted bank deposits amounted to RMB4.1 billion. We also had pledged certain buildings and land use right for borrowings.

Contingent Liabilities

We did not have any material contingent liabilities as of June 30, 2026. Further details of the contingencies are set out in Note 30 to the interim financial information.

OTHER INFORMATION

Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company or any of its Associated Corporations

As of June 30, 2026, the interests and short positions of our Directors or chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

1. Interest in Shares

Name of Director or chief executive	Nature of interest[1]	Relevant company	Number and class of securities	Approximate percentage of shareholding in the relevant class of Shares[2]
Lei Jun[3]	Beneficiary, founder and settlor of a trust(L)	ARK Trust (Hong Kong) Limited	4,001,963,455 Class A Shares	90.06%
			2,054,816,183 Class B Shares	9.63%
	Interest in controlled corporations(L)	Smart Mobile Holdings Limited	4,001,963,455 Class A Shares	90.06%
			1,900,749,511 Class B Shares	8.91%
	Interest in controlled corporations(L)	Smart Player Limited	59,221,630 Class B Shares	0.28%
	Interest in controlled corporations(L)	Team Guide Limited	94,845,042 Class B Shares	0.44%
Lin Bin[4]	Beneficial owner(L)		30,347,523 Class B Shares	0.14%
	Trustee of a trust(L)	Apex Star FT LLC	93,438,272 Class B Shares	0.44%
	Interest in controlled corporations(L)	Apex Star LLC	441,652,678 Class A Shares	9.94%
			1,713,795,137 Class B Shares	8.03%
	Interest in controlled corporations(L)	Bin Lin and Daisy Liu Family Foundation	50,686,600 Class B Shares	0.24%

Name of Director or chief executive	Nature of interest[1]	Relevant company	Number and class of securities	Approximate percentage of shareholding in the relevant class of Shares[2]
Liu Qin[5]	Interest in controlled corporations(L)	Morningside China TMT Fund I, L.P.	7 Class B Shares	0.00%
	Founder of a trust(L)		184,466,366 Class B Shares	0.86%
Liu De[6]	Beneficial owner(L)		10,000,000 Class B Shares	0.05%
	Founder of a trust(L)	Lofty Power International Limited	135,871,935 Class B Shares	0.64%
Wong Shun Tak[7]	Interest of spouse(L)		8,000 Class B Shares	0.00%

Notes:

(1) The letter "L" denotes a long position in the shares.

(2) The calculation is based on the total number of relevant class of Shares in issue as at June 30, 2026.

(3) Smart Mobile Holdings Limited and Smart Player Limited are both wholly-owned by Sunrise Vision Holdings Limited which is in turn wholly-owned by Parkway Global Holdings Limited. Team Guide Limited is wholly-owned by Techno Frontier Investments Limited. The entire interests in Parkway Global Holdings Limited and Techno Frontier Investments Limited are held by ARK Trust (Hong Kong) Limited as trustee for the trusts established by Lei Jun (as settlor) for the benefit of Lei Jun and his family. Accordingly, Lei Jun is deemed to be interested in 1) the 4,001,963,455 Class A Shares and the 1,900,749,511 Class B Shares held by Smart Mobile Holdings Limited; 2) the 59,221,630 Class B Shares held by Smart Player Limited; and 3) the 94,845,042 Class B Shares held by Team Guide Limited under the SFO.

(4) Lin Bin directly holds 30,347,523 Class B Shares. Apex Star FT LLC is controlled by Bin Lin Family Trust. Accordingly, Lin Bin, as the trustee of Bin Lin Family Trust, is deemed to be interested in 93,438,272 Class B Shares held by Apex Star FT LLC under the SFO. Bin Lin and Daisy Liu Family Foundation is controlled by Lin Bin. Accordingly, Lin Bin is deemed to be interested in 50,686,600 Class B Shares held by Bin Lin and Daisy Liu Family Foundation under the SFO. Apex Star LLC is controlled by Lin Bin. Accordingly, Lin Bin is deemed to be interested in 1,713,795,137 Class B Shares and 441,652,678 Class A Shares held by Apex Star LLC under the SFO.

(5) Liu Qin is entitled to exercise or control the exercise of one-third of the voting power at general meetings of TMT General Partner Ltd. and is therefore deemed to be interested in 7 Class B Shares in which TMT General Partner Ltd. is interested. TMT General Partner Ltd. controls Morningside China TMT GP, L.P., which controls Morningside China TMT Fund I, L.P. (the "**5Y Capital Funds**"). Consequently, TMT General Partner Ltd. is deemed to be interested in the Shares in which the 5Y Capital Funds have an interest. Liu Qin is deemed to be interested in 184,466,366 Class B Shares held by an entity controlled by the trustee of a discretionary trust, of which Liu Qin is a founder of the discretionary trust under the SFO.

OTHER INFORMATION

(6) Liu De directly holds 10,000,000 Class B Shares. Lofty Power International Limited is controlled by YLL Trust (formerly known as YYL Trust). Accordingly, Liu De is deemed to be interested in 135,871,935 Class B Shares held by Lofty Power International Limited under the SFO.

(7) Wong Shun Tak is deemed to be interested in 8,000 Class B Shares held by his spouse under the SFO.

2. Interest in associated corporations

Name of Director or chief executive	Nature of interest[1]	Associated corporation	Approximate percentage of shareholding[2]
Lei Jun	Beneficial owner(L)	Xiaomi Finance[3]	42.07%
	Interest in controlled corporations(L)	Parkway Global Holdings Limited[4]	100%
	Interest in controlled corporations(L)	Sunrise Vision Holdings Limited[4]	100%
	Interest in controlled corporations(L)	Smart Mobile Holdings Limited[4]	100%

Notes:

(1) The letter "L" denotes a long position in the shares.

(2) The calculation is based on the total number of shares of the associated corporations in issue as at June 30, 2026.

(3) Xiaomi Finance is a subsidiary of the Company and therefore Xiaomi Finance is an associated corporation of the Company. Lei Jun is entitled to receive up to 42,070,000 shares in Xiaomi Finance pursuant to options granted to him under the XMF Share Option Scheme I (subject to the relevant vesting conditions).

(4) Smart Mobile Holdings Limited, the holding company of the Company, is wholly-owned by Sunrise Vision Holdings Limited which is in turn wholly-owned by Parkway Global Holdings Limited. Lei Jun is the beneficial owner of the entire interest in Smart Mobile Holdings Limited, and is deemed to be interested in the 4,001,963,455 Class A Shares and the 1,900,749,511 Class B Shares held by Smart Mobile Holdings Limited under the SFO. Therefore, Smart Mobile Holdings Limited, Sunrise Vision Holdings Limited and Parkway Global Holdings Limited are associated corporations of the Company.

Save as disclosed above, as of June 30, 2026, so far as is known to any Director or the chief executive of the Company, none of the Directors nor the chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (b) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

As of June 30, 2026, so far as the Directors are aware, the following parties (other than our Directors or chief executive of the Company) had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Substantial Shareholder	Nature of interest[1]	Number of Shares	Approximate percentage of shareholding in the relevant class of Shares[2]
Class A Shares			
Smart Mobile Holdings Limited[3]	Beneficial interest(L)	4,001,963,455	90.06%
Sunrise Vision Holdings Limited[3]	Interest in controlled corporations(L)	4,001,963,455	90.06%
Parkway Global Holdings Limited[3]	Interest in controlled corporations(L)	4,001,963,455	90.06%
ARK Trust (Hong Kong) Limited[3]	Trustee(L)	4,001,963,455	90.06%
Apex Star LLC[4]	Beneficial interest(L)	441,652,678	9.94%
Class B Shares			
Smart Mobile Holdings Limited[3]	Beneficial interest(L)	1,900,749,511	8.91%
Sunrise Vision Holdings Limited[3]	Interest in controlled corporations(L)	1,959,971,141	9.18%
Parkway Global Holdings Limited[3]	Interest in controlled corporations(L)	1,959,971,141	9.18%
ARK Trust (Hong Kong) Limited[3]	Trustee(L)	2,143,220,236	10.04%
Apex Star LLC[4]	Beneficial interest(L)	1,713,795,137	8.03%
BlackRock, Inc.[5]	Interest in controlled corporations(L)	1,083,531,766	5.08%
	Interest in controlled corporations(S)	25,973,200	0.12%

Notes:

(1) The letter "L" denotes a long position in the shares and the letter "S" denotes a short position in the shares.

(2) The calculation is based on the total number of relevant class of Shares in issue as at June 30, 2026.

(3) Smart Mobile Holdings Limited and Smart Player Limited are both wholly-owned by Sunrise Vision Holdings Limited which is in turn wholly-owned by Parkway Global Holdings Limited. Team Guide Limited is wholly-owned by Techno Frontier Investments Limited. The entire interests in Parkway Global Holdings Limited and Techno Frontier Investments Limited are held by ARK Trust (Hong Kong) Limited as trustee for the trusts established by Lei Jun (as settlor) for the benefit of Lei Jun and his family. Accordingly, Lei Jun is deemed to be interested in 1) the 4,001,963,455 Class A Shares and the 1,900,749,511 Class B Shares held by Smart Mobile Holdings Limited; 2) the 59,221,630 Class B Shares held by Smart Player Limited and 3) the 94,845,042 Class B Shares held by Team Guide Limited under the SFO. ARK Trust (Hong Kong) Limited is also a trustee for a number of trusts and therefore is deemed to be interested in the 88,404,053 Class B shares held by the trusts.

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(4) Apex Star LLC is controlled by Lin Bin. Accordingly, Lin Bin is deemed to be interested in 1,713,795,137 Class B Shares and 441,652,678 Class A Shares held by Apex Star LLC under the SFO.

(5) BlackRock, Inc. was interested in an aggregated 1,083,531,766 Class B Shares (long position) and 25,973,200 Class B Shares (short position). According to the disclosure of interest notice filed by BlackRock, Inc. regarding the relevant event dated June 30, 2026, such Class B Shares were held by BlackRock, Inc. indirectly through certain of its subsidiaries. Among them, 2,455,200 Class B Shares (long position) and 21,922,800 Class B Shares (short position) were held through cash settled unlisted derivatives, and 633,062 Class B Shares (long position) were held through convertible instruments listed derivatives.

Save as disclosed above, as of June 30, 2026, no person, other than the Directors whose interests are set out in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company or any of its Associated Corporations" above, had any interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept pursuant to Section 336 of the SFO.

Share Schemes

The Company has four existing share schemes, namely the Pre-IPO ESOP, the 2018 Share Option Scheme, the 2018 Share Award Scheme and the 2023 Share Scheme.

A total of 79,191,288 new Shares, representing approximately 0.4% of the weighted average number of the Class B Shares in issue of the Company (excluding any treasury Shares), may be issued in respect of all options and awards granted during the Reporting Period to eligible participants pursuant to the Pre-IPO ESOP, the 2018 Share Option Scheme, the 2018 Share Award Scheme and the 2023 Share Scheme.

Xiaomi HK, a principal subsidiary of the Company as defined in Rule 17.14 of the Listing Rules, has adopted 2024 Xiaomi HK Share Scheme.

A total of 40,570 new Xiaomi HK Shares, representing approximately 0.0004% of the weighted average number of Xiaomi HK Shares in issue may be issued in respect of all options and awards granted during the Reporting Period to eligible participants pursuant to the 2024 Xiaomi HK Share Scheme.

1. Pre-IPO ESOP

The Pre-IPO ESOP was adopted by the Company on May 5, 2011 and superseded on August 24, 2012. The overall limit on the number of Shares which may be issued pursuant to the Pre-IPO ESOP is 251,307,455 Class B Shares, which was subsequently adjusted by the Board to 2,512,694,900 Class B Shares (adjusted after taking into account the share subdivision which took place on June 17, 2018). No further Pre-IPO Awards would be granted under the Pre-IPO ESOP after Listing.

Details of movements of share options granted under the Pre-IPO ESOP during the Reporting Period are as follows:

Grantees by category	Date of grant	Vesting period[1]	Exercise price (US$)	Number of share options: Outstanding as at January 1, 2026	Exercised during the period	Cancelled during the period	Lapsed during the period	Outstanding as at June 30, 2026	Weighted average closing price of the Shares immediately before the date of exercise during the period (HK$)
Employee Participants									
	4/1/2010 to 6/14/2018	1–10 years	0–0.344	149,118,857	(16,502,140)	–	–	132,616,717	31.44
Service Providers									
	1/1/2012 to 4/1/2018	4–5 years	0–0.344	1,120,070	–	–	–	1,120,070	N/A
Total:				**150,238,927**	**(16,502,140)**	**–**	**–**	**133,736,787**	

(1): The exercise period of the options granted under the Pre-IPO ESOP shall commence from the date on which the relevant options become vested and end on the 10th anniversary of the grant date, subject to the terms of the Pre-IPO ESOP and the share option award agreement signed by the grantee.

Further details of the Pre-IPO ESOP are set out in Note 26 to the interim financial information.

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2. 2018 Share Option Scheme

The 2018 Share Option Scheme was adopted by the Company on June 17, 2018. Immediately upon the 2023 Share Scheme taking effect on June 8, 2023, no further share options shall be granted under the 2018 Share Option Scheme.

Details of movements of share options granted under the 2018 Share Option Scheme during the Reporting Period are as follows:

				Number of share options							
Grantees by category	Date of grant	Vesting period	Exercise period	Outstanding as at January 1, 2026	Exercised during the period	Cancelled during the period	Lapsed during the period	Outstanding as at June 30, 2026	Exercise price (HK$)	Fair value of options at the date of grant during the period and the accounting standard and policy adopted	Weighted average closing price of the Shares immediately before the date of exercise during the period
Employee Participants											
	9/4/2020	4-10 years	9/4/2021 to 9/3/2030	103,200,000	–	–	–	103,200,000	24.50	N/A	N/A
	10/9/2020	4 years	10/9/2021 to 10/8/2030	6,250,000	–	–	–	6,250,000	21.04	N/A	N/A
	1/6/2021	4 years	1/6/2022 to 1/5/2031	6,250,000	–	–	–	6,250,000	33.90	N/A	N/A
Total:				115,700,000	–	–	–	115,700,000			

Further details of the 2018 Share Option Scheme are set out in Note 26 to the interim financial information.

3. 2018 Share Award Scheme

The Company adopted the 2018 Share Award Scheme on June 17, 2018. Immediately upon the 2023 Share Scheme taking effect on June 8, 2023, no further awards shall be granted under the 2018 Share Award Scheme.

Details of the award Shares granted under the 2018 Share Award Scheme (to be satisfied by new Shares) and their movements during the Reporting Period are as follows:

				Number of award Shares							
Grantees by category	Date of grant	Vesting period	Purchase price	Unvested award Shares as at January 1, 2026	Vested during the period	Cancelled during the period	Lapsed during the period	Unvested award Shares as at June 30, 2026	Closing price of Shares immediately before the grant during the period	Fair value of award Shares at the date of grant during the period and the accounting standard and policy adopted	Weighted average closing price of the Shares immediately before the date of vesting during the period (HK$)
Employee Participants											
	4/1/2019	4-10 years	Nil	3,478,484	(869,620)[1]	–	–	2,608,864	N/A	N/A	31.76
	9/4/2020	4-10 years	Nil	5,000,000	–	–	–	5,000,000	N/A	N/A	N/A
	7/5/2021	4-10 years	Nil	33,600,000	(5,175,000)[1]	–	(2,025,000)	26,400,000	N/A	N/A	31.76
	11/24/2021	1-10 years	Nil	1,830,107	(5,388)	–	(1,797)	1,822,922	N/A	N/A	31.76
	3/23/2022	1-10 years	Nil	41,831,256	(25,113,397)[1]	–	(1,114,265)	15,603,594	N/A	N/A	34.47
	5/20/2022	1-5 years	Nil	7,885,408	(7,666,489)	–	(205,643)	13,276	N/A	N/A	31.37
	8/21/2022	4 years	Nil	15,977,054	(1,021,388)[1]	–	(752,629)	14,203,037	N/A	N/A	31.99
	11/24/2022	4-5 years	Nil	7,928,914	(373,013)	–	(441,055)	7,114,846	N/A	N/A	35.70
	3/27/2023	1-10 years	Nil	88,460,763	(35,745,254)[1]	–	(2,554,049)	50,161,460	N/A	N/A	33.24
	5/25/2023	2-4 years	Nil	17,935,637	(8,262,986)	–	(1,761,140)	7,911,511	N/A	N/A	30.02
Category subtotal:				223,927,623	(84,232,535)	–	(8,855,578)	130,839,510			

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Grantees by category	Date of grant	Vesting period	Purchase price	Number of award Shares: Unvested award Shares as at January 1, 2026	Vested during the period	Cancelled during the period	Lapsed during the period	Unvested award Shares as at June 30, 2026	Closing price of Shares immediately before the grant during the period	Fair value of award Shares at the date of grant during the period and the accounting standard and policy adopted	Weighted average closing price of the Shares immediately before the date of vesting during the period (HK$)
Service Providers											
	3/23/2022	4 years	Nil	68,959	(47,832)	–	(21,127)	–	N/A	N/A	34.95
	5/20/2022	4 years	Nil	111,709	(111,338)	–	(371)	–	N/A	N/A	32.38
	8/21/2022	4 years	Nil	47,197	(4,162)	–	–	43,035	N/A	N/A	30.64
	11/24/2022	4 years	Nil	8,940	–	–	–	8,940	N/A	N/A	N/A
	3/27/2023	4 years	Nil	116,728	(56,103)	–	(11,901)	48,724	N/A	N/A	35.63
	5/25/2023	4 years	Nil	111,792	(55,540)	–	(1,943)	54,309	N/A	N/A	30.00
Category subtotal:				465,325	(274,975)	–	(35,342)	155,008			
Total:				224,392,948	(84,507,510)	–	(8,890,920)	130,994,518			

(1): Among the total number of award Shares vested as stated, 10,800,470 award Shares were issued to employee participants who subsequently become connected persons for the purpose of Listing Rules during the Reporting Period by way of existing shares. At the time of grant, these employee participants were not connected persons.

Details of the award Shares granted under the 2018 Share Award Scheme (to be satisfied by existing Shares) and their movements during the Reporting Period are as follows:

				Number of award Shares							
Grantees by category	Date of grant	Vesting period	Purchase price	Unvested award Shares as at January 1, 2026	Vested during the period	Cancelled during the period	Lapsed during the period	Unvested award Shares as at June 30, 2026	Closing price of Shares immediately before the grant during the period	Fair value of award Shares at the date of grant during the period and the accounting standard and policy adopted	Weighted average closing price of the Shares immediately before the date of vesting during the period (HK$)
Grantees in aggregate											
	3/23/2022	4-10 years	Nil	1,052,656	(115,156)	–	(37,500)	900,000	N/A	N/A	31.79
	3/27/2023	4-5 years	Nil	32,150	(16,075)	–	–	16,075	N/A	N/A	32.44
Total:				1,084,806	(131,231)	–	(37,500)	916,075			

Further details of movements in the 2018 Share Award Scheme are set out in Note 26 to the interim financial information.

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4. 2023 Share Scheme

The 2023 Share Scheme was approved at the annual general meeting by the Shareholders on June 8, 2023. The purpose of the 2023 Share Scheme is (1) to provide the Company with a flexible means of attracting, remunerating, incentivising, retaining, rewarding, compensating and/or providing benefits to eligible participants; (2) to align the interests of eligible participants with those of the Company and Shareholders by providing such eligible participants with the opportunity to acquire proprietary interests in the Company and become Shareholders; and (3) to encourage eligible participants to contribute to the long- term growth, performance and profits of the Company and to enhance the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole.

The total number of Class B Shares which may be issued pursuant to all awards to be granted under the 2023 Share Scheme and awards to be granted under any other share schemes of the Company is not more than 2,503,959,565 (the "**2023 Share Scheme Mandate Limit**"). Within the Scheme Mandate Limit, the total number of Shares which may be issued pursuant to awards to be granted to service provider participants under the 2023 Share Scheme is not more than 125,197,978 (the "**2023 Share Scheme Service Provider Sublimit**").

As at January 1, 2026, 1,945,233,204 Shares and 123,624,385 Shares available for grant under the 2023 Share Scheme Mandate Limit and the 2023 Share Scheme Service Provider Sublimit, respectively. During the Reporting Period, 79,191,288 award Shares were granted to eligible participants (including 464,630 award Shares granted to service providers) pursuant to the 2023 Share Scheme, respectively and 27,420,902 award Shares were lapsed (including 96,299 award Shares lapsed from service providers) pursuant to the 2023 Share Scheme. It follows that, as of June 30, 2026, 1,893,462,818 Shares and 123,256,054 Shares were available for grant under the 2023 Share Scheme Mandate Limit and the 2023 Share Scheme Service Provider Sublimit, respectively.

Details of the award Shares granted under the 2023 Share Scheme (to be satisfied by new Shares) and their movements during the Reporting Period are as follows:

				Number of award Shares								
Grantees by category	Date of grant	Vesting Period	Purchase price	Unvested award Shares as at January 1, 2026	Granted during the period	Vested during the period	Cancelled during the period	Lapsed during the period	Unvested Award Shares as at June 30, 2026	Closing price of Shares immediately before the grant during the period (HK$)	Fair value of Award Shares at the date of grant during the period and the accounting standard and policy adopted (HK$)	Weighted average closing price of the Share immediately before the date of vesting during the period (HK$)
Employee Participants												
	8/30/2023	2–10 years	Nil	42,307,616	–	(423,604)	–	(2,764,934)	39,119,078	N/A	N/A	31.48
	11/21/2023	2–10 years	Nil	18,399,261	–	(244,156)	–	(1,346,529)	16,808,576	N/A	N/A	35.30
	3/20/2024	1–10 years	Nil	108,976,780	–	(27,123,182)	–	(4,814,926)	77,038,672	N/A	N/A	36.66
	5/24/2024	4–10 years	Nil	22,294,915	–	(5,973,797)	–	(1,108,128)	15,212,990	N/A	N/A	30.06
	8/22/2024	4 years	Nil	26,337,854	–	(298,356)	–	(1,624,313)	24,415,185	N/A	N/A	33.14
	11/20/2024	1–5 years	Nil	29,997,749	–	(189,163)	–	(2,489,746)	27,318,840	N/A	N/A	38.49
	3/19/2025	3–10 years	Nil	79,512,246	–	(15,216,704)	–	(4,182,974)	60,112,568	N/A	N/A	35.31
	5/28/2025	1–4 years	Nil	27,921,485	–	(5,621,174)	–	(2,657,601)	19,642,710	N/A	N/A	28.80
	8/20/2025	1–4 years	Nil	41,932,794	–	(359,206)	–	(2,142,577)	39,431,011	N/A	N/A	31.63
	11/19/2025	1–10 years	Nil	28,246,636	–	(221,373)	–	(2,368,710)	25,656,553	N/A	N/A	30.55
	3/25/2026	1–10 years	Nil	–	26,583,048[2]	(143,250)	–	(1,286,428)	25,153,370	32.68	32.52[1]	32.30
	5/27/2026	1–4 years	Nil	–	52,143,610[2]	(83,950)	–	(537,737)	51,521,923	29.76	28.40[1]	28.40
Category subtotal:				425,927,336	78,726,658	(55,897,915)	–	(27,324,603)	421,431,476			

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Grantees by category	Date of grant	Vesting Period	Purchase price	Number of award Shares: Unvested award Shares as at January 1, 2026	Granted during the period	Vested during the period	Cancelled during the period	Lapsed during the period	Unvested Award Shares as at June 30, 2026	Closing price of Shares immediately before the grant during the period (HK$)	Fair value of Award Shares at the date of grant during the period and the accounting standard and policy adopted (HK$)	Weighted average closing price of the Share immediately before the date of vesting during the period (HK$)
Service Providers												
	8/30/2023	4 years	Nil	148,808	–	–	–	–	148,808	N/A	N/A	N/A
	11/21/2023	4 years	Nil	7,200	–	–	–	(7,200)	–	N/A	N/A	N/A
	3/20/2024	4 years	Nil	127,750	–	(41,303)	–	(8,568)	77,879	N/A	N/A	37.83
	5/24/2024	1-4 years	Nil	83,741	–	(27,652)	–	(2,264)	53,825	N/A	N/A	30.00
	8/22/2024	1-4 years	Nil	83,758	–	–	–	–	83,758	N/A	N/A	N/A
	3/19/2025	4 years	Nil	166,463	–	(33,645)	–	(23,858)	108,960	N/A	N/A	35.61
	5/28/2025	4 years	Nil	117,803	–	(15,953)	–	–	101,850	N/A	N/A	28.40
	8/20/2025	4 years	Nil	83,542	–	–	–	–	83,542	N/A	N/A	N/A
	11/19/2025	1-4 years	Nil	263,868	–	–	–	(44,924)	218,944	N/A	N/A	N/A
	3/25/2026	1 year	Nil	–	85,367[2]	–	–	(9,485)	75,882	32.68	32.52[1]	N/A
	5/27/2026	1-4 years	Nil	–	379,263[2]	–	–	–	379,263	29.76	28.40[1]	N/A
Category subtotal:				1,082,933	464,630	(118,553)	–	(96,299)	1,332,711			
Total:				**427,010,269**	**79,191,288**	**(56,016,468)**	**–**	**(27,420,902)**	**422,764,187**			

(1): The fair value of the award Shares granted during the Reporting Period were determined based on the market value of the Shares at the respective grant dates.

(2): A time-based vesting schedule is applicable to the award Shares. The number of award Shares to be vested at every anniversary year shall be based on the selected participant's performance rank in the said anniversary year. The performance rank is linked to the performance of the selected participant (and in some cases of the selected participant's department) in the anniversary year as assessed by the Group.

Further details of the 2023 Share Scheme are set out in Note 26 to the interim financial information.

5. 2024 Xiaomi HK Share Scheme

The 2024 Xiaomi HK Share Scheme was approved at the annual general meeting by the Shareholders on June 6, 2024. The purpose of the 2024 Xiaomi HK Share Scheme is (1) to provide Xiaomi HK with a flexible means of retaining, incentivising and rewarding eligible participants by compensating and/or providing benefits to them; (2) to align the interests of eligible participants with those of Xiaomi HK and its shareholders by providing them with the opportunity to acquire interests in Xiaomi HK and become its shareholders; and (3) to encourage eligible participants to contribute to the business development, long-term growth, performance and profits of Xiaomi HK and to enhance the value of Xiaomi HK and the Company for the benefit of the Company, Xiaomi HK and the Shareholders as a whole.

The total number of Xiaomi HK Shares that may be issued pursuant to all awards to be granted under the 2024 Xiaomi HK Share Scheme and awards to be granted under any other share schemes of Xiaomi HK is not more than 1,000,000,000 (the "**XMHK Scheme Mandate Limit**"). Within the XMHK Scheme Mandate Limit, the total number of Xiaomi HK Shares which may be issued pursuant to awards to be granted to service provider participants under the 2024 Xiaomi HK Share Scheme is not more than 50,000,000 (the "**XMHK Service Provider Sublimit**").

As at January 1, 2026, 528,967,597 Xiaomi HK Shares and 50,000,000 Xiaomi HK Shares were available for grant under the XMHK Scheme Mandate Limit and the XMHK Service Provider Sublimit, respectively. During the Reporting Period, 40,570 award Xiaomi HK Shares were granted to an eligible participant (no award Xiaomi HK Shares granted to service providers) under the 2024 Xiaomi HK Share Scheme and 9,894,633 award Xiaomi HK Shares were lapsed (no award Xiaomi HK Shares lapsed from service providers) pursuant to the 2024 Xiaomi HK Share Scheme. It follows that, as of June 30, 2026, 538,821,660 Xiaomi HK Shares and 50,000,000 Xiaomi HK Shares were available for grant under the XMHK Scheme Mandate Limit and the XMHK Service Provider Sublimit, respectively.

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Details of the share options granted under the 2024 Xiaomi HK Share Scheme and their movements during the Reporting Period are as follows:

				Number of share options							
Grantees by category	Date of grant	Vesting period	Exercise period	Outstanding as at January 1, 2026	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period	Outstanding as at June 30, 2026	Exercise price (US$)	Fair value of options at the date of grant during the period and the accounting standard and policy adopted (US$)
Employee Participants											
	11/20/2024	11/21/2024 to 7/2/2032	11/21/2024 to 11/20/2034	458,691,719	–	–	–	(9,290,682)	449,401,037	0.10	N/A
	3/19/2025	3/20/2025 to 3/19/2030	3/20/2025 to 3/19/2035	10,172,813	–	–	–	(603,951)	9,568,862	0.10	N/A
	5/28/2025	11/20/2025 to 5/28/2030	5/29/2025 to 5/28/2035	1,423,271	–	–	–	–	1,423,271	0.10	N/A
	8/20/2025	8/22/2026 to 3/19/2030	8/21/2025 to 8/20/2035	248,300	–	–	–	–	248,300	0.10	N/A
	11/19/2025	11/20/2026 to 8/20/2030	11/20/2025 to 11/19/2035	496,300	–	–	–	–	496,300	0.10	N/A
	3/25/2026	3/26/2026 to 8/30/2028	3/25/2026 to 3/24/2036	–	40,570 [2]	–	–	–	40,570	0.10	0.74[1]
Total:				471,032,403	40,570	–	–	(9,894,633)	461,178,340		

(1): Details of the valuation of the award Xiaomi HK Shares granted during the Reporting Period, including the accounting standard and policy adopted, are set out in Note 26 to the interim financial information.

(2): A time-based vesting schedule is applicable to the award Xiaomi HK Shares. The number of award Xiaomi HK Shares to be vested at every anniversary year shall be based on the Xiaomi HK selected participant's performance rank in the said anniversary year. The performance rank is linked to the performance of the Xiaomi HK selected participant (and in some cases of the Xiaomi HK selected participant's department) in the anniversary year as assessed by the Group.

Further details of the 2024 Xiaomi HK Share Scheme are set out in Note 26 to the interim financial information.

Weighted Voting Rights

The Company is controlled through weighted voting rights. Each Class A Share has 10 votes per share and each Class B Share has one vote per share except with respect to resolutions regarding a limited number of Reserved Matters, where each Share has one vote. The Company's weighted voting rights structure will enable the WVR Beneficiaries to exercise voting control over the Company notwithstanding the WVR Beneficiaries do not hold a majority economic interest in the share capital of the Company. This allows the Company to benefit from the continuing vision and leadership of the WVR Beneficiaries who will control the Company with a view to its long-term prospects and strategy.

Shareholders and prospective investors are advised to be aware of the potential risks of investing in companies with weighted voting rights structures, in particular that interests of the WVR Beneficiaries may not necessarily always be aligned with those of our Shareholders as a whole, and that the WVR Beneficiaries will be in a position to exert significant influence over the affairs of the Company and the outcome of shareholders' resolutions, irrespective of how other shareholders vote. Prospective investors should make the decision to invest in the Company only after due and careful consideration.

As of June 30, 2026, the WVR Beneficiaries were Lei Jun and Lin Bin. Lei Jun beneficially owns 4,001,963,455 Class A Shares, representing approximately 60.8% of the voting rights in the Company with respect to shareholder resolutions relating to matters other than the Reserved Matters. The Class A Shares are held by Smart Mobile Holdings Limited, a company indirectly wholly-owned by a trust established by Lei Jun (as settlor) for the benefit of Lei Jun and his family. Lin Bin beneficially owns 441,652,678 Class A Shares, representing 6.7% of the voting rights in the Company with respect to shareholder resolutions relating to matters other than the Reserved Matters.

Class A Shares may be converted into Class B Shares on a one-to-one ratio. As of June 30, 2026, upon the conversion of all the issued and outstanding Class A Shares into Class B Shares, the Company will issue 4,443,616,133 Class B Shares, representing 20.8% of the total number of issued and outstanding Class B Shares (excluding any treasury Shares) or 17.2% of the issued share capital (excluding any treasury Shares) of the Company.

The weighted voting rights attached to Class A Shares will cease when none of the WVR Beneficiaries have beneficial ownership of any of the Class A Shares in accordance with Rule 8A.22 of the Listing Rules. This may occur:

(i) upon the occurrence of any of the circumstances set out in Rule 8A.17 of the Listing Rules, in particular where the WVR Beneficiary is: (1) deceased; (2) no longer a member of the Board; (3) deemed by the Stock Exchange to be incapacitated for the purpose of performing his duties as a director; or (4) deemed by the Stock Exchange to no longer meet the requirements of a director set out in the Listing Rules;

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(ii) when the Class A Shareholders have transferred to another person the beneficial ownership of, or economic interest in, all of the Class A Shares or the voting rights attached to them, other than in the circumstances permitted by Rule 8A.18 of the Listing Rules;

(iii) where a vehicle holding Class A Shares on behalf of a WVR Beneficiary no longer complies with Rule 8A.18(2) of the Listing Rules; or

(iv) when all of the Class A Shares have been converted to Class B Shares.

Compliance with the Corporate Governance Code

The Company is committed to maintaining and promoting stringent corporate governance standards. The principles of the Company's corporate governance are to promote effective internal control measures and to enhance the transparency and accountability of the Board to all Shareholders.

Save for code provision C.2.1 of the CG Code contained in Appendix C1 to the Listing Rules, the Company has complied with the applicable code provisions set out in the CG Code during the Reporting Period.

Pursuant to code provision C.2.1 of the CG Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. The Company does not have a separate chairman and chief executive officer and Mr. Lei Jun currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enabling more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider segregating the roles of chairman of the Board and chief executive officer of the Company at an appropriate time, taking into account the circumstances of the Group as a whole.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as the code of conduct regarding the Directors' dealings in the securities of the Company. Having made specific enquiry of all the Directors, all the Directors confirmed that they have complied with the provisions of the Model Code throughout the Reporting Period.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended June 30, 2026 and up to the Latest Practicable Date, the Company repurchased a total of 388,187,200 Class B Shares on the Stock Exchange at an aggregate consideration of approximately HK$11,955,921,076 (the "**Shares Repurchased**") to enhance the shareholder value in the long run. Particulars of the Shares Repurchased are as follows:

Month of Repurchase	No. of Shares Repurchased	Price paid per share Highest (HK$)	Price paid per share Lowest (HK$)	Aggregate Consideration (approximately) (HK$)
January	68,751,000	39.32	34.92	2,540,279,326
February	39,376,400	36.78	33.94	1,392,181,061
March	40,503,800	35.18	31.54	1,326,056,687
April	78,918,600	32.44	29.08	2,453,839,435
May	47,844,200	31.58	27.86	1,407,447,346
June	75,925,000	28.70	21.34	1,842,974,058
July	14,998,400	28.88	25.74	403,077,655
August	16,669,200	28.00	25.64	448,692,242
September *(up to the Latest Practicable Date)*	5,200,600	27.58	26.72	141,373,267
Total	388,187,200			11,955,921,076

In respect of the Shares Repurchased, the WVR Beneficiaries of the Company simultaneously reduced their WVR in the Company proportionately by way of converting their Class A Shares into Class B Shares on a one-to-one ratio pursuant to Rule 8A.21 of the Listing Rules, such that the proportion of shares carrying WVR of the Company shall not be increased, pursuant to the requirements under Rules 8A.13 and 8A.15 of the Listing Rules.

During the six months ended June 30, 2026 and up to the Latest Practicable Date, the number of Class B Shares in issue (excluding treasury Shares) was reduced by 477,519,000 shares as a result of (i) the repurchase of 215,333,400 Class B Shares from November 20, 2025 to February 20, 2026, which were subsequently cancelled on March 19, 2026; (ii) the repurchase of 36,747,800 Class B Shares from February 24, 2026 to March 23, 2026, which were subsequently cancelled on April 14, 2026; (iii) the repurchase of 84,002,600 Class B Shares from March 27, 2026 to April 24, 2026, which were subsequently cancelled on May 19, 2026; (iv) the repurchase of 57,810,200 Class B Shares from April 27, 2026 to May 29, 2026, which were subsequently cancelled on June 25, 2026; and (v) the repurchase of 83,625,000 Class B Shares from June 3, 2026 to July 17, 2026, which were subsequently cancelled on August 11, 2026.

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A total of 37,155,542 Class A Shares were converted into Class B Shares on a one-to-one ratio on March 19, 2026, of which Mr. Lei Jun, through Smart Mobile Holdings Limited, converted 33,462,639 Class A Shares and Mr. Lin Bin, through Apex Star LLC, converted 3,692,903 Class A Shares.

A total of 6,339,850 Class A Shares were converted into Class B Shares on a one-to-one ratio on April 14, 2026, of which Mr. Lei Jun, through Smart Mobile Holdings Limited, converted 5,709,730 Class A Shares and Mr. Lin Bin, through Apex Star LLC, converted 630,120 Class A Shares.

A total of 14,478,942 Class A Shares were converted into Class B Shares on a one-to-one ratio on May 19, 2026, of which Mr. Lei Jun, through Smart Mobile Holdings Limited, converted 13,039,875 Class A Shares and Mr. Lin Bin, through Apex Star LLC, converted 1,439,067 Class A Shares.

A total of 9,962,677 Class A Shares were converted into Class B Shares on a one-to-one ratio on June 25, 2026, of which Mr. Lei Jun, through Smart Mobile Holdings Limited, converted 8,972,483 Class A Shares and Mr. Lin Bin, through Apex Star LLC, converted 990,194 Class A Shares.

A total of 14,379,505 Class A Shares were converted into Class B Shares on a one-to-one ratio on August 11, 2026, of which Mr. Lei Jun, through Smart Mobile Holdings Limited, converted 12,950,321 Class A Shares and Mr. Lin Bin, through Apex Star LLC, converted 1,429,184 Class A Shares.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange (including sale of treasury Shares) during the six months ended June 30, 2026 and up to the Latest Practicable Date.

Disclosure of Changes in Directors' Information Pursuant to Listing Rule 13.51(B)(1)

The Company is not aware of any changes in the Directors' information which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Interim Dividend

The Board has resolved not to declare an interim dividend for the Reporting Period.

Use of Net Proceeds from the 2025 Placing and Subscription

On March 27, 2025, the Company completed the 2025 Placing and Subscription. In respect of the Subscription, the subscription price per new Class B Share was HK$53.25 per Class B Share, which represented a discount of approximately 6.6% to the closing price of HK$57.00 per Class B Share as quoted on the Stock Exchange on the last trading day prior to the signing of the placing and subscription agreement, and the aggregate nominal value of the subscription Shares was U.S.$2,000.0 (equivalent to approximately HK$15,545.7).

The 2025 Placing and the Subscription was undertaken to further enlarge the Shareholders' equity base of the Company, optimize the capital structure of the Company and support a healthy and sustainable development of the Company. The net proceeds from the Subscription (after deducting all fees, costs and expenses properly incurred by the Smart Mobile Holdings Limited and the Company (including the managers' commission, the stamp duty, the Stock Exchange trading fee and the SFC transaction levy) to be borne by the Company, and other expenses incurred by the Company, in connection with the 2025 Placing and the Subscription) were approximately HK$42.5 billion. The net subscription price, after deducting such fees, costs and expenses, was therefore approximately HK$53.11 per subscription Share.

The Company has used and intends to use the net proceeds for (a) the acceleration of our business expansion; (b) investments in research and development to further advance our technological capabilities; and (c) other general corporate purposes. There has been no change in the intended use of net proceeds as previously disclosed in the announcement of the Company dated March 25, 2025. The Company expects to fully utilize the residual amount of the net proceeds in accordance with such intended purposes within one year. For further details, please refer to the announcements of the Company dated March 25, 2025 and March 31, 2025.

As of June 30, 2026, the Company had utilized the net proceeds as set out in the table below:

	Allocation of net proceeds from the 2025 Placing and Subscription (HK$ million)	Utilization as of December 31, 2025 (HK$ million)	Unutilized amount as of December 31, 2025 (HK$ million)	Utilization as of June 30, 2026 (HK$ million)	Unutilized amount as of June 30, 2026 (HK$ million)
Acceleration of business expansion	19,120.5	14,511.0	4,609.5	19,120.5	—
Investments in research and development to further advance technological capabilities	19,120.5	12,983.1	6,137.4	18,875.5	245.0
Other general corporate purposes	4,248.9	2,661.8	1,587.1	4,248.9	—
Total	42,489.9	30,155.9	12,334.0	42,244.9	245.0

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Audit Committee

The Company has established the Audit Committee in compliance with Rule 3.21 of the Listing Rules and the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system of the Group, review and approve connected transactions and to advise the Board. The Audit Committee comprises one non-executive Director and two independent non-executive Directors, namely, Liu Qin, Chen Dongsheng and Wong Shun Tak. Wong Shun Tak is the chairman of the Audit Committee.

The Audit Committee has reviewed the interim report and the unaudited interim results of the Group for the three and six months ended June 30, 2026. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members and the external auditor of the Company, PricewaterhouseCoopers.

Other Board Committees

In addition to the Audit Committee, the Company has also established a nomination committee, a remuneration committee and a corporate governance committee.

Corporate Governance Committee

The Company has established the Corporate Governance Committee in compliance with Rule 8A.30 of the Listing Rules and the CG Code. The Corporate Governance Committee is responsible for performing the functions set out in code provision A.2.1 of the CG Code. The primary duties of the Corporate Governance Committee are to ensure that the Company is operated and managed for the benefit of all Shareholders indiscriminately and to ensure the Company's compliance with the Listing Rules and safeguards relating to the weighted voting rights structure of the Company. The Corporate Governance Committee would review the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, and the Company's compliance with the CG Code. As at the Latest Practicable Date, the members of the Corporate Governance Committee are the independent non-executive Directors, namely, Chen Dongsheng, Wong Shun Tak and Cai Jinqing. Chen Dongsheng is the chairman of the Corporate Governance Committee.

The following is a summary of work performed by the Corporate Governance Committee during the Reporting Period and up to the Latest Practicable Date:

- Reviewed and monitored whether the Company is operated and managed for the benefits of all Shareholders.

- Reviewed the policies and practices of the Company on corporate governance and on compliance with legal and regulatory requirements. The policies reviewed include Code for Securities Transactions by Directors and Relevant Employees, board diversity policy, director nomination policy, shareholders' communication policy, procedures for nomination of director by shareholders, disclosure of information policy, connected transactions policy, whistle-blowing policy, dividend policy, board remuneration policy, board policy on obtaining independent views and inputs, and other corporate governance policies.

- Reviewed the Company's compliance with the CG Code and the deviation(s) from code provision C.2.1 of the CG Code and the Company's disclosure for compliance with Chapter 8A of the Listing Rules.

- Reviewed the remuneration, the terms of engagement and the re-appointment of the Company's compliance advisor.

- Reviewed and monitored the management of conflicts of interests between the Group/the Shareholders on one hand and the WVR Beneficiaries on the other.

- Reviewed and monitored all risks related to the weighted voting rights structure, including connected transactions between the Group/the Shareholders on one hand and the WVR Beneficiaries on the other.

- Reviewed the arrangements for the training and continuous professional development of Directors and senior management (in particular, Chapter 8A of the Listing Rules and knowledge in relation to risks relating to the weighted voting rights structure).

- Sought to ensure effective and on-going communication between the Company and its Shareholders, particularly with regards to the requirements of Rule 8A.35 of the Listing Rules.

- Reviewed the Company's ESG strategy, key priorities and performance, including environmental and climate-related matters, energy transition, circular economy and ESG-related financial impacts.

- Reviewed key ESG-related regulatory developments and their implications for the Company, including overseas product market access, supply-chain due diligence and relevant disclosure requirements, and provided guidance on related priorities and risk management.

- Reviewed the half-year progress against established targets under material ESG issues and assessed the appropriateness of the related resource allocation.

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- Reviewed the progress, resources, and work scope of the Company's compliance management system (such as export control, antitrust, and data compliance).

- Reported on the work of the Corporate Governance Committee covering all areas of its terms of reference.

The Corporate Governance Committee has confirmed that (i) the WVR Beneficiaries have been members of the Board throughout the Reporting Period; (ii) no matter under Rule 8A.17 of the Listing Rules has occurred during the Reporting Period; and (iii) the WVR Beneficiaries have complied with Rules 8A.14, 8A.15, 8A.18 and 8A.24 of the Listing Rules during the Reporting Period.

In particular, the Corporate Governance Committee has confirmed to the Board it is of the view that the Company has adopted sufficient corporate governance measures to manage the potential conflict of interest between the Group and the beneficiaries of weighted voting rights in order to ensure that the operations and management of the Company are in the interests of the Shareholders as a whole indiscriminately. These measures include the Corporate Governance Committee (a) reviewing and monitoring each transaction contemplated to be entered into by the Group and making a recommendation to the Board prior to the transaction being entered into, of any potential conflict of interest between the Group and/or the Shareholders and any beneficiaries of the weighted voting rights, and (b) ensuring that (i) any connected transactions are disclosed and dealt with in accordance with the requirements of the Listing Rules, (ii) their terms are fair and reasonable and in the interest of the Company and the Shareholders as a whole, (iii) any directors who have a conflict of interest abstain from voting on the relevant board resolution, and (iv) the Compliance Advisor is consulted on any matters related to the transactions involving the beneficiaries of weighted voting rights or a potential conflict of interest between the Group and these beneficiaries. The Corporate Governance Committee recommended the Board to continue the implementation of these measures and to periodically review their efficacy towards these objectives.

Having reviewed the remuneration and terms of engagement of the Compliance Advisor, the Corporate Governance Committee confirmed to the Board that it was not aware of any factors that would require it to consider either the removal of the current Compliance Advisor or the appointment of a new compliance advisor. As a result, the Corporate Governance Committee recommended that the Board retain the services of the Compliance Advisor.

Restriction on Foreign Investment Access

The businesses conducted by our Consolidated Affiliated Entities include the provision of value-added telecommunications services business, online culture business, internet audio-visual program service, internet publication service and internet news information service in the PRC. Pursuant to applicable PRC laws and regulations, foreign investors are restricted from conducting certain types of value-added telecommunications services business and are prohibited from conducting online culture business, internet audio-visual program service, internet publication service and internet news information service (collectively, the "**Relevant Businesses**"). After consultation with our PRC Legal Advisor, we determined that it was not viable for the Company to control our Consolidated Affiliated Entities that conduct the Relevant Businesses directly through equity ownership. Instead, we decided that, in line with common practice in industries in the PRC subject to foreign investment restrictions, the Company would gain effective control over, and have the right to receive all the economic benefits generated by the businesses currently operated by Consolidated Affiliated Entities through the Contractual Arrangements between the WFOEs, on the one hand, and the Consolidated Affiliated Entities and the Registered Shareholders, on the other hand. In this regard, our Directors consider that our Company can consolidate the financial results of our Consolidated Affiliated Entities into our results of the Group's financial information as if they were subsidiaries of the Group.

Further details of the Contractual Arrangements are set out in the Prospectus and the Company's 2025 annual report published on April 28, 2026.

Material Litigation

As at June 30, 2026, the Company was not involved in any material litigation or arbitration, nor were the Directors aware of any material litigation or claims that were pending or threatened against the Company.

Events after the Reporting Period

Save as disclosed in this interim report, there were no other significant events that might affect the Group after June 30, 2026 and up to the Latest Practicable Date.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

羅兵咸永道

To the Board of Directors of Xiaomi Corporation
(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 57 to 117, which comprises the interim condensed consolidated balance sheet of Xiaomi Corporation (the "**Company**") and its subsidiaries (together, the "**Group**") as of June 30, 2026 and the interim condensed consolidated income statements and the interim condensed consolidated statements of comprehensive income for the three-month and six-month periods then ended, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting". The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, August 18, 2026

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INTERIM CONDENSED CONSOLIDATED INCOME STATEMENTS

For the three months and six months ended June 30, 2026

(Expressed in Renminbi ("**RMB**"))

	Note	Unaudited Three months ended June 30, 2026 RMB'000	Unaudited Three months ended June 30, 2025 RMB'000	Unaudited Six months ended June 30, 2026 RMB'000	Unaudited Six months ended June 30, 2025 RMB'000
Revenue	6	**108,921,609**	115,956,091	**208,063,227**	227,249,428
Cost of sales	6, 8	**(87,312,691)**	(89,855,133)	**(164,644,189)**	(175,742,560)
Gross profit		**21,608,918**	26,100,958	**43,419,038**	51,506,868
Research and development expenses	8	**(9,231,284)**	(7,763,377)	**(18,185,665)**	(14,475,085)
Selling and marketing expenses	8	**(8,648,495)**	(7,777,971)	**(16,924,978)**	(14,977,788)
Administrative expenses	8	**(1,481,686)**	(1,627,144)	**(3,112,071)**	(3,157,238)
Fair value changes on financial instruments measured at fair value through profit or loss		**6,457,659**	3,363,497	**7,306,176**	6,190,519
Share of net profits of investments accounted for using the equity method	10	**42,431**	86,864	**86,198**	150,395
Other income	7	**2,159,635**	299,446	**3,245,020**	461,212
Other (losses)/gains, net		**(37,010)**	754,446	**349,095**	863,243
Operating profit		**10,870,168**	13,436,719	**16,182,813**	26,562,126
Finance income	9	**1,288,098**	1,478,526	**2,566,152**	2,482,491
Finance costs	9	**(592,935)**	(512,462)	**(1,454,927)**	(1,473,866)
Profit before income tax		**11,565,331**	14,402,783	**17,294,038**	27,570,751
Income tax expenses	11	**(2,101,955)**	(2,529,620)	**(3,096,085)**	(4,804,842)
Profit for the period		**9,463,376**	11,873,163	**14,197,953**	22,765,909
Attributable to:					
— Owners of the Company		**9,462,405**	11,904,405	**14,185,525**	22,828,726
— Non-controlling interests		**971**	(31,242)	**12,428**	(62,817)
		9,463,376	11,873,163	**14,197,953**	22,765,909
Earnings per share (expressed in RMB per share):	12				
Basic		**0.37**	0.46	**0.55**	0.90
Diluted		**0.36**	0.45	**0.53**	0.87

The above interim condensed consolidated income statements should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three months and six months ended June 30, 2026

(Expressed in RMB)

	Note	Unaudited Three months ended June 30,		Unaudited Six months ended June 30,	
		2026	2025	**2026**	2025
		RMB'000	RMB'000	**RMB'000**	RMB'000
Profit for the period		**9,463,376**	11,873,163	**14,197,953**	22,765,909
Other comprehensive loss:					
Items that may be reclassified subsequently to profit or loss					
Share of other comprehensive (loss)/income of investments accounted for using the equity method	10	**(38,314)**	4,666	**(23,123)**	13,395
Transfer from other comprehensive income to profit or loss upon disposal of investments accounted for using the equity method		**—**	(2,256)	**—**	(2,256)
Net gains from changes in fair value of financial assets at fair value through other comprehensive income		**—**	23,776	**—**	56,278
Currency translation differences		**(614,009)**	(112,140)	**(1,383,226)**	(70,286)
Item that will not be reclassified subsequently to profit or loss					
Currency translation differences		**(961,733)**	(199,805)	**(2,018,547)**	(263,393)
Other comprehensive loss for the period, net of tax		**(1,614,056)**	(285,759)	**(3,424,896)**	(266,262)
Total comprehensive income for the period		**7,849,320**	11,587,404	**10,773,057**	22,499,647
Attributable to:					
— Owners of the Company		**7,848,349**	11,633,637	**10,760,629**	22,580,000
— Non-controlling interests		**971**	(46,233)	**12,428**	(80,353)
		7,849,320	11,587,404	**10,773,057**	22,499,647

The above interim condensed consolidated statements of comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

As of June 30, 2026

(Expressed in RMB)

	Note	Unaudited As of June 30, 2026 RMB'000	Audited As of December 31, 2025 RMB'000
Assets			
Non-current assets			
Property, plant and equipment	13	29,077,133	27,950,293
Intangible assets	14	10,863,229	8,319,373
Investments accounted for using the equity method	10	6,614,910	6,268,209
Long-term investments measured at fair value through profit or loss	15	85,343,013	80,881,337
Deferred income tax assets	25	4,016,785	3,636,008
Term bank deposits		65,710,773	92,045,627
Long-term investments measured at amortized cost	15	16,008,606	13,405,600
Other non-current assets	22	20,631,893	20,778,731
		238,266,342	253,285,178
Current assets			
Inventories	19	84,882,115	80,989,452
Trade and notes receivables	17	19,773,065	15,239,877
Loan receivables	16	13,089,949	12,580,269
Prepayments and other receivables	18	34,167,707	33,725,967
Short-term investments measured at amortized cost	15	500,000	200,000
Short-term investments measured at fair value through profit or loss	15	21,505,612	29,273,546
Term bank deposits		62,465,572	51,308,666
Restricted cash	20(b)	4,138,063	4,578,635
Cash and cash equivalents	20(a)	37,252,369	26,914,377
		277,774,452	254,810,789
Total assets		516,040,794	508,095,967

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

As of June 30, 2026

(Expressed in RMB)

	Note	Unaudited As of June 30, 2026 RMB'000	Audited As of December 31, 2025 RMB'000
Equity and liabilities			
Equity attributable to owners of the Company			
Share capital	23	422	426
Reserves		269,699,490	266,218,235
		269,699,912	266,218,661
Non-controlling interests		119,490	104,608
Total equity		269,819,402	266,323,269
Liabilities			
Non-current liabilities			
Borrowings	24	29,570,360	22,921,433
Deferred income tax liabilities	25	2,822,040	2,400,758
Provisions		3,443,191	3,652,246
Other non-current liabilities	27	24,146,991	20,392,784
		59,982,582	49,367,221
Current liabilities			
Trade payables	28	118,328,052	110,699,472
Other payables and accruals	29	27,866,977	35,351,923
Advance from customers		18,563,761	19,272,778
Borrowings	24	9,706,402	13,202,226
Income tax liabilities		3,531,512	6,649,117
Provisions		8,242,106	7,229,961
		186,238,810	192,405,477
Total liabilities		246,221,392	241,772,698
Total equity and liabilities		516,040,794	508,095,967

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

On behalf of the Board

Lei Jun
Director

Lin Bin
Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2026

(Expressed in RMB)

		Unaudited							
		Attributable to owners of the Company							
		Reserves							
	Note	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at January 1, 2026		426	(4,728,092)	101,896,507	16,678,050	152,371,770	266,218,661	104,608	266,323,269
Comprehensive income									
Profit for the period		—	—	—	—	14,185,525	14,185,525	12,428	14,197,953
Other comprehensive loss									
Items that may be reclassified subsequently to profit or loss									
Share of other comprehensive loss of investments accounted for using the equity method	10	—	—	—	(23,123)	—	(23,123)	—	(23,123)
Currency translation differences		—	—	—	(1,383,226)	—	(1,383,226)	—	(1,383,226)
Item that will not be reclassified subsequently to profit or loss									
Currency translation differences		—	—	—	(2,018,547)	—	(2,018,547)	—	(2,018,547)
Total comprehensive income		—	—	—	(3,424,896)	14,185,525	10,760,629	12,428	10,773,057
Transactions with owners in their capacity as owners									
Purchase of own shares	23	—	(9,665,955)	—	—	—	(9,665,955)	—	(9,665,955)
Cancellation of shares	23	(7)	12,342,546	(12,342,539)	—	—	—	—	—
Release of ordinary shares from Share Scheme Trusts	23	3	395,857	2,264,655	(2,655,722)	—	4,793	—	4,793
Share of other reserves of investments accounted for using the equity method	10	—	—	—	32,705	—	32,705	—	32,705
Employees share-based compensation scheme:									
— value of employee services	26	—	—	—	2,318,648	—	2,318,648	2,454	2,321,102
— exercise of share options and restricted shares units ("**RSUs**")	23, 26	—	—	248,372	(217,941)	—	30,431	—	30,431
Appropriation to general reserves		—	—	—	(24,191)	24,191	—	—	—
Total transactions with owners in their capacity as owners		(4)	3,072,448	(9,829,512)	(546,501)	24,191	(7,279,378)	2,454	(7,276,924)
Balance at June 30, 2026		422	(1,655,644)	92,066,995	12,706,653	166,581,486	269,699,912	119,490	269,819,402

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2026

(Expressed in RMB)

		Unaudited							
		Attributable to owners of the Company							
				Reserves					
	Note	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at January 1, 2025		407	(34,678)	60,117,658	17,113,248	111,541,142	188,737,777	467,342	189,205,119
Comprehensive income									
Profit for the period		–	–	–	–	22,828,726	22,828,726	(62,817)	22,765,909
Other comprehensive loss									
Items that may be reclassified subsequently to profit or loss									
Share of other comprehensive income of investments accounted for using the equity method	10	–	–	–	13,395	–	13,395	–	13,395
Transfer from other comprehensive income to profit or loss upon disposal of investments accounted for using the equity method		–	–	–	(2,256)	–	(2,256)	–	(2,256)
Net gains from changes in fair value of financial assets at fair value through other comprehensive income		–	–	–	56,278	–	56,278	–	56,278
Currency translation differences		–	–	–	(52,750)	–	(52,750)	(17,536)	(70,286)
Item that will not be reclassified subsequently to profit or loss									
Currency translation differences		–	–	–	(263,393)	–	(263,393)	–	(263,393)
Total comprehensive income		–	–	–	(248,726)	22,828,726	22,580,000	(80,353)	22,499,647
Transactions with owners in their capacity as owners									
Purchase of own shares	23	–	(599,317)	–	–	–	(599,317)	–	(599,317)
Cancellation of shares	23	–	207,072	(207,072)	–	–	–	–	–
Issuance of shares upon placement	23	14	–	39,225,977	–	–	39,225,991	–	39,225,991
Release of ordinary shares from Share Scheme Trusts	23	–	382,850	1,487,537	(1,863,009)	–	7,378	–	7,378
Share of other reserves of investments accounted for using the equity method	10	–	–	–	79,121	–	79,121	–	79,121
Transfer from other reserves to profit or loss upon disposal of investments accounted for using the equity method		–	–	–	(20,144)	–	(20,144)	–	(20,144)
Employees share-based compensation scheme:									
– value of employee services	26	–	–	–	2,363,735	–	2,363,735	–	2,363,735
– exercise of share options	23, 26	4	–	322,381	(265,858)	–	56,527	–	56,527
Conversion of convertible bonds	23	–	–	54,520	(13,004)	–	41,516	–	41,516
Appropriation to general reserves		–	–	–	(8,253)	8,253	–	–	–
Others		–	–	–	1,122	–	1,122	–	1,122
Total transactions with owners in their capacity as owners		18	(9,395)	40,883,343	273,710	8,253	41,155,929	–	41,155,929
Balance at June 30, 2025		425	(44,073)	101,001,001	17,138,232	134,378,121	252,473,706	386,989	252,860,695

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2026

(Expressed in RMB)

	Note	Unaudited Six months ended June 30, 2026 RMB'000	 2025 RMB'000
Cash flows from operating activities			
Cash generated from operations		8,660,216	32,008,513
Income tax paid		(6,609,982)	(3,953,773)
Net cash generated from operating activities		2,050,234	28,054,740
Cash flows from investing activities			
Purchase of property, plant and equipment, land use rights and intangible assets		(3,773,539)	(5,085,940)
Proceeds from disposal of property, plant and equipment		3,412	7,634
Placement of term bank deposits		(30,625,231)	(88,987,742)
Proceeds from maturity/disposal of term bank deposits		43,895,570	32,957,784
Purchase of short-term investments measured at fair value through profit or loss		(15,951,076)	(30,067,307)
Proceeds from maturity of short-term investments measured at fair value through profit or loss		26,841,737	40,862,185
Purchase of short-term investments measured at fair value through other comprehensive income		—	(2,160,086)
Proceeds from maturity of short-term investments measured at fair value through other comprehensive income		—	2,369,778
Purchase of long-term investments measured at amortized cost		(2,775,280)	(7,504,610)
Purchase of short-term investments measured at amortized cost		(500,000)	—
Proceeds from maturity of short-term investments measured at amortized cost		200,000	700,000
Interest income received		2,180,630	1,829,829
Investment income received		264,499	227,608
Purchase of long-term investments measured at fair value through profit or loss		(5,241,707)	(12,009,478)
Proceeds from disposal of long-term investments measured at fair value through profit or loss		3,871,009	6,005,705
Purchase of investments accounted for using the equity method		(225,500)	—
Proceeds from disposal of investments accounted for using the equity method		—	545,159
Dividends received		58,140	180,842
Net cash generated from/(used in) investing activities		18,222,664	(60,128,639)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2026

(Expressed in RMB)

	Note	Unaudited Six months ended June 30, 2026 RMB'000	2025 RMB'000
Cash flows from financing activities			
Proceeds from borrowings		33,703,538	11,721,938
Repayment of borrowings		(29,939,415)	(12,920,591)
Finance expenses paid		(295,361)	(387,820)
Contribution from fund investors		600,000	1,082,914
Distribution to fund investors		(1,368,395)	(1,991,175)
Net proceeds from exercise of share options		28,078	103,631
Payments for shares repurchase		(9,685,177)	(207,072)
Issuance of shares upon placement		—	39,225,991
Proceeds from financial assets sold under repurchase agreements		380,677	367,840
Payments of lease liabilities		(1,407,339)	(1,254,754)
Payments of deferred consideration for acquisition of intangible assets		(1,721,099)	(1,306,598)
Net cash (used in)/generated from financing activities		(9,704,493)	34,434,304
Net increase in cash and cash equivalents		10,568,405	2,360,405
Cash and cash equivalents at the beginning of the period	20(a)	26,914,377	33,661,442
Effects of exchange rate changes on cash and cash equivalents		(230,413)	(13,817)
Cash and cash equivalents at the end of the period	20(a)	37,252,369	36,008,030

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

1 General information

Xiaomi Corporation (the "**Company**") was incorporated in the Cayman Islands on January 5, 2010 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is at the offices of Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries, including controlled structured entities (together, the "**Group**") are principally engaged in development and sales of smartphones, internet of things ("**IoT**") and lifestyle products, provision of internet services, development, manufacture and sales of smart electric vehicles ("**EV**"), development and provision of artificial intelligence ("**AI**") large language model services and other new initiatives and investments holding in the People's Republic of China ("**the PRC**") and other countries or regions.

Lei Jun is the ultimate controlling shareholder of the Company as of the date of approval of this interim financial information.

The condensed consolidated interim financial information comprises the interim condensed consolidated balance sheet as of June 30, 2026, the interim condensed consolidated income statements and the interim condensed consolidated statements of comprehensive income for the three-month and six-month periods then ended, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes (collectively, the "**Interim Financial Information**"). The Interim Financial Information is presented in RMB, unless otherwise stated.

The Interim Financial Information was approved by the Board of Directors of the Company on August 18, 2026.

The Interim Financial Information has not been audited but has been reviewed by the external auditor of the Company.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

2 Basis of preparation

The Interim Financial Information has been prepared in accordance with International Accounting Standard ("**IAS**") 34, "Interim Financial Reporting", issued by the International Accounting Standards Board ("**IASB**").

The Interim Financial Information does not include all the notes of the type normally included in annual financial statements. The Interim Financial Information should be read in conjunction with the annual audited consolidated financial statements of the Group for the year ended December 31, 2025 which have been prepared in accordance with all applicable IFRS Accounting Standards issued by the IASB ("**IFRS Accounting Standards**") as set out in the 2025 annual report of the Company dated March 24, 2026 (the "**2025 Financial Statements**"), and any public announcement made by the Company during the six months ended June 30, 2026 and up to date of approval of this unaudited Interim Financial Information.

3 Material accounting policies

The accounting policies and methods of computations used in the preparation of the Interim Financial Information are consistent with those used in the preparation of the 2025 Financial Statements, except for the adoption of amended standards as set out below.

Amended standards adopted by the Group

The following amended standards are mandatory for the first time for the Group's financial year beginning on January 1, 2026 and are applicable for the Group:

- Amendments to the Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7
- Contracts Referencing Nature-dependent Electricity — Amendments to IFRS 9 and IFRS 7
- Annual Improvement to IFRS Accounting Standards — Volume 11

The amendments listed above did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

3 Material accounting policies (continued)

New and amended standards issued but not yet effective

Certain new and amended accounting standards have been published that are not mandatory for the six months ended June 30, 2026 and have not been early adopted by the Group, which is listed as below:

	Effective date
• IFRS 18 — Presentation and Disclosure in Financial Statements	Annual periods beginning on or after January 1, 2027
• IFRS 19 — Subsidiaries without Public Accountability: Disclosures	Annual periods beginning on or after January 1, 2027
• Amendments to IFRS 19 — Subsidiaries without Public Accountability: Disclosures	Annual periods beginning on or after January 1, 2027
• Amendments to IAS 21 — Translation to a Hyperinflationary Presentation Currency	Annual periods beginning on or after January 1, 2027
• IFRS 20 — Regulatory Assets and Regulatory Liabilities	Annual periods beginning on or after January 1, 2029

These standards are not expected to have a material impact on the Group's financial position and performance in the current or future reporting periods and on foreseeable future transactions other than the application of IFRS 18 which will have an impact on presentation and disclosure.

The Group will apply IFRS 18 from its mandatory effective date of January 1, 2027. Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with IFRS 18. The Group will continue to assess the effects of these new and amended standards.

4 Significant accounting estimates

The preparation of the Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the Interim Financial Information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were substantially the same as those applied to the 2025 Financial Statements.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

5 Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The Group's policies on financial risk management were set out in the 2025 Financial Statements and there have been no significant changes in the financial risk management policies for the three months and six months ended June 30, 2026.

5.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to enhance shareholders' value in the long-term.

The Group monitors capital (including share capital and share premium) by regularly reviewing the capital structure. As a part of this review, the Group considers the cost of capital and the risks associated with the issued share capital. The Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or repurchase the Company's shares. In the opinion of the directors of the Company, the Group has strong cash positions, continuously generating operating profits with a low level of indebtedness.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

5 Financial risk management (continued)

5.3 Fair value estimation

The table below analyzes the Group's main financial instruments carried at fair value as of each balance sheet date, by level of the inputs to valuation techniques used to measure fair value.

The following table presents the Group's financial assets and liabilities that are measured at fair value at June 30, 2026.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
(Unaudited)				
Assets				
Long-term investments measured at fair value through profit or loss (Note 15)	5,646,419	—	79,696,594	85,343,013
Short-term investments measured at fair value through profit or loss (Note 15)	—	—	21,505,612	21,505,612
	5,646,419	—	101,202,206	106,848,625
Liabilities				
Liabilities to investors	—	—	6,846,530	6,846,530

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

5 Financial risk management (continued)

5.3 Fair value estimation (continued)

The following table presents the Group's financial assets and liabilities that are measured at fair value at December 31, 2025.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
(Audited)				
Assets				
Long-term investments measured at fair value through profit or loss (Note 15)	7,166,829	—	73,714,508	80,881,337
Short-term investments measured at fair value through profit or loss (Note 15)	—	—	29,273,546	29,273,546
	7,166,829	—	102,988,054	110,154,883
Liabilities				
Liabilities to investors	—	—	6,059,722	6,059,722

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

5 Financial risk management (continued)

5.3 Fair value estimation (continued)

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at each of the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value of an instrument are observable, the instrument is included in level 2.

(c) Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- Discounted cash flow model and unobservable inputs mainly including assumptions of expected future cash flows and discount rate; and
- A combination of observable and unobservable inputs, including risk-free rate, expected volatility, discount rate for lack of marketability, market multiples, etc.

Level 3 instruments of the Group's assets mainly include long-term investments measured at fair value through profit or loss and short-term investments measured at fair value through profit or loss.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

5 Financial risk management (continued)

5.3 Fair value estimation (continued)

(c) Financial instruments in level 3 (continued)

The following table presents the changes in level 3 instruments of investments measured at fair value through profit or loss for the six months ended June 30, 2026 and 2025.

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
At the beginning of the period	**102,988,054**	83,622,653
Additions	**18,681,831**	41,703,095
Disposals	**(28,227,257)**	(45,158,097)
Changes in fair value	**8,802,560**	3,381,657
Transfer from investments accounted for using the equity method	**—**	2,713
Transfer to level 1 financial instruments	**(163,411)**	(418,914)
Currency translation differences	**(879,571)**	(78,136)
At the end of the period	**101,202,206**	83,054,971
Net unrealized gains for the period	**8,852,459**	2,604,791

The Group has a team that manages the valuation of level 3 instruments for financial reporting purposes. The team manages the valuation exercise of the investments on a case by case basis. At least once every year, the team would use valuation techniques to determine the fair value of the Group's level 3 instruments. External valuation experts will be involved when necessary.

The valuation of the level 3 instruments mainly included long-term investments measured at fair value through profit or loss in unlisted companies and certain listed companies for which sale is restricted for a specified period (Note 15), and short-term investments measured at fair value through profit or loss (Note 15). As these instruments are not traded in an active market, their fair values have been determined by using various applicable valuation techniques, including discounted cash flows or market approach etc.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

5 Financial risk management (continued)

5.3 Fair value estimation (continued)

(c) Financial instruments in level 3 (continued)

The following table summarizes the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements.

Description	Fair values		Significant unobservable inputs	Range of inputs		Relationship of unobservable inputs to fair values
	As of June 30, 2026	As of December 31, 2025		As of June 30, 2026	As of December 31, 2025	
	RMB'000 (Unaudited)	RMB'000 (Audited)				
Long-term investments measured at fair value through profit or loss						
— Ordinary shares investments and preferred shares investments	51,179,902	47,976,553	Expected volatility	17%–107%	17%–93%	The higher the expected volatility, the lower the fair value
			Discount for lack of marketability ("DLOM")	2%–30%	2%–40%	The higher the DLOM, the lower the fair value
			Risk-free rate	1.3%–4.1%	1.4%–6.1%	

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

5 Financial risk management (continued)

5.3 Fair value estimation (continued)

(c) Financial instruments in level 3 (continued)

Description	Fair values		Significant unobservable inputs	Range of inputs		Relationship of unobservable inputs to fair values
	As of June 30, 2026	As of December 31, 2025		As of June 30, 2026	As of December 31, 2025	
	RMB'000 (Unaudited)	RMB'000 (Audited)				
— Treasury investments and other investments	**28,516,692**	25,737,955	Note (a)			
Short-term investments measured at fair value through profit or loss	**21,505,612**	29,273,546	Expected rate of return	**1.41%–3.10%**	1.33%–3.37%	The higher the expected rate of return, the higher the fair value

Note:

(a) The fair value of these investments (treasury investments and other investments) was determined based on the net asset value of the investments, whose underlying assets and liabilities were measured at fair value.

There were no material transfers between level 1, 2 and 3 of fair value hierarchy classifications during the six months ended June 30, 2026, except that certain financial assets were transferred out of level 3 of fair value hierarchy to level 1 classifications due to the conversion to ordinary shares as the result of the initial public offering or lifting of sale restriction of the investee companies.

5 Financial risk management (continued)

5.3 Fair value estimation (continued)

(c) Financial instruments in level 3 (continued)

The carrying amounts of the Group's financial assets that are not measured at fair value, mainly including cash and cash equivalents, restricted cash, term bank deposits, short-term investments measured at amortized cost, long-term investments measured at amortized cost, trade and notes receivables, loan receivables and other receivables, and the Group's financial liabilities that are not measured at fair value, mainly including borrowings, trade payables and other payables, approximate their fair values due to short maturities or the interest rates are close to the market interest rates.

6 Segment information and revenue

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the Chief Operating Decision Maker ("**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer of the Company. The Group determined that it has the following reportable segments, which is consistent with the way the Group was reviewed by the CODM:

- Smartphone × AIoT
  - Smartphones
  - IoT and lifestyle products
  - Internet services
  - Other related businesses
- Smart EV, AI and other new initiatives

The CODM assesses the performance of the operating segments mainly based on segment revenue and gross profit of each operating segment. The research and development expenses, selling and marketing expenses and administrative expenses are not included in the measure of the segments' performance that reviewed by CODM as a basis for the purpose of resource allocation and assessment of segment performance. Fair value changes on financial instruments measured at fair value through profit or loss, share of net profits of investments accounted for using the equity method, other income, other (losses)/gains, net, finance income, finance costs, and income tax expenses are not allocated to individual operating segments as they were centrally monitored by the Group.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

6 Segment information and revenue (continued)

The revenues for each segment are described as below:

(a) Smartphone × AIoT:

— Revenues from smartphones are derived from the sale of smartphones.

— Revenues from the IoT and lifestyle products primarily comprise revenues from sales of smart large home appliances, smart TVs, tablets, wearables and other IoT and lifestyle products.

— Revenues from internet services are derived from advertising services and internet value-added services (including online game and fintech business).

— Other related businesses revenues primarily comprise revenue from the hardware repairment services for products, installation services for certain IoT products and sale of materials.

(b) Smart EV, AI and other new initiatives: Revenues from this segment are mainly derived from the sale of smart EV and other related businesses, revenues from other new initiatives are immaterial to the Group.

The cost of sales from each segment mainly comprises:

(a) Smartphone × AIoT:

— The Group's cost of sales for smartphones and IoT and lifestyle products primarily consist of (i) procurement cost of raw materials and components, (ii) assembly cost charged by the Group's outsourcing partners, (iii) royalty fees for certain technologies embedded in the products, (iv) costs, in the forms of production costs and profit-sharing, paid to the Group's partners for procuring ecosystem products, (v) warranty expenses, and (vi) provision for impairment of inventories.

— The Group's cost of sales for internet services primarily consists of (i) content fees to game developers, (ii) bandwidth, server custody and cloud service related costs, and (iii) fintech costs.

— The Group's cost of sales for other related businesses in Smartphone × AIoT segment primarily consists of hardware consumed, installation costs and costs of the sold materials.

(b) Smart EV, AI and other new initiatives: The Group's cost of sales for smart EV, AI and other new initiatives segment primarily consist of (i) procurement cost of direct parts and raw materials, (ii) labor costs, (iii) manufacturing costs (including depreciation of assets associated with the production), (iv) provision of warranty, (v) write-down of the inventory to its estimated net realizable value, and (vi) costs related to other related businesses.

Other information related to the measurement of profit or loss, together with the segment information, provided to the CODM, is measured in a manner consistent with that applied in the Interim Financial Information.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

6 Segment information and revenue (continued)

Other than the inventory information by segment, there were no separate segment assets and segment liabilities information provided to the CODM, as CODM does not use this information to allocate resources or to evaluate the performance of the operating segment.

There were no material inter-segment sales during the three months and six months ended June 30, 2026 and 2025. The revenues from external customers reported to the CODM are measured in a manner consistent with that applied in the interim condensed consolidated income statements.

The segment results and revenue information for the three months and six months ended June 30, 2026 and 2025 are as follows:

	Three months ended June 30, 2026						
	Smartphone × AIoT						
	Smartphones RMB'000	IoT and lifestyle products RMB'000	Internet services RMB'000	Other related businesses RMB'000	Subtotal RMB'000	Smart EV, AI and other new initiatives RMB'000	Total RMB'000
(Unaudited)							
Segment revenues	42,118,683	31,278,003	9,043,663	1,585,424	84,025,773	24,895,836	108,921,609
Cost of sales	(38,519,459)	(25,005,885)	(2,101,452)	(1,582,037)	(67,208,833)	(20,103,858)	(87,312,691)
Gross profit	3,599,224	6,272,118	6,942,211	3,387	16,816,940	4,791,978	21,608,918

	Three months ended June 30, 2025						
	Smartphone × AIoT						
	Smartphones RMB'000	IoT and lifestyle products RMB'000	Internet services RMB'000	Other related businesses RMB'000	Subtotal RMB'000	Smart EV, AI and other new initiatives RMB'000	Total RMB'000
(Unaudited)							
Segment revenues	45,520,009	38,712,153	9,097,747	1,362,918	94,692,827	21,263,264	115,956,091
Cost of sales	(40,299,755)	(29,990,611)	(2,241,978)	(1,680,364)	(74,212,708)	(15,642,425)	(89,855,133)
Gross profit/(loss)	5,220,254	8,721,542	6,855,769	(317,446)	20,480,119	5,620,839	26,100,958

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

6 Segment information and revenue (continued)

	Six months ended June 30, 2026						
	Smartphone × AIoT					Smart EV, AI and other new initiatives	
	Smartphones	IoT and lifestyle products	Internet services	Other related businesses	Subtotal		Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)							
Segment revenues	86,392,014	55,959,160	18,512,009	2,439,791	163,302,974	44,760,253	208,063,227
Cost of sales	(78,316,143)	(43,471,306)	(4,363,694)	(2,518,646)	(128,669,789)	(35,974,400)	(164,644,189)
Gross profit/(loss)	8,075,871	12,487,854	14,148,315	(78,855)	34,633,185	8,785,853	43,419,038

	Six months ended June 30, 2025						
	Smartphone × AIoT					Smart EV, AI and other new initiatives	
	Smartphones	IoT and lifestyle products	Internet services	Other related businesses	Subtotal		Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)							
Segment revenues	96,131,961	71,051,387	18,173,844	2,048,907	187,406,099	39,843,329	227,249,428
Cost of sales	(84,629,056)	(54,174,977)	(4,336,235)	(2,685,135)	(145,825,403)	(29,917,157)	(175,742,560)
Gross profit/(loss)	11,502,905	16,876,410	13,837,609	(636,228)	41,580,696	9,926,172	51,506,868

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

6 Segment information and revenue (continued)

For the three months and six months ended June 30, 2026 and 2025, the geographical information on the total revenues is as follows:

	Three months ended June 30,				Six months ended June 30,			
	2026		2025		2026		2025	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
	(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)	
Chinese Mainland	69,667,799	64.0	79,265,167	68.4	129,238,750	62.1	152,333,838	67.0
Rest of the world (Note (a))	39,253,810	36.0	36,690,924	31.6	78,824,477	37.9	74,915,590	33.0
	108,921,609		115,956,091		208,063,227		227,249,428	

Note:

(a) Revenues outside the Chinese Mainland are mainly from Europe and India.

All the revenues derived from single external customer were less than 10% of the Group's total revenues for the three months and six months ended June 30, 2026 (2025: Customer A 11.7% and 11.6%).

The following table shows inventory information by reportable segment as of June 30, 2026 and December 31, 2025.

	As of June 30, 2026	As of December 31, 2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Smartphone × AIoT	77,997,639	74,758,465
Smart EV, AI and other new initiatives	6,884,476	6,230,987
	84,882,115	80,989,452

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

7 Other income

Other income mainly includes subsidy income, dividend income and tax preferences.

During the three months and six months ended June 30, 2026 and 2025, majority of the subsidy income recognized in other income was relating to expenses. The Group credits the other income from deferred income when it is reasonably assured that the Group has met these attached conditions and the related expenses have been incurred.

8 Expenses by nature

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
	RMB'000	RMB'000	**RMB'000**	RMB'000
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Changes in inventories of finished goods and work in progress	**9,142,326**	(932,509)	**17,460,712**	(427,281)
Raw materials and consumables used and royalty fees	**69,108,293**	83,690,702	**129,653,309**	162,904,542
Provision for impairment of inventories (Note 19)	**2,404,208**	1,838,328	**4,461,617**	3,168,300
Employee benefit expenses	**7,806,060**	7,235,802	**15,998,783**	13,765,515
Depreciation of property, plant and equipment, right-of-use assets and investment properties	**1,699,029**	1,222,019	**3,156,404**	2,281,939
Amortization of intangible assets	**875,773**	787,574	**1,829,497**	1,510,516
Promotion and advertising expenses	**2,038,484**	1,898,896	**4,304,249**	3,898,768
Warranty expenses	**1,004,345**	1,220,430	**2,291,469**	2,656,870

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

9 Finance income and costs

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Finance income:				
Interest income from bank deposits	1,288,098	1,478,526	2,566,152	2,482,491

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Finance costs:				
Losses arising from liabilities payable to fund investors (Note 27)	265,846	170,323	816,249	789,705
Interest expenses from borrowings (Note 24), lease liabilities (Note 21) and deferred consideration of intangible assets (Note 27, 29)	327,089	342,139	638,678	684,161
	592,935	512,462	1,454,927	1,473,866

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

10 Investments accounted for using the equity method

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Investments in associates accounted for using the equity method		
— Listed entities (Note (a))	1,274,931	998,990
— Unlisted entities	5,339,979	5,269,219
	6,614,910	6,268,209

	Six months ended June 30, 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
At the beginning of the period	6,268,209	6,151,055
Additions	225,500	—
Disposals and transfers	—	(184,393)
Dilution gains on deemed disposal	32,160	174,980
Share of net profits	86,198	150,395
Share of other comprehensive (loss)/income	(23,123)	13,395
Share of changes of other reserves	32,705	79,121
Dividends from associates	(6,739)	(55,279)
Impairment provision	—	(295,245)
At the end of the period	6,614,910	6,034,029

Note:

(a) As of June 30, 2026, the fair value of the investments in associates which were listed entities was RMB3,670,773,000 (December 31, 2025: RMB2,832,422,000).

Management has assessed the level of influence that the Group exercises on certain associates and determined that it has significant influence through the board representation and other relevant facts and circumstances, even though the respective shareholding of some investments is below 20%. Accordingly, these investments have been classified as associates.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

11 Income tax expenses

The income tax expenses of the Group during the three months and six months ended June 30, 2026 and 2025 are analyzed as follows:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
	RMB'000	RMB'000	**RMB'000**	RMB'000
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Current income tax	**1,838,167**	1,883,675	**3,079,056**	4,052,189
Deferred income tax	**263,788**	645,945	**17,029**	752,653
Income tax expenses	**2,101,955**	2,529,620	**3,096,085**	4,804,842

Income tax expenses are recognized based on management's best knowledge of the income tax rates that would be applicable to the full financial year.

Notes:

(a) Enterprise income tax in the Chinese Mainland ("**EIT**")

The income tax provision of the Group in respect of its operations in the Chinese Mainland was calculated at tax rate of 25% on the assessable profits for the periods presented, based on the existing legislation, interpretations and practices in respect thereof.

(b) Cayman Islands and British Virgin Islands income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly, is exempted from Cayman Islands income tax. As such, the operating results reported by the Company, including the share-based payments (Note 26), are not subject to any income tax in Cayman Islands.

The Group entities established under the International Business Companies Acts of British Virgin Islands ("**BVI**") are exempt from BVI income taxes.

(c) Hong Kong income tax

Entities incorporated in Hong Kong are subject to Hong Kong profits tax at a rate of 16.5% on the assessable profits for the periods presented, based on the existing legislation, interpretations and practices in respect thereof.

(d) India income tax

The income tax provision for Indian entities was calculated at a rate of 25.17% on the assessable profits for the periods presented, based on the existing legislation, interpretations and practices in respect thereof.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

11 Income tax expenses (continued)

Notes (continued):

(e) Preferential EIT rate

Certain subsidiaries in the Chinese Mainland are entitled to preferential tax rates ranging from 10% to 15%. Main subsidiaries with preferential EIT rates are as follows:

Beijing Xiaomi Mobile Software Co., Ltd. ("**Xiaomi Mobile**") was qualified as a "Key Software Enterprise" in the third quarter of 2018 and renewed this qualification annually, hence it enjoyed a preferential income tax rate of 10% from 2017 to 2025. The directors of the Company consider Xiaomi Mobile can still be qualified upon annual renewal and hence continues to enjoy the preferential income tax rate of 10% for the six months ended June 30, 2026.

Xiaomi EV Technology Co., Ltd was qualified as a "High and New Technology Enterprise" in October 2025, hence it enjoys a preferential income tax rate of 15% from 2025 to 2027.

(f) Super Deduction for research and development expenses

The State Taxation Administration of The People's Republic of China ("**STA**") announced in March 2023 that enterprises engaging in research and development activities would be entitled to claim 200% of their research and development expenses so incurred as tax deductible expenses when determining their assessable profits for that year ("**Super Deduction**") from January 1, 2023 onwards. The Group has made its best estimate for the Super Deduction to be claimed for the Group's entities in ascertaining their assessable profits during the periods.

(g) Withholding tax in the Chinese Mainland ("**WHT**")

According to the New Corporate Income Tax Law ("**New EIT Law**"), distribution of profits earned by companies in the Chinese Mainland since January 1, 2008 to foreign investors is subject to withholding tax of 5% or 10%, depending on the country of incorporation of the foreign investors, upon the distribution of profits to overseas-incorporated immediate holding companies.

The Group does not have any plan in the foreseeable future to require its subsidiaries in the Chinese Mainland to distribute their retained earnings and intends to retain them to operate and expand its business in the Chinese Mainland. Accordingly, no deferred income tax liability related to WHT on undistributed earnings of these subsidiaries was accrued as of the end of each reporting period.

(h) Organization for Economic Co-operation and Development ("**OECD**") Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules and Pillar Two legislation was enacted or to be enacted in several of tax jurisdictions in which the group entities are incorporated or operated. The Group applies the IAS 12 exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its Global Anti-Base Erosion ("**GloBE**") effective tax rate in each jurisdiction and the 15% minimum rate.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

12 Earnings per share

(a) Basic

Basic earnings per share for the three months and six months ended June 30, 2026 and 2025 are calculated by dividing the profit attributable to the Company's owners by the weighted average number of ordinary shares that are outstanding during the periods.

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Net profit attributable to the owners of the Company (RMB'000)	**9,462,405**	11,904,405	**14,185,525**	22,828,726
Weighted average number of outstanding ordinary shares (thousand shares)	**25,723,924**	25,843,221	**25,748,943**	25,405,288
Basic earnings per share (expressed in RMB per share)	**0.37**	0.46	**0.55**	0.90

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

12 Earnings per share (continued)

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of outstanding ordinary shares to assume conversion of all dilutive potential ordinary shares. In addition, profit attributable to the owners of the Company (numerator) has been adjusted by all the dilutive effects.

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Net profit attributable to the owners of the Company (RMB'000)	**9,462,405**	11,904,405	**14,185,525**	22,828,726
Add: Interest expenses on convertible bonds (RMB'000)	**58,684**	63,015	**—**	125,226
Less: Dilution effect arising from share-based awards granted by a subsidiary (RMB'000)	**(33,700)**	—	**(77,900)**	—
Net profit attributable to the owners of the Company for calculation of diluted earnings per share (RMB'000)	**9,487,389**	11,967,420	**14,107,625**	22,953,952
Weighted average number of outstanding ordinary shares (thousand shares)	**25,723,924**	25,843,221	**25,748,943**	25,405,288
Adjustments for dilutive RSUs and share options (thousand shares)	**616,543**	767,760	**702,936**	821,773
Adjustments for dilutive convertible bonds (thousand shares)	**168,310**	180,389	**—**	180,418
Weighted average number of ordinary shares for calculation of diluted earnings per share (thousand shares)	**26,508,777**	26,791,370	**26,451,879**	26,407,479
Diluted earnings per share (expressed in RMB per share)	**0.36**	0.45	**0.53**	0.87

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

13 Property, plant and equipment

	Factories and production equipment RMB'000	Transport equipment RMB'000	Electronic equipment RMB'000	Office equipment RMB'000	Office buildings RMB'000	Structure and leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
(Unaudited)								
Six months ended June 30, 2026								
Opening net book amount	10,022,388	329,231	2,719,464	23,892	5,606,218	2,337,196	6,911,904	27,950,293
Additions	118,228	209,926	854,387	3,853	—	287,741	1,975,040	3,449,175
Transfers	221,688	—	50,695	—	193,096	—	(465,479)	—
Transfer to investment properties	(104,715)	—	—	—	—	—	—	(104,715)
Disposals	(9,897)	(32,608)	(190,140)	(36)	—	(17,519)	(56,992)	(307,192)
Depreciation charge	(472,684)	(44,520)	(583,199)	(1,606)	(75,618)	(721,065)	—	(1,898,692)
Currency translation differences	—	—	(2,435)	(2,005)	—	(7,296)	—	(11,736)
Closing net book amount	9,775,008	462,029	2,848,772	24,098	5,723,696	1,879,057	8,364,473	29,077,133
At June 30, 2026								
Cost	11,443,589	551,377	6,186,941	59,448	6,519,357	5,507,152	8,364,473	38,632,337
Accumulated depreciation	(1,668,581)	(89,348)	(3,338,169)	(35,350)	(795,661)	(3,628,095)	—	(9,555,204)
Net book amount	9,775,008	462,029	2,848,772	24,098	5,723,696	1,879,057	8,364,473	29,077,133
(Unaudited)								
Six months ended June 30, 2025								
Opening net book amount	5,316,613	141,933	1,686,577	14,914	5,712,197	1,094,166	4,121,183	18,087,583
Additions	487,627	266,241	512,030	1,053	–	933,028	3,448,031	5,648,010
Transfers	1,728,058	–	44,032	–	528,881	–	(2,300,971)	–
Transfer to investment properties	–	–	–	–	(10,406)	–	(290,895)	(301,301)
Disposals	(3,524)	(17,459)	(22,850)	(48)	–	(34,795)	–	(78,676)
Depreciation charge	(291,108)	(20,321)	(359,000)	(1,979)	(134,592)	(341,871)	–	(1,148,871)
Currency translation differences	–	–	2,093	176	–	3,141	–	5,410
Closing net book amount	7,237,666	370,394	1,862,882	14,116	6,096,080	1,653,669	4,977,348	22,212,155
At June 30, 2025								
Cost	8,042,866	429,695	4,293,082	46,766	6,733,264	4,032,313	4,977,348	28,555,334
Accumulated depreciation	(805,200)	(59,301)	(2,430,200)	(32,650)	(637,184)	(2,378,644)	–	(6,343,179)
Net book amount	7,237,666	370,394	1,862,882	14,116	6,096,080	1,653,669	4,977,348	22,212,155

Construction in progress as of June 30, 2026 and 2025 mainly comprises new office buildings, factories and production equipment being constructed in the Chinese Mainland.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

14 Intangible assets

	Goodwill RMB'000	License RMB'000	Trademarks, patents and domain name RMB'000	Others RMB'000	Total RMB'000
(Unaudited)					
Six months ended June 30, 2026					
Opening net book amount	1,696,639	5,291,000	532,062	799,672	8,319,373
Additions	—	4,455,722	320	144,809	4,600,851
Disposals	—	(225,543)	—	(711)	(226,254)
Amortization charge	—	(1,547,308)	(98,541)	(183,648)	(1,829,497)
Currency translation differences	—	(51)	(1,137)	(56)	(1,244)
Closing net book amount	1,696,639	7,973,820	432,704	760,066	10,863,229
At June 30, 2026					
Cost	1,696,639	20,324,849	2,237,643	2,151,130	26,410,261
Accumulated amortization	—	(12,351,029)	(1,804,939)	(1,391,064)	(15,547,032)
Net book amount	1,696,639	7,973,820	432,704	760,066	10,863,229
(Unaudited)					
Six months ended June 30, 2025					
Opening net book amount	1,696,639	4,985,163	753,502	717,417	8,152,721
Additions	—	1,176,268	4,839	123,382	1,304,489
Disposals	—	—	(2,080)	(5,808)	(7,888)
Amortization charge	—	(1,225,820)	(116,602)	(168,094)	(1,510,516)
Currency translation differences	—	164	(229)	(754)	(819)
Closing net book amount	1,696,639	4,935,775	639,430	666,143	7,937,987
At June 30, 2025					
Cost	1,696,639	14,161,332	2,250,238	1,769,495	19,877,704
Accumulated amortization	—	(9,225,557)	(1,610,808)	(1,103,352)	(11,939,717)
Net book amount	1,696,639	4,935,775	639,430	666,143	7,937,987

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

15 Investments

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Current assets		
Short-term investments measured at		
— Amortized cost (Note (i))	500,000	200,000
— Fair value through profit or loss (Note (ii))	21,505,612	29,273,546
	22,005,612	29,473,546
Non-current assets		
Long-term investments measured at amortized cost (Note (iii))	16,008,606	13,405,600
Long-term investments measured at fair value through profit or loss		
— Ordinary shares investments (Note (iv))	18,582,791	19,944,672
— Preferred shares investments (Note (v))	38,243,530	35,198,710
— Treasury investments (Note (vi))	19,890,149	21,562,313
— Other investments (Note (vii))	8,626,543	4,175,642
	101,351,619	94,286,937

Notes:

(i) Short-term investments measured at amortized cost

The Group placed short-term deposits amounting to RMB500,000,000 in its associate Chongqing Xiaomi Consumer Finance Co., Ltd., with an interest rate of 2.20% per annum. The deposits are held for collection of contractual cash flows qualifying for solely payments of principal and interest and thus classified and measured as short-term investments measured at amortized cost.

(ii) Short-term investments measured at fair value through profit or loss

The short-term investments measured at fair value through profit or loss are wealth management products, denominated in RMB and US$, with expected rates of return ranging from 1.41% to 3.10% per annum for the six months ended June 30, 2026. None of these investments are past due.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

15 Investments (continued)

Notes (continued):

(iii) Long-term investments measured at amortized cost

Long-term investments measured at amortized cost are mainly debt securities, denominated in US$, where the contractual cash flows are solely principal and interest. Debt securities that are only held for collection of contractual cash flows are measured at amortized cost. None of these investments are past due.

(iv) Ordinary shares investments

The fair values of the listed securities are determined based on the closing prices quoted in active markets (level 1: quoted price (unadjusted) in active markets). For certain listed securities which are restricted for sale in a specified period, their fair values are determined based on quoted market prices and unobservable inputs (i.e. discount rate for lack of marketability) and hence classified as level 3 of the fair value hierarchy.

The fair values of unlisted securities are measured using a valuation technique with unobservable inputs and hence classified as Level 3 of the fair value hierarchy. Refer to Note 5.3 for the major assumptions used in the valuation for investment in private companies.

(v) Preferred shares investments-unlisted

The preferred shares investments in these investees are convertible redeemable preferred shares or ordinary shares with preferential rights. The Group has the right to redeem all of the shares held by the Group at guaranteed predetermined fixed amount upon redemption events, thus the Group doesn't bear substantially the risk and reward of ordinary shares, these investments are measured as financial assets at fair value through profit or loss. Refer to Note 5.3 for the major assumptions used in the valuation for investment in private companies.

(vi) Treasury investments

Treasury investments mainly represent investments in the debt instruments issued by certain reputable banks or non-bank financial institutions or entities purchased in the secondary market. As these investments were classified as debt investments and returns are not solely payments of principal and interest, they are measured at fair value through profit or loss.

(vii) Other investments

Other investments primarily consist of investments in private equity investment funds. As the returns are not solely payments of principal and interest, they are measured at fair value through profit or loss.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

15 Investments (continued)

Notes (continued):

(viii) Amounts recognized in profit or loss of investments measured at fair value through profit or loss

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Long-term investments measured at fair value through profit or loss				
— Ordinary shares investments	1,666,737	1,336,721	(277,094)	3,818,026
— Preferred shares investments	2,832,819	2,027,450	3,237,836	2,009,707
— Treasury and other investments	2,074,279	(51,155)	4,346,947	124,596
Short-term investments measured at fair value through profit or loss	162,341	131,843	327,392	272,003
	6,736,176	3,444,859	7,635,081	6,224,332

16 Loan receivables

	As of June 30, 2026	As of December 31, 2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Unsecured loan	13,153,658	12,628,387
Less: credit loss allowance	(63,709)	(48,118)
	13,089,949	12,580,269

Loan receivables are loans mainly derived from subsidiaries of the Group which engage in the factoring business. Loan receivables are denominated in RMB and US$.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

17 Trade and notes receivables

Details of trade and notes receivables are as follows:

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Trade receivables	18,861,141	14,925,006
Notes receivables	1,244,894	624,032
	20,106,035	15,549,038
Less: credit loss allowance	(332,970)	(309,161)
	19,773,065	15,239,877

The Group generally allows a credit period within 180 days to its customers. Aging analysis of trade and notes receivables based on invoice date is as follows:

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Up to 3 months	15,742,405	11,963,353
3 to 6 months	2,778,286	1,806,243
6 months to 1 year	854,785	1,117,839
1 to 2 years	516,574	427,200
Over 2 years	213,985	234,403
	20,106,035	15,549,038

Majority of the Group's trade and notes receivables were denominated in RMB and US$.

As of June 30, 2026 and December 31, 2025, the majority of the balance of trade receivables are due from certain channel distributors and customers in the Chinese Mainland, India and Europe who usually settle the amounts due by them within 180 days.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

17 Trade and notes receivables (continued)

For receivables from installment payment, the Group applies the general approach, which requires 12-month expected credit losses for Stage 1 assets and lifetime expected credit losses for Stage 2 and Stage 3 assets. For other trade receivables, the Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics. The Group's expected loss rates are mainly determined based on the corresponding historical credit loss rates which are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has considered the expected changes in macroeconomic factors, such as Consumer Price Index ("**CPI**"), Gross Domestic Product ("**GDP**") and Total Retail Sales of Consumer Goods, etc., and accordingly adjusts the historical loss rates based on expected changes in all factors identified.

18 Prepayments and other receivables

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Receivables from subcontractors for outsourcing of raw materials	8,716,932	10,291,390
Recoverable value-added tax and other taxes	11,277,539	11,724,707
Prepayments to suppliers	4,536,464	4,012,838
Deposits to suppliers	698,410	760,982
Receivables from market development fund	258,372	440,281
Prepaid expenses	6,099,251	3,829,677
Receivables related to share options and RSUs	391,381	466,986
Others	2,391,801	2,406,837
	34,370,150	33,933,698
Less: credit loss allowance	(202,443)	(207,731)
	34,167,707	33,725,967

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

19 Inventories

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Raw materials	45,260,017	23,974,417
Finished goods	33,165,578	50,094,764
Work in progress	4,126,939	4,658,465
Spare parts	3,725,716	3,999,973
Others	1,436,581	1,264,219
	87,714,831	83,991,838
Less: provision for impairment (Note (a))	(2,832,716)	(3,002,386)
	84,882,115	80,989,452

Note:

(a) During the three months and six months ended June 30, 2026, the Group incurred inventory impairment provision approximately RMB2,404,208,000 and RMB4,461,617,000, respectively (2025: RMB1,838,328,000 and RMB3,168,300,000, respectively) and transferred out of such provision upon the sales of inventories approximately RMB2,788,656,000 and RMB4,631,287,000, respectively (2025: RMB2,123,830,000 and RMB3,023,597,000, respectively).

20 Cash and bank balances

(a) Cash and cash equivalents

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Cash at bank and in hand	24,833,254	20,962,824
Term bank deposits with initial terms within three months	12,419,115	5,951,553
	37,252,369	26,914,377

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

20 Cash and bank balances (continued)

(b) Restricted cash

As of June 30, 2026, among the restricted cash, Indian Rupees ("**INR**") 49,170,230,000 (December 31, 2025: INR48,550,132,000), which was equivalent to RMB3,535,831,000 (December 31, 2025: RMB3,784,968,000), was restricted by Indian authorities due to the in-progress investigation described in Note 30.

21 Leases

(i) *The interim condensed consolidated balance sheet includes the following amounts relating to leases:*

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Right-of-use assets (Note (a))		
Land use rights	8,238,889	8,329,446
Properties	3,954,769	4,104,374
Servers and other equipment	326,669	872,857
	12,520,327	13,306,677
Lease liabilities (Note (b))		
Current	(1,600,920)	(2,079,368)
Non-current	(3,439,842)	(3,634,869)
	(5,040,762)	(5,714,237)

Notes:

(a) Right-of-use assets are included in the line item 'Other non-current assets' in the interim condensed consolidated balance sheet. The addition of right-of-use assets for the six months ended June 30, 2026 was RMB563,067,000 (2025: RMB2,444,090,000).

(b) Current lease liabilities and non-current lease liabilities are included in the line item 'Other payables and accruals' and 'Other non-current liabilities' in the interim condensed consolidated balance sheet, respectively.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

21 Leases (continued)

(ii) *The interim condensed consolidated income statements include the following amounts relating to leases:*

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Depreciation charge of right-of-use assets (Note (a))	636,656	593,548	1,269,524	1,171,520
Interest expenses (included in finance costs)	46,470	48,901	93,019	96,791
Expense relating to short-term leases not included in lease liabilities (included in cost of sales and research and development expenses)	66,213	112,783	163,997	112,783
Expense relating to variable lease payments not included in lease liabilities (included in selling and marketing expenses)	96,292	150,076	199,110	250,102
	845,631	905,308	1,725,650	1,631,196

The total cash outflow in financing activities for leases during the six months ended June 30, 2026 was RMB1,407,339,000 (2025: RMB1,254,754,000), including principal elements of lease payments of approximately RMB1,314,320,000 (2025: RMB1,157,963,000) and related interest paid of approximately RMB93,019,000 (2025: RMB96,791,000), respectively.

Note:

(a) The depreciation charge of land use rights, properties and servers and other equipment for the three months ended June 30, 2026 were RMB48,785,000 (2025: RMB27,379,000), RMB314,376,000 (2025: RMB279,758,000) and RMB273,495,000 (2025: RMB286,411,000), respectively.

The depreciation charge of land use rights, properties and servers and other equipment for the six months ended June 30, 2026 were RMB97,562,000 (2025: RMB51,238,000), RMB624,977,000 (2025: RMB507,942,000) and RMB546,985,000 (2025: RMB612,340,000), respectively.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

22 Other non-current assets

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Right-of-use assets (Note 21)	12,520,327	13,306,677
Investment properties	3,579,228	3,533,091
Long-term deposits to suppliers	962,493	992,815
Prepayments for property, plant and equipment	347,447	443,048
Receivables from installment payment	2,540,846	1,940,335
Others	681,552	562,765
	20,631,893	20,778,731

23 Share capital and treasury shares

(a) Share capital

Authorized:

As of June 30, 2026 and December 31, 2025, the total authorized number of ordinary shares is 270,000,000,000 shares with par value of US$0.0000025 per share.

Issued:

As of June 30, 2026, the number of issued share capital of Class A and Class B Share is 4,443,616,133 and 21,341,753,161, respectively. Each Class A ordinary share will entitle the holder to exercise 10 votes, and each Class B ordinary share will entitle the holder to exercise one vote, on any resolution tabled at the Company's general meetings, except for resolution with respect to a limited number of reserved matters, in relation to which each ordinary share is entitled to one vote.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

23 Share capital and treasury shares (continued)

(a) Share capital (continued)

Issued (continued):

	Number of ordinary shares '000	Nominal value of ordinary shares US$'000	Equivalent nominal value of ordinary shares RMB'000	Share premium RMB'000
As of January 1, 2026	26,047,235	64	426	101,896,507
Exercise of share options and RSUs	17,482	—	—	248,372
Shares repurchased and cancelled	(393,894)	—	(7)	(12,342,539)
Issuance of ordinary shares to Share Scheme Trusts (i)	114,546	—	—	—
Release of ordinary shares from Share Scheme Trusts (i)	—	—	3	2,264,655
As of June 30, 2026 (unaudited)	25,785,369	64	422	92,066,995
As of January 1, 2025	25,099,152	62	407	60,117,658
Exercise of share options	32,459	—	4	322,381
Shares repurchased and cancelled	(6,830)	—	—	(207,072)
Issuance of ordinary shares to Share Scheme Trusts (i)	28,110	—	—	—
Release of ordinary shares from Share Scheme Trusts (i)	—	—	—	1,487,537
Issuance of shares upon placement	800,000	2	14	39,225,977
Conversion of convertible bonds	—	—	—	54,520
As of June 30, 2025 (unaudited)	25,952,891	64	425	101,001,001

Note:

(i) The Company issued ordinary shares with respect to the share options and RSUs under the employees share-based compensation scheme to be exercised by certain grantees of the Company to trusts, which were established to hold the shares for and on behalf of the grantees (collectively, "**Share Scheme Trusts**").

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

23 Share capital and treasury shares (continued)

(b) Treasury shares

	Number of shares '000	Amounts RMB'000
As of January 1, 2026	**133,607**	**4,728,092**
Shares repurchased	**352,343**	**9,665,955**
Shares cancelled	**(393,894)**	**(12,342,546)**
Release of ordinary shares from Share Scheme Trusts	**(10,932)**	**(395,857)**
As of June 30, 2026 (unaudited)	**81,124**	**1,655,644**
As of January 1, 2025	4,213	34,678
Shares repurchased	19,427	599,317
Shares cancelled	(6,830)	(207,072)
Release of ordinary shares from Share Scheme Trusts	(12,259)	(382,850)
As of June 30, 2025 (unaudited)	4,551	44,073

During the six months ended June 30, 2026, the shares were repurchased at prices ranging from HK$21.34 to HK$39.32 per share, with an average price of HK$31.18 per share.

During the six months ended June 30, 2025, the shares were repurchased at prices ranging from HK$32.60 to HK$34.00 per share, with an average price of HK$33.51 per share.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

24 Borrowings

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Included in non-current liabilities		
Secured borrowings (Note (a))	1,717,308	1,754,255
Unsecured borrowings (Note (b))	22,774,895	16,046,323
Convertible bonds (Note (c))	5,078,157	5,120,855
	29,570,360	22,921,433
Included in current liabilities		
Secured borrowings (Note (a))	74,486	73,094
Unsecured borrowings (Note (b))	9,631,916	13,129,132
	9,706,402	13,202,226

Notes:

(a) As of June 30, 2026, RMB1,791,794,000 (December 31, 2025: RMB1,827,349,000) of borrowings were secured by buildings and land use right amounting to approximately RMB2,428,399,000 (December 31, 2025: RMB2,458,384,000). The interest rate of these borrowings was 2.80% (December 31, 2025: 2.80%) per annum.

(b) As of June 30, 2026, other than the interest rate of 10.00% (December 31, 2025: 10.00% to 11.25%) for unsecured borrowings in Bangladeshi Taka ("**BDT**") 1,750,000,000 (December 31, 2025: BDT1,370,000,000) which was equivalent to RMB96,898,000 (December 31, 2025: RMB78,775,000), and the interest rate of 13.29% (December 31, 2025: 11.85%) for unsecured borrowings in Pakistani Rupee ("**PKR**") 1,849,740,000 (December 31, 2025: PKR3,271,114,000) which was equivalent to RMB45,189,000 (December 31, 2025: RMB81,745,000), the interest rate of the remaining unsecured borrowings was 0.75% to 4.27% (December 31, 2025: 0.14% to 4.71%) per annum.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

24 Borrowings (continued)

Notes (continued):

(c) On December 17, 2020, the Group issued 7-Year US$855,000,000 zero coupon guaranteed convertible bonds to third party professional investors (the "**Bondholders**"), which would due on December 17, 2027 (the "**Bonds**"). The Bondholders have the right, at any time on or after January 27, 2021 up to the 10 days prior to the maturity date, to convert part or all of the outstanding principal amount of the Bonds into ordinary shares of the Group at a conversion price of HK$36.74 per share, subject to adjustments. The Bondholders only had the right to require the Group to redeem all or some of the Bonds on December 17, 2025; and to require the Group to redeem all or some Bonds on some specified events ("**loan covenants**"). The Group has the right, but no obligation, to repurchase the Bonds if a predetermined condition is met.

As of June 30, 2026, the outstanding principal amount of the Bonds was US$797,600,000, which is repayable by the Group upon the maturity of the Bonds on December 17, 2027, if not previously redeemed, converted or repurchased and cancelled.

As the conversion feature was recognized as equity separate from the host contract of the Bonds, the Group complied with the loan covenants as of June 30, 2026, the Bondholders only have the right to require the Group to convert anytime before the maturity or redeem on maturity date, the Bonds are classified as non-current liabilities as of June 30, 2026 in accordance with the requirements of IAS 1.

The liability component of the Bonds recognized in the interim condensed consolidated balance sheet are calculated as follows:

	RMB'000
Liability component as of January 1, 2026	**5,120,855**
Interest accrued	**117,594**
Currency translation differences	**(160,292)**
Liability component as of June 30, 2026	**5,078,157**

	RMB'000
Liability component as of January 1, 2025	5,360,358
Interest accrued	125,226
Converted into ordinary shares	(41,516)
Currency translation differences	(21,337)
Liability component as of June 30, 2025	5,422,731

The equity component of the Bonds of RMB1,646,320,000 was included in "Other reserves" of the Group as of June 30, 2026 and December 31, 2025.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

25 Deferred income tax

The amount of offsetting deferred income tax assets and liabilities is RMB1,037,644,000 as of June 30, 2026 (December 31, 2025: RMB1,213,677,000).

The gross movement on the deferred income tax assets is as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
At the beginning of the period	**4,849,685**	4,006,868
Credited/(debited) to the interim condensed consolidated income statements	**228,220**	(63,628)
Currency translation differences	**(23,476)**	29,713
At the end of the period	**5,054,429**	3,972,953

The gross movement on the deferred income tax liabilities is as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
At the beginning of the period	**(3,614,435)**	(2,507,082)
Debited to the interim condensed consolidated income statements	**(245,249)**	(689,025)
At the end of the period	**(3,859,684)**	(3,196,107)

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

26 Share-based payments

On May 5, 2011, the Board of Directors of the Company approved the establishment of the "Xiaomi Corporation 2011 Employee Stock Option Plan" ("**2011 Plan**") with the purpose of attracting, motivating, retaining and rewarding certain employees and directors. The 2011 Plan was valid and effective for 10 years from the approval of the Board of Directors. The maximum number of shares that may be issued under 2011 Plan shall be 35,905,172 Class B ordinary shares (which were adjusted to 1,436,206,880 shares after the 1 to 4 share split on March 14, 2014 and further 1 to 10 Share Subdivision on June 17, 2018). The 2011 Plan permits the awards of options and RSUs.

Subsequently in August 2012, the 2011 Plan was superseded in its entirety as the "2012 Employee Stock Incentive Plan" ("**Pre-IPO ESOP**"). The purpose of Pre-IPO ESOP is same as the 2011 Plan. The Pre-IPO ESOP was valid and effective for 10 years from the approval of the Board of Directors. Through Pre-IPO ESOP, the Company may grant equity-based incentive up to 45,905,172 Class B ordinary shares initially (which were adjusted to 1,836,206,880 shares after the 1 to 4 share split on March 14, 2014 and further 1 to 10 Share Subdivision on June 17, 2018). The aggregate number of reserved Class B ordinary shares approved was 2,512,694,900. The Pre-IPO ESOP permits the awards of options and RSUs.

On June 17, 2018, the Board of Directors of the Company adopted the establishment of the 2018 Share Option Scheme. The purposes of 2018 Share Option Scheme are to provide selected participants with the opportunity to acquire proprietary interests in the Company and to encourage selected participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole. The total number of Class B ordinary shares available for grant under 2018 Share Option Scheme was 1,568,094,311 shares.

On June 17, 2018, the Board of Directors of the Company adopted the establishment of the 2018 Share Award Scheme. The purposes of the 2018 Share Award Scheme are (1) to align the interests of eligible persons with those of the Group through ownership of Class B ordinary shares, dividends and other distributions paid on shares and/or the increase in value of the Class B ordinary shares, and (2) to encourage and retain eligible persons to make contributions to the long-term growth and profits of the Group. The aggregate number of Class B ordinary shares underlying all grants made pursuant to the 2018 Share Award Scheme will not exceed 1,118,806,541 shares without shareholders' approval.

On June 8, 2023, the Board of Directors of the Company adopted the establishment of the 2023 Share Scheme. The purposes of the 2023 Share Scheme are (1) to align the interests of eligible persons with those of the Group through ownership of Class B ordinary shares, dividends and other distributions paid on shares and/or the increase in value of the Class B ordinary shares, and (2) to encourage and retain eligible persons to make contributions to the long-term growth and profits of the Group. The aggregate number of Class B ordinary shares underlying all grants made pursuant to the 2023 Share Scheme will not exceed 2,503,959,565 shares without shareholder's approval.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

26 Share-based payments (continued)

On June 6, 2024, the Group approved the establishment of the 2024 Xiaomi HK Share Scheme. The purposes of the 2024 Xiaomi HK Share Scheme are to encourage and retain eligible persons to make contributions to the long-term growth and profits of the Group.

Pre-IPO ESOP

Share options granted

Movements in the number of share options granted under Pre-IPO ESOP and their related weighted average exercise prices are as below:

	Number of share options	Average exercise price per share option (US$)
Outstanding as of January 1, 2026	**153,392,137**	**0.21**
Forfeited during the period	**(600,000)**	**0.10**
Transferred to Share Scheme Trusts	**(6,787,500)**	**0.10**
Exercised during the period	**(16,502,140)**	**0.27**
Outstanding as of June 30, 2026 (unaudited)	**129,502,497**	**0.20**
Exercisable as of June 30, 2026 (unaudited)	**159,606,366**	**0.23**
Outstanding as of January 1, 2025	210,497,124	0.21
Forfeited during the period	(5,639,521)	0.20
Transferred to Share Scheme Trusts	(7,280,000)	0.10
Exercised during the period	(30,859,126)	0.26
Outstanding as of June 30, 2025 (unaudited)	166,718,477	0.21
Exercisable as of June 30, 2025 (unaudited)	145,717,380	0.23

The weighted average remaining contract life for outstanding share options was 0.60 years and 0.90 years as of June 30, 2026 and December 31, 2025, respectively.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

26 Share-based payments (continued)

2018 Share Option Scheme

Share options granted

Movements in the number of share options granted under 2018 Share Option Scheme and their related weighted average exercise prices are as below:

	Number of share options	Average exercise price per share option (HK$)
Outstanding as of January 1, 2026	115,700,000	24.82
Forfeited during the period	—	—
Exercised during the period	—	—
Outstanding as of June 30, 2026 (unaudited)	115,700,000	24.82
Exercisable as of June 30, 2026 (unaudited)	65,700,000	25.07
Outstanding as of January 1, 2025	117,700,000	24.82
Forfeited during the period	—	—
Exercised during the period	(1,600,000)	24.50
Outstanding as of June 30, 2025 (unaudited)	116,100,000	24.82
Exercisable as of June 30, 2025 (unaudited)	15,300,000	26.93

The weighted average remaining contract life for outstanding share options was 4.20 years and 4.70 years as of June 30, 2026 and December 31, 2025, respectively.

Fair value of share options

The Group has used Binomial option-pricing model to determine the fair value of the share option as of the grant date.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

26 Share-based payments (continued)

2018 Share Award Scheme

RSUs granted

Movements in the number of RSUs granted under 2018 Share Award Scheme and the respective weighted average grant date fair value are as below:

	Number of RSUs	Weighted average grant date fair value per RSU (HK$)
Outstanding as of January 1, 2026	**225,477,754**	**14.66**
Forfeited during the period	**(8,928,420)**	**15.04**
Transferred to Share Scheme Trusts	**(84,638,741)**	**13.49**
Outstanding as of June 30, 2026 (unaudited)	**131,910,593**	**15.40**
Outstanding as of January 1, 2025	394,947,373	14.90
Forfeited during the period	(12,143,950)	15.96
Transferred to Share Scheme Trusts	(98,908,000)	14.37
Outstanding as of June 30, 2025 (unaudited)	283,895,423	15.03

The weighted average remaining contract life for outstanding RSUs was 6.00 years and 6.58 years as of June 30, 2026 and December 31, 2025, respectively.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

26 Share-based payments (continued)

2023 Share Scheme

RSUs granted

Movements in the number of RSUs granted under 2023 Share Scheme and the respective weighted average grant date fair value are as below:

	Number of RSUs	Weighted average grant date fair value per RSU (HK$)
Outstanding as of January 1, 2026	427,010,269	31.74
Granted during the period	79,191,288	29.79
Forfeited during the period	(27,420,902)	32.54
Transferred to Share Scheme Trusts	(56,016,468)	31.02
Outstanding as of June 30, 2026 (unaudited)	422,764,187	31.41
Outstanding as of January 1, 2025	364,566,631	16.84
Granted during the period	114,270,734	56.46
Forfeited during the period	(13,251,141)	21.85
Transferred to Share Scheme Trusts	(44,791,299)	17.46
Outstanding as of June 30, 2025 (unaudited)	420,794,925	27.38

The weighted-average remaining contract life for outstanding RSUs was 8.55 years and 8.74 years as of June 30, 2026 and December 31, 2025, respectively.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

26 Share-based payments (continued)

2024 Xiaomi HK Share Scheme

Share options granted

Movements in the number of share options granted under 2024 Xiaomi HK Share Scheme and their related weighted average exercise prices are as below:

	Number of share options	Average exercise price per share option (US$)
Outstanding as of January 1, 2026	**471,032,403**	**0.10**
Granted during the period	**40,570**	**0.10**
Forfeited during the period	**(9,894,633)**	**0.10**
Outstanding as of June 30, 2026 (unaudited)	**461,178,340**	**0.10**
Outstanding as of January 1, 2025	483,035,294	0.10
Granted during the period	11,668,084	0.10
Forfeited during the period	(14,572,855)	0.10
Outstanding as of June 30, 2025 (unaudited)	480,130,523	0.10

The weighted average remaining contract life for outstanding share options was 8.40 years and 8.90 years as of June 30, 2026 and December 31, 2025, respectively.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

26 Share-based payments (continued)

Fair value of share options

The Group has used Binomial Option-pricing model to determine the fair value of the share options as of the grant date. Key assumptions are set as below:

	Six month ended June 30,	
	2026	2025
Exercise price	**US$0.10**	US$0.10
Risk-free interest rate	**4.58%**	4.58%
Dividend yield	**—**	—
Expected volatility	**47.87%**	47.87%
Expected terms	**10 years**	10 years

The total expenses recognized in the interim condensed consolidated income statements in connection with share-based payments schemes described above are RMB2,321,102,000 and RMB2,363,735,000 for the six months ended June 30, 2026 and 2025, respectively.

Share based awards granted to Lei Jun

On June 17, 2018, Lei Jun was granted 42,070,000 share options in Xiaomi Finance Inc. ("**Xiaomi Finance**") pursuant to the first share option scheme adopted by Xiaomi Finance. Such share options were vested immediately and Lei Jun can exercise these share options with exercise price of RMB3.8325 for each share option for the following 20 years commencing on June 17, 2018.

No share option was exercised for the six months ended June 30, 2026 and 2025.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

27 Other non-current liabilities

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Liabilities to investors (Note (a))	**14,232,160**	12,773,216
Lease liabilities (Note 21)	**3,439,842**	3,634,869
Payables for purchase of intangible assets	**3,554,438**	1,499,581
Deferred income	**2,874,049**	2,438,616
Others	**46,502**	46,502
	24,146,991	20,392,784

Note:

(a) It mainly represents the funds injected by the third party investors of Hubei Xiaomi Yangtze River Industry Investment Fund Partners (Limited Partnership) (湖北小米長江產業基金合夥企業（有限合夥）) (the "**Hubei Fund**") and Beijing Xiaomi Zhizao Equity Investment Fund Partners (Limited Partnership) (北京小米智造股權投資基金合夥企業（有限合夥）) (the "**Beijing Fund**"). The Group controls the Hubei Fund and the Beijing Fund as the Group is exposed to and has rights to variable returns from its involvement with the Hubei Fund and the Beijing Fund, and has the ability to affect those returns through its power over the Hubei Fund and the Beijing Fund.

For the amount raised from limited partners of the Hubei Fund, the Group has contractual obligation to settle the liability with the limited partners and therefore is classified as a financial liability measured at amortized cost in the Interim Financial Information. The carrying amount of this financial liability approximates to its fair value.

For the amount raised from limited partners of the Beijing Fund, the Group has contractual obligation to settle the liability with the limited partners and the management designates it as a financial liability measured at fair value through profit or loss in the Interim Financial Information.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

28 Trade payables

Trade payables primarily include payables for inventories. As of June 30, 2026 and December 31, 2025, the carrying amounts of trade payables were primarily denominated in RMB, US$ and INR.

Trade payables and their aging analysis based on invoice date are as follows:

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Up to 3 months	105,094,221	93,538,383
3 to 6 months	8,520,133	11,379,071
6 months to 1 year	2,273,746	3,169,615
1 to 2 years	738,018	978,245
Over 2 years	1,701,934	1,634,158
	118,328,052	110,699,472

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

29 Other payables and accruals

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Amounts collected for third parties	615,509	780,007
Payroll and welfare payables	3,671,891	5,458,897
Deposits payable	7,913,044	9,171,591
Accrual expenses	4,088,892	4,674,232
Payables for construction cost	1,780,532	2,147,819
Other taxes payables	1,575,133	2,750,624
Lease liabilities (Note 21)	1,600,920	2,079,368
Refundable liabilities	1,216,047	2,886,499
Payables for purchase of intangible assets	1,520,257	1,304,061
Payables related to share options and RSUs	347,152	218,700
Others	3,537,600	3,880,125
	27,866,977	35,351,923

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

30 Contingencies

The Group, in the ordinary course of its business, is involved in various claims, lawsuits, and legal proceedings that arise from time to time. Since December 2021, Xiaomi Technology India Private Limited ("**Xiaomi India**"), a wholly-owned subsidiary of the Group, has been involved in various investigations and notifications initiated by relevant Indian authorities including the Income Tax Department, the Directorate of Revenue Intelligence and the Directorate of Enforcement in relation to compliance of relevant income tax regulations, custom duties regulations as well as foreign exchange regulations, respectively.

In this connection, Xiaomi India received orders alleging that it has inappropriately deducted certain costs and expenses, including purchase costs of mobile phones and royalty fees paid to overseas third parties as well as companies within the Group. As a result, certain of its bank accounts have been attached and thereby INR49,170,230,000 (equivalent to RMB3,535,831,000) has been considered as restrictive as of June 30, 2026 (December 31, 2025: INR48,550,132,000 (equivalent to RMB3,784,968,000)). The cases are currently in the hearing stages and not yet concluded.

Management assessed the aforesaid matters related to Xiaomi India, after taking into consideration of opinions from professional advisors, it is concluded that Xiaomi India has valid grounds to respond to the relevant Indian authorities. The Group, hence, has not made any material provision as of June 30, 2026 pertaining to these matters.

Conclusions of legal proceedings, investigations and allegations could take a long period of time, and the Group could receive judgments or enter into settlements that may adversely affect its operating results or cash flows. Quantifying the related financial effects is not practical at this stage.

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

31 Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the period/year but not yet incurred is as follows:

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Property, plant and equipment	746,296	1,163,377
Intangible assets	5,704	6,257
Investments	862,868	1,349,935
	1,614,868	2,519,569

(b) Operating lease commitments

The Group leases offices, warehouses, retail stores and servers under non-cancellable lease agreements. The Group has recognized right-of-use assets and lease liabilities for these leases, except for certain short-term leases, variable lease payments and leases contracted but before the commencement date as shown in the table below. Other than those lease contract recognized and disclosed in Note 21, the Group's future aggregate minimum lease payments under non-cancellable leases are as follows:

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Not later than 1 year	236,981	96,033
Later than 1 year and not later than 5 years	11,848	35,215
Later than 5 years	—	628
	248,829	131,876

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

32 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related if they are subject to common control. Members of key management of the Group and their close family members are also considered as related parties.

The following significant transactions were carried out between the Group and its related parties during the periods presented. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

(a) Significant transactions with related parties

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
(i) Sales of goods and services to		
Associates of the Group	198,751	76,903
(ii) Purchases of goods and services from		
Associates of the Group	7,092,093	21,806,280

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

32 Related party transactions (continued)

(b) Significant period/year end balances with related parties

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
(i) Trade receivables from		
Associates of the Group	1,254,751	721,419
(ii) Trade payables to		
Associates of the Group	6,244,556	2,405,240
(iii) Prepayments and other receivables from		
Associates of the Group	4,595,392	2,571,096
(iv) Other payables and accruals to		
Associates of the Group	161,531	152,458

All the balances with related parties above were unsecured, non-interest bearing and repayable within one year.

(c) Key management compensation

	Six months ended June 30, 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Wages and salaries	12,081	10,787
Discretionary bonuses	12,827	11,375
Share-based compensation expenses	111,864	205,568
Contributions to pension plans and other employee benefits	1,010	856
	137,782	228,586

NOTES TO THE INTERIM FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

33 Dividends

No dividends have been paid or declared by the Company during the three months and six months ended June 30, 2026 and 2025.

34 Events after the reporting period

The Company repurchased 28,086,400 Class B ordinary shares during the period from July 1, 2026 to the approval date of this Interim Financial Information by the Board on August 18, 2026. The total considerations were approximately HK$752,555,000. And a total of 83,625,000 Class B ordinary shares were cancelled on August 11, 2026.

DEFINITIONS

"affiliate"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"Airstar Digital Technology"	Airstar Digital Technology Co., Ltd.* (天星數科科技有限公司), formerly known as Xiaomi Digital Technology Co., Ltd. and Beijing Xiaomi Payment Technology Co., Ltd., a limited liability company established under the laws of the Chinese Mainland on December 26, 2013 and an indirect wholly-owned subsidiary of the Company
"Articles" or "Articles of Association"	the articles of association of the Company adopted on June 17, 2018 with effect from Listing, as amended from time to time
"associate(s)"	has the meaning ascribed to it in the Listing Rules
"Auditor"	PricewaterhouseCoopers, the external auditor of the Company
"Beijing Digital Technology"	Beijing Xiaomi Digital Technology Co., Ltd.* (北京小米數碼科技有限公司), a limited liability company established under the laws of the Chinese Mainland on December 21, 2010 and an indirect wholly-owned subsidiary of the Company
"Beijing Duokan"	Beijing Duokan Technology Co., Ltd.* (北京多看科技有限公司), a limited liability company established under the laws of the Chinese Mainland on February 10, 2010 and a Consolidated Affiliated Entity of the Company
"Beijing Electronic Software"	Beijing Xiaomi Electronic Software Co., Ltd.* (北京小米電子軟件技術有限公司), a limited liability company established under the laws of the Chinese Mainland on July 1, 2014 and a Consolidated Affiliated Entity of the Company
"Beijing Wali"	Wali Information Technologies (Beijing) Ltd.* (瓦力信息技術（北京）有限公司), a limited liability company established under the laws of the Chinese Mainland on February 22, 2010 and an indirect wholly-owned subsidiary of the Company
"Beijing Wali Culture"	Beijing Wali Culture Communication Co., Ltd.* (北京瓦力文化傳播有限公司), a limited liability company established under the laws of the Chinese Mainland on May 8, 2014 and a Consolidated Affiliated Entity of the Company

"Beijing Wali Internet"	Beijing Wali Internet Technologies Co., Ltd.* (北京瓦力網絡科技有限公司), a limited liability company established under the laws of the Chinese Mainland on June 1, 2009 and a Consolidated Affiliated Entity of the Company
"Board"	our board of Directors
"CG Code"	the Corporate Governance Code set out in Appendix C1 of the Listing Rules
"Class A Shares"	class A ordinary shares of the share capital of the Company with a par value of US$0.0000025 each, conferring weighted voting rights in the Company such that a holder of a Class A Share is entitled to ten votes per share on any resolution tabled at the Company's general meetings, save for resolutions with respect to any Reserved Matters, in which case they shall be entitled to one vote per share
"Class B Shares"	class B ordinary shares of the share capital of the Company with a par value of US$0.0000025 each, conferring a holder of a Class B Share one vote per share on any resolution tabled at the Company's general meetings (save for any treasury Shares, the holders of which shall abstain from voting at the Company's general meeting)
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company", "our Company", or "the Company"	Xiaomi Corporation 小米集团 (formerly known as Top Elite Limited), a company with limited liability incorporated under the laws of the Cayman Islands on January 5, 2010
"Compliance Advisor"	Guotai Junan Capital Limited, being the compliance advisor of the Company
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"Consolidated Affiliated Entities", each a "Consolidated Affiliated Entity"	the entities we control through the Contractual Arrangements, namely the Onshore Holdcos and their respective subsidiaries

DEFINITIONS

"Contractual Arrangements"	the set of agreements entered into by each of the WFOEs and the Onshore Holdcos for the purpose of operations of the Restricted Business of the Group in the PRC
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Lei Jun and the directly and indirectly held companies through which Lei Jun has an interest in the Company, namely, Smart Mobile Holdings Limited and Smart Player Limited
"Director(s)"	the director(s) of the Company
"Group", "our Group", or "the Group"	the Company, its subsidiaries and Consolidated Affiliated Entities from time to time
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong dollars" or "HK dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"IFRS"	IFRS Accounting Standards issued by the International Accounting Standards Board
"Latest Practicable Date"	September 8, 2026, being the latest practicable date prior to the bulk printing and publication of this interim report
"Listing"	the listing of the Class B Shares on the Main Board of the Stock Exchange
"Listing Date"	July 9, 2018, the date on which the Shares were listed on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Stock Exchange

"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules
"Onshore Holdcos" each a "Onshore Holdco"	Beijing Wali Culture, Xiaomi Inc., Rigo Design, Beijing Duokan, Beijing Wali Internet, Beijing Electronic Software and Youpin Information Technology
"PRC"	the People's Republic of China
"PRC Legal Advisor"	JunHe LLP
"Pre-IPO ESOP"	the pre-IPO employee stock incentive scheme adopted by the Company dated May 5, 2011 and superseded on August 24, 2012, as amended from time to time
"Prospectus"	the prospectus of the Company dated June 25, 2018
"Registered Shareholders"	the registered shareholders of the Onshore Holdcos
"Reporting Period"	the six months ended June 30, 2026
"Reserved Matters"	those matters resolutions with respect to which each Share is entitled to one vote at general meetings of the Company pursuant to the Articles of Association, being (i) any amendment to the Memorandum or Articles, including the variation of the rights attached to any class of shares, (ii) the appointment, election or removal of any independent non-executive Director, (iii) the appointment or removal of the Company's auditors, and (iv) the voluntary liquidation or winding-up of the Company
"Rigo Design"	Rigo Design (Beijing) Co., Ltd.* (美卓軟件設計（北京）有限公司), a limited liability company established under the laws of the Chinese Mainland on April 24, 2012 and a Consolidated Affiliated Entity of the Company
"RMB" or "Renminbi"	Renminbi, the lawful currency of the Chinese Mainland
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

DEFINITIONS

"Share(s)"	the Class A Shares and/or Class B Shares in the share capital of the Company, as the context so requires
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under section 15 of the Companies Ordinance
"substantial shareholder"	has the meaning ascribed to it under the Listing Rules
"treasury Shares"	has the meaning ascribed to it under the Listing Rules, which, in the Company's case, refers to the Class B Shares
"United States" or "US"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$"	United States dollars, the lawful currency of the United States
"weighted voting rights" or "WVR"	has the meaning ascribed to it under the Listing Rules
"WFOEs", each a "WFOE"	Xiaomi Communications, Xiaomi Mobile Software, Beijing Digital Technology, Beijing Wali, Airstar Digital Technology, and Xiaomi Youpin Technology
"WVR Beneficiary"	has the meaning ascribed to it under the Listing Rules
"Xiaomi Communications"	Xiaomi Communications Co., Ltd* (小米通訊技術有限公司), a limited liability company established under the laws of the Chinese Mainland on August 25, 2010 and an indirect wholly-owned subsidiary of the Company
"Xiaomi EV"	Xiaomi EV, Inc., an exempted company incorporated under the laws of the Cayman Islands on August 5, 2021 with limited liability and a direct wholly-owned subsidiary of the Company

"Xiaomi Finance"	Xiaomi Finance Inc., an exempted company with limited liability incorporated under the laws of the Cayman Islands on February 15, 2018 and a direct wholly-owned subsidiary of the Company
"Xiaomi Finance Group"	Xiaomi Finance and its subsidiaries and consolidated affiliated entities from time to time
"Xiaomi HK"	Xiaomi H.K. Limited, a limited liability company incorporated under the laws of Hong Kong on April 7, 2010 and a direct wholly-owned subsidiary of the Company
"Xiaomi HK Shares"	ordinary share(s) in the share capital of Xiaomi HK
"Xiaomi Inc."	Xiaomi Inc.* (小米科技有限責任公司), a limited liability company established under the laws of the Chinese Mainland on March 3, 2010 and a Consolidated Affiliated Entity of the Company
"Xiaomi Mobile Software"	Beijing Xiaomi Mobile Software Co., Ltd.* (北京小米移動軟件有限公司), a limited liability company established under the laws of the Chinese Mainland on May 8, 2012 and an indirect wholly-owned subsidiary of the Company
"Xiaomi Youpin Technology"	Xiaomi Youpin Technology Co. Ltd.* (小米有品科技有限公司), a limited liability company established under the laws of the Chinese Mainland on May 8, 2018 and an indirect wholly-owned subsidiary of the Company
"XMF Share Option Scheme I"	the first share option scheme adopted by Xiaomi Finance on June 17, 2018, as amended from time to time
"XM Group"	our Group other than the Xiaomi Finance Group
"Youpin Information Technology"	Youpin Information Technology Co., Ltd.* (有品信息科技有限公司), a limited liability company established under the laws of the Chinese Mainland on April 4, 2018 and a Consolidated Affiliated Entity of the Company
"2018 Share Award Scheme"	the share award scheme adopted by the Company on June 17, 2018, as amended from time to time

DEFINITIONS

"2018 Share Option Scheme"	the share option scheme adopted by the Company on June 17, 2018, as amended from time to time
"2023 Share Scheme"	the share scheme adopted by the Company on June 8, 2023, as amended from time to time
"2024 Xiaomi HK Share Scheme"	the share scheme adopted by Xiaomi HK on June 6, 2024, as amended from time to time
"%"	per cent

* For identification purposes only.