
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Xiaomi Corporation, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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XIAOMI CORPORATION

小米集团

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

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

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES,
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS,
PROPOSED ADOPTION OF NEW MEMORANDUM AND
ARTICLES OF ASSOCIATION,
PROPOSED ADOPTION OF THE 2024 XIAOMI HK SHARE SCHEME
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Xiaomi Corporation 小米集团 to be held at Xiaomi Campus, Anningzhuang Road, Haidian District, Beijing, The People's Republic of China on Thursday, June 6, 2024 at 2:00 p.m. is set out on pages 42 to 46 of this circular. A form of proxy for use at the annual general meeting is also enclosed, and published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.mi.com).

Whether or not you are able to attend the annual general meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible, but in any event not less than 48 hours before the time appointed for holding the meeting (i.e. not later than 2:00 p.m. on June 4, 2024) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting should you so wish. For the avoidance of doubt and for the purpose of the Listing Rules, holders of treasury Shares (if any) shall abstain from voting at the Company's general meeting.

Reference to time and dates in this circular are to Hong Kong time and dates.

May 14, 2024

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“2024 Xiaomi HK Share Scheme”	the share incentive scheme of Xiaomi HK proposed to be approved at the AGM, a summary of the principal terms of which is set out in the Appendix IV to this circular
“Adoption Date”	the date on which the 2024 Xiaomi HK Share Scheme is first approved by the Shareholders at the AGM
“AGM”	the annual general meeting of the Company to be held at Xiaomi Campus, Anningzhuang Road, Haidian District, Beijing, The People’s Republic of China on Thursday, June 6, 2024 at 2:00 p.m., or any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Award”	an award granted under the 2024 Xiaomi HK Share Scheme by the Xiaomi HK Board to a Grantee, which may take the form of a Share Option or a Share Award, and which shall be funded by Award Shares
“Award Letter”	a letter issued by Xiaomi HK on the Grant Date in respect of each grant of Awards in such form as the Scheme Administrator may from time to time determine setting out the terms and conditions of the Award
“Award Shares”	new shares of Xiaomi HK underlying an Award
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Class A Share(s)”	class A ordinary shares in 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 Share(s)”	class B ordinary shares in 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)
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Company”	Xiaomi Corporation, a company with limited liability incorporated under the laws of the Cayman Islands on January 5, 2010, and whose Class B Shares are listed on the Stock Exchange

DEFINITIONS

“Director(s)”	the director(s) of the Company
“Eligible Participant”	an Employee Participant, Related Entity Participant or Service Provider Participant
“Employee Participant”	any person who is an employee (whether full-time or part-time or other employment relationship), director or officer of any member of the Xiaomi HK Group on the Grant Date
“Exercise Period”	in respect of any Award, the period during which the Grantee may exercise the Award
“Exercise Price”	in respect of any Share Option, the price per share at which a Grantee may subscribe for Xiaomi HK Shares upon the exercise of a Share Option awarded under the 2024 Xiaomi HK Share Scheme
“Grant Date”	the date on which the grant of an Award is made to a Grantee, being the date of the Award Letter in respect of such Award
“Grantee”	any Eligible Participant approved for participation in the 2024 Xiaomi HK Share Scheme and who has been granted any Award
“Group”	the Company and its subsidiaries and the operating entities controlled under contractual arrangements from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited including, where the context so requires, its agents, nominees, representatives, officers and employees
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Price”	in respect of any Share Award, the price per Xiaomi HK Share a Grantee is required to pay to subscribe for the Xiaomi HK Shares comprising the Share Award
“Latest Practicable Date”	April 30, 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Date”	July 9, 2018, the date on which the Class B Shares were listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Memorandum and Articles of Association”	memorandum of association and articles of association, as amended from time to time
“Related Entity Participant”	any person who is an employee (whether full-time or part-time or other employment relationship), director or officer of a holding company of Xiaomi HK, a subsidiary of that holding company, or an associate company of Xiaomi HK, as further detailed in the Appendix IV to this circular
“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 Associations, being (i) any amendment to the memorandum or Articles of Associations, 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
“Scheme Administrator”	the Xiaomi HK Board and/or any committee of the Xiaomi HK Board or other person(s) to whom the Xiaomi HK Board has delegated its authority to administer the 2024 Xiaomi HK Share Scheme in accordance with the Scheme Rules
“Scheme Mandate Limit”	shall have the meaning as set out on page 32 of this circular
“Scheme Rules”	the rules relating to the 2024 Xiaomi HK Share Scheme as amended from time to time
“Service Provider Participant”	any person providing services to the Xiaomi HK Group on a continuing basis in its ordinary and usual course of business which are in the interests of the long term growth of the Xiaomi HK Group as determined by the Scheme Administrator pursuant to criteria set out in the Scheme Rules, as further detailed in the Appendix IV to this circular
“Service Provider Sublimit”	shall have the meaning as set out on page 32 of this circular
“SFO”	the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	the Class A Shares and/or Class B Shares in the share capital of the Company, as the context so requires
“Share Award”	an award which vests in the form of the right to subscribe for and/or to be issued such number of Award Shares as the Scheme Administrator may determine at the Issue Price in accordance with the terms of the Scheme Rules

DEFINITIONS

“Share Issue Mandate”	the general mandate to Directors to exercise the power of the Company to allot, issue and deal with new Class B Shares (including any sale or transfer of Class B Shares out of treasury that are held as treasury Shares) not exceeding 20% of the total number of the issued Shares (excluding any treasury Shares) as at the date of passing the ordinary resolution approving such mandate
“Share Option”	an award which vests in the form of the right to subscribe for such number of Award Shares as the Scheme Administrator may determine during the Exercise Period at the Exercise Price in accordance with the terms of the Scheme Rules
“Share Repurchase Mandate”	the general mandate to Directors to exercise the power of the Company to repurchase Shares not exceeding 10% of the total number of the issued Shares (excluding any treasury Shares) as at the date of passing the ordinary resolution approving such mandate
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission
“treasury Shares”	has the meaning ascribed to it under the Listing Rules which will come into effect on June 11, 2024, which, in the Company’s case, refers to the Class B Shares
“US\$”	United States dollars, the lawful currency of the United States of America
“weighted voting rights”	has the meaning ascribed thereto under the Listing Rules
“WVR Beneficiary(ies)”	has the meaning ascribed thereto under the Listing Rules and unless the context otherwise requires, refers to Lei Jun and Lin Bin, being the holders of Class A Shares
“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 Board”	the board of directors of Xiaomi HK
“Xiaomi HK Group”	Xiaomi HK and its subsidiaries from time to time
“Xiaomi HK Shareholder(s)”	shareholder(s) of Xiaomi HK
“Xiaomi HK Shares”	ordinary shares in the share capital of of Xiaomi HK
“%”	per cent

LETTER FROM THE BOARD



XIAOMI CORPORATION

小米集团

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

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

Executive Directors:

Lei Jun (*Chairman of the Board and Chief Executive Officer*)
Lin Bin (*Vice-Chairman of the Board*)
Liu De

Non-executive Director:

Liu Qin

Independent Non-executive Directors:

Chen Dongsheng
Wong Shun Tak
Cai Jinqing

Registered Office:

Maples Corporate Services Limited
PO Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Head Office and Principal place of business in Mainland China:

Xiaomi Campus, Anningzhuang Road
Haidian District
Beijing
The People's Republic of China

Principal Place of Business in Hong Kong:

5/F, Manulife Place
348 Kwun Tong Road, Kowloon
Hong Kong

May 14, 2024

To the Shareholders

Dear Sir/Madam

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES,
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS,
PROPOSED ADOPTION OF NEW MEMORANDUM AND
ARTICLES OF ASSOCIATION,
PROPOSED ADOPTION OF THE 2024 XIAOMI HK SHARE SCHEME
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to give you a notice of the AGM, and to provide information in respect of the resolutions to be proposed at the AGM regarding the proposed granting of the Share Repurchase Mandate and the Share Issue Mandate, the proposed re-election of the retiring Directors, the proposed adoption of the new Memorandum and Articles of Association and the proposed adoption of the 2024 Xiaomi HK Share Scheme.

LETTER FROM THE BOARD

2. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on June 8, 2023, the Directors were given a general unconditional mandate to repurchase Shares on the Stock Exchange. Up to the Latest Practicable Date, such mandate, to the extent not utilised by the date of the AGM, will lapse at the conclusion of the AGM.

In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the AGM for the Shareholders to consider and, if thought fit, grant to the Directors the Share Repurchase Mandate to repurchase the Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company (excluding any treasury Shares) as at the date of passing of the proposed ordinary resolution, details of which are set out in the proposed ordinary resolution 7 in the notice of the AGM (i.e. a maximum of 2,495,538,716 Shares to be repurchased by the Company, on the basis that the total issued share capital of the Company of 24,955,387,161 Shares remains unchanged from the Latest Practicable Date to the date of the AGM).

The Share Repurchase Mandate will expire upon whichever is the earliest of: (a) the conclusion of the first annual general meeting of the Company following the passing of the resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or by any applicable laws to be held; and (c) revoked or varied by ordinary resolution of the shareholders in general meeting.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing the requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Share Repurchase Mandate is set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on June 8, 2023, the Directors were given a general mandate to allot, issue and deal with Shares. Such mandate, to the extent not utilised by the date of the AGM, will lapse at the conclusion of the AGM.

In order to give the Company the flexibility to issue Class B Shares (including any sale or transfer of treasury Shares) if and when appropriate, an ordinary resolution will be proposed at the AGM for the Shareholders to consider and, if thought fit, grant to the Directors the Share Issue Mandate to allot, issue or deal with additional Class B Shares (including any sale or transfer of treasury Shares) not exceeding 20% of the total number of the issued Shares (excluding any treasury Shares) as at the date of passing of the proposed ordinary resolution, details of which are set out in the proposed ordinary resolution 8 in the notice of the AGM (i.e. a maximum of 4,991,077,432 Class B Shares to be issued (or transferred out of treasury) by the Company, on the basis that the total issued share capital of the Company of 24,955,387,161 Shares remains unchanged from the Latest Practicable Date to the date of the AGM).

In addition, an ordinary resolution will also be proposed at the AGM for the Shareholders to consider and, if thought fit, approve the extension of the Share Issue Mandate by adding to the total number of Class B Shares which may be allotted, sold or transferred or agreed conditionally or unconditionally to be allotted, sold or transferred by the Directors pursuant to the Share Issue Mandate the number of Shares purchased under the Share Repurchase Mandate (referred to in section 2 above), if granted. Details of the Share Issue Mandate and the extension of the Share Issue Mandate are respectively set out in resolutions 8 and 9 in the notice of the AGM.

LETTER FROM THE BOARD

The Share Issue Mandate will expire upon whichever is the earliest of: (a) the conclusion of the first annual general meeting of the Company following the passing of the resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or by applicable laws to be held; and (c) revoked or varied by ordinary resolution of the shareholders in general meeting.

4. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to the Articles of Association, Lin Bin, Liu De and Cai Jinqing shall retire at the AGM and, being eligible, will offer themselves for re-election at the AGM.

The Nomination Committee of the Company has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy and the independence of the independent non-executive Directors. Cai Jinqing, the retiring independent non-executive Director of the Company, has confirmed her independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The Nomination Committee and the Board considered that the retiring independent non-executive Director is independent in accordance with the independence guidelines set out in the Listing Rules; and satisfied with all the retiring Director's contribution to the Company, which will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. The Nomination Committee and the Board therefore recommended the re-election of all the retiring Directors including the aforesaid independent non-executive Director who are due to retire at the AGM.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. Details of the retiring Directors are set out in Appendix II to this circular.

Subject to the requirements under the Listing Rules and the Articles of Association, a shareholder may nominate a person to stand for election as a Director.

5. PROPOSED ADOPTION OF NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

In order to, among other things, update and bring the Memorandum and Articles of Association in line with the relevant amendments made to the Listing Rules in respect of the electronic dissemination of corporate communications by listed issuers (effective from December 31, 2023), the Board is proposing to seek the approval of the Shareholders by way of a special resolution at the AGM to amend the Memorandum and Articles of Association by the deletion in their entirety and the substitution in their place of the new Memorandum and Articles of Association.

Details of the proposed amendments to the existing Memorandum and Articles of Association brought about by the adoption of the new Memorandum and Articles of Association (marked-up against the existing Memorandum and Articles of Association) are set out in Appendix III to this circular. The new Memorandum and Articles of Association is written in English. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of the new Memorandum and Articles of Association is purely a translation only. Should there be any discrepancy, the English version shall prevail.

LETTER FROM THE BOARD

The Company has been advised by its legal advisers that the proposed amendments to the Memorandum and Articles of Association conform to the requirements of the Listing Rules and do not contravene the laws of the Cayman Islands, respectively. The Company also confirms that there is nothing unusual about the proposed amendments to the Memorandum and Articles of Association for a company listed on the Stock Exchange.

The proposed adoption of the new Memorandum and Articles of Association is subject to the passing of a special resolution at the AGM.

6. PROPOSED ADOPTION OF THE 2024 XIAOMI HK SHARE SCHEME

The Board resolved to propose the 2024 Xiaomi HK Share Scheme to be approved and adopted by the Shareholders. In approving the adoption of the 2024 Xiaomi HK Share Scheme, the Board considered various factors, including (i) the development of new business by Xiaomi HK; and (ii) that the 2024 Xiaomi HK Share Scheme would enable Xiaomi HK to incentivise and reward its employees, directors and other Eligible Participants for their contribution to the Xiaomi HK Group. Xiaomi HK is a wholly-owned subsidiary of the Company and constitutes a principal subsidiary of the Company for the purpose of Chapter 17 of the Listing Rules. Accordingly, the 2024 Xiaomi HK Share Scheme is governed by Chapter 17 of the Listing Rules and its adoption is subject to the approval of the Shareholders at the AGM.

The purpose of the 2024 Xiaomi HK Share Scheme is to provide Xiaomi HK with a flexible means of retaining, incentivising and rewarding Eligible Participants by compensating and/or providing benefits to them, aligns 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 thereby, 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.

As at the Latest Practicable Date, there were 10,000,000,000 Xiaomi HK Shares in issue. Assuming there is no change in the number of issued Xiaomi HK Shares during the period from the Latest Practicable Date to the Adoption Date, the maximum number of Xiaomi HK Shares issuable pursuant to the 2024 Xiaomi HK Share Scheme and any other schemes of Xiaomi HK (if any) in aggregate will be 1,000,000,000 Xiaomi HK Shares, being 10% of the total number of Xiaomi HK Shares in issue on the date of approval of the 2024 Xiaomi HK Share Scheme.

As at the Latest Practicable Date, no trustee had been appointed to administer and implement the 2024 Xiaomi HK Share Scheme.

Operation of the 2024 Xiaomi HK Share Scheme is conditional upon:

- (a) the passing of a resolution by the Xiaomi HK Shareholder to approve the adoption of the 2024 Xiaomi HK Share Scheme; and
- (b) the passing of the ordinary resolution by the Shareholders at the AGM to approve the adoption of the 2024 Xiaomi HK Share Scheme.

LETTER FROM THE BOARD

Explanation of the terms of the 2024 Xiaomi HK Share Scheme

Please see the Appendix IV to this circular for:

- (a) a summary of the principal terms of the 2024 Xiaomi HK Share Scheme. This summary serves as an overview of these terms and does not constitute the full reproduction of the terms or a comprehensive list of all the rules under the 2024 Xiaomi HK Share Scheme; and
- (b) *in italics and as notes to the summary*, the views of the Directors and Remuneration Committee as to the appropriateness and reasonableness of particular terms and how they align with the purpose of the 2024 Xiaomi HK Share Scheme.

Document on display

A copy of the rules of the 2024 Xiaomi HK Share Scheme will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the AGM and the rules of the 2024 Xiaomi HK Share Scheme will be made available for inspection at the AGM.

7. AGM AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 42 to 46 of this circular. At the AGM, resolutions will be proposed to approve, among others, the granting of the Share Repurchase Mandate and the Share Issue Mandate, the extension of the Share Issue Mandate by the addition thereto of the number of Shares repurchased pursuant to the Share Repurchase Mandate, the re-election of the retiring Directors, the adoption of the new Memorandum and Articles of Association and the adoption of the 2024 Xiaomi HK Share Scheme.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the AGM. An announcement on the poll results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

The Company is controlled through weighted voting rights. Holders of Class B Shares present in person (in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have one vote per Share. Holders of Class A Shares present in person (in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have ten votes per Share (i.e. resolutions 1 to 3, 5, 7 to 11 in the notice of the AGM), save for resolutions with respect to any Reserved Matters, in which case they shall have one vote per Share (i.e. resolutions 4, 6 and 12, regarding the proposed re-election of independent non-executive Directors, the re-appointment of auditor and the adoption of the new Memorandum and Articles of Association, in the notice of the AGM). Holders of Class B Shares and Class A Shares shall at all times vote together as one class.

Holders of treasury Shares (if any) shall abstain from voting on matters that require shareholders' approval at the Company's general meetings.

LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.mi.com). Whether or not you are able to attend the AGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power of attorney or authority, to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM (i.e. not later than 2:00 p.m. on June 4, 2024) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM if you so wish and in such event, your proxy form shall be deemed to be revoked.

8. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

9. RECOMMENDATION

The Directors consider that the granting of the Share Repurchase Mandate, the granting of the Share Issue Mandate and the extension of the Share Issue Mandate, the re-election of the retiring Directors, the proposed adoption of the new Memorandum and Articles of Association and the proposed adoption of the 2024 Xiaomi HK Share Scheme are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

10. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular: Appendix I — Explanatory Statement on the Share Repurchase Mandate; Appendix II — Details of the Retiring Directors Proposed to be Re-elected at the AGM; Appendix III — Proposed Amendments to Memorandum and Articles of Association; and Appendix IV — Summary of the Principal Terms of the 2024 Xiaomi HK Share Scheme.

Yours faithfully,
By order of the Board
Xiaomi Corporation
Lei Jun
Chairman of the Board

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Share Repurchase Mandate.

1. REASONS FOR REPURCHASE OF SHARES

The Directors believe that the granting of the Share Repurchase Mandate is in the interests of the Company and the Shareholders as a whole.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Share Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 24,955,387,161 Shares, out of which 4,537,658,844 were Class A Shares and 20,417,728,317 were Class B Shares, with no treasury Shares.

Subject to the passing of the ordinary resolution set out in item 7 of the notice of the AGM in respect of the granting of the Share Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged as at the date of the AGM, i.e. being 24,955,387,161 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, up to a maximum of 2,495,538,716 Shares, representing 10% of the total number of issued Shares in issue as at the date of the AGM.

3. FUNDING OF REPURCHASES

Repurchases of Shares will be funded from the Company's internal resources, which shall be funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules, the applicable laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended December 31, 2023) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

5. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (as defined under the Takeovers Code) could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, the WVR Beneficiaries were Lei Jun and Lin Bin. Lei Jun is deemed to be interested in 4,086,659,226 Class A Shares and 1,967,520,412 Class B Shares, representing approximately 65.1% of the voting rights in the Company; and Lin Bin is deemed to be interested in 450,999,618 Class A Shares and 1,888,920,592 Class B Shares, representing approximately 9.7% of the voting rights in the Company. Pursuant to Rule 8A.15 of the Listing Rules, in the event that the Directors exercise the Share Repurchase Mandate, the WVR Beneficiaries must reduce their weighted voting rights in the Company proportionately through conversion of a proportion of their shareholding into Class B Shares, if the reduction in the number of Shares in issue (after deducting any treasury Shares) would otherwise result in an increase in the proportion of Class A Shares. As such, to the best knowledge and belief of the Directors, the exercise of the Share Repurchase Mandate is not expected to give rise to an obligation of Lei Jun and Lin Bin to make a mandatory offer under the Takeovers Code. The Directors have no present intention to repurchase the Shares to the extent that will trigger the obligations under the Takeovers Code to make a mandatory offer. The Directors are not aware of any other consequences which may arise under the Takeovers Code as a result of any purchase by the Company of its Shares.

In addition, the Directors do not propose to repurchase Shares which would result in less than the relevant prescribed minimum percentage of Shares in public hands as required by the Stock Exchange.

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors will exercise the power of the Company to make repurchases of Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands. In addition, the Company has confirmed that neither the Explanatory Statement nor the proposed share repurchase has any unusual features.

The Company may cancel such repurchased Shares or hold them as treasury Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

For any treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to HKSCC to vote at general meetings of the Company for the treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the treasury Shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury Shares.

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Class B Shares have been traded on the Stock Exchange during each of the previous twelve months up to and including the Latest Practicable Date were as follows:

Month	Price per Share	
	Highest HK\$	Lowest HK\$
2023		
April	12.76	10.80
May	11.60	10.14
June	11.20	9.86
July	12.70	10.62
August	12.88	11.22
September	12.60	11.26
October	14.40	11.56
November	16.98	13.94
December	16.70	14.16
2024		
January	15.60	12.14
February	13.64	11.84
March	15.46	12.56
April (up to the Latest Practicable Date)	17.88	15.08

8. REPURCHASES OF SHARES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company has repurchased its Class B Shares on the Stock Exchange as follows:

Date of Repurchase	No. of Class B shares Repurchased	Highest Price per Share HK\$	Lowest Price per Share HK\$
November 24, 2023	1,600,000	15.00	14.96
December 5, 2023	3,200,000	14.76	14.66
December 6, 2023	3,200,000	14.90	14.84
December 8, 2023	3,200,000	14.52	14.46
December 11, 2023	3,200,000	14.54	14.44
December 28, 2023	3,000,000	16.30	16.20
December 29, 2023	6,000,000	15.62	15.38
January 2, 2024	3,000,000	15.54	15.48
January 3, 2024	3,300,000	14.94	14.88
January 4, 2024	3,300,000	15.10	15.04
January 5, 2024	3,500,000	14.96	14.84
January 8, 2024	7,000,000	14.38	14.20
January 9, 2024	3,500,000	14.38	14.20
January 10, 2024	3,500,000	14.10	14.00
January 11, 2024	3,500,000	14.48	14.44
January 12, 2024	3,500,000	14.26	14.16
January 15, 2024	3,500,000	14.24	14.14
January 16, 2024	3,500,000	13.80	13.74
January 17, 2024	10,500,000	13.24	13.02
January 18, 2024	7,000,000	13.44	13.24
January 19, 2024	7,000,000	13.26	13.08
January 22, 2024	7,000,000	12.98	12.70
January 23, 2024	7,000,000	13.40	13.20
January 24, 2024	7,000,000	13.74	13.38
January 25, 2024	7,000,000	13.90	13.66
January 26, 2024	7,000,000	13.34	13.14
January 29, 2024	3,500,000	13.40	13.30
January 30, 2024	4,000,000	12.90	12.82
January 31, 2024	4,000,000	12.44	12.30
February 1, 2024	4,000,000	12.56	12.40
February 2, 2024	4,000,000	12.44	12.56
February 5, 2024	4,000,000	12.22	12.08
February 7, 2024	4,000,000	12.78	12.68
February 8, 2024	4,000,000	12.64	12.58

Date of Repurchase	No. of Class B shares Repurchased	Highest Price per Share <i>HK\$</i>	Lowest Price per Share <i>HK\$</i>
February 9, 2024	3,000,000	12.46	12.32
February 14, 2024	1,500,000	12.64	12.58
February 15, 2024	1,500,000	12.74	12.70
March 27, 2024	3,334,400	15.00	14.76
March 28, 2024	3,500,000	15.00	14.94
April 3, 2024	3,200,000	15.76	15.54
April 5, 2024	3,000,000	15.54	15.46
April 8, 2024	3,000,000	15.50	15.42
April 16, 2024	3,000,000	15.98	15.92
April 19, 2024	3,000,000	15.86	15.82
April 22, 2024	3,000,000	15.82	15.76
	<u>186,534,400</u>		

Pursuant to the Listing Rules, the details of the Directors, who will retire and being eligible, offer themselves for re-election at the AGM, are provided below.

(1) **LIN BIN**

Position and experience

Lin Bin (“**Mr. Lin**”), aged 56, is an executive Director, a Co-founder and the Vice Chairman of the Board. He is also a member of the Nomination Committee. Mr. Lin currently holds directorships in various subsidiaries of the Group.

Mr. Lin co-founded Xiaomi with Lei Jun in 2010. He served as President of Xiaomi until 2019 when he took on the role of Vice Chairman. During the early phase of Xiaomi’s development, Mr. Lin was responsible for HR recruiting, legal and finance operation, strategic partnerships with key suppliers, and overseas market expansion in countries like India, Indonesia etc. As the company grew, Mr. Lin also oversaw the company’s domestic sales and marketing, after-sales services operations, and Xiaomi’s smartphone business.

Mr. Lin had served as an Engineering Director at Google Inc. between 2006 and 2010. Before this, he had worked at Microsoft Corporation from 1995 to 2006 and served various roles such as Software Design Engineer (SDE), SDE Lead, SDE Manager, and Engineering Director. Prior to this, Mr. Lin worked as a Network Engineer at ADP Inc. since May 1993.

Mr. Lin has held numerous visiting and adjunct professorships, including visiting professor at Zhejiang University (浙江大學) in 2002, visiting professor at Tongji University (同濟大學) in 2002, adjunct professor at Nankai University (南開大學) from 2002 to 2005 and adjunct professor at Sun Yat-sen University (中山大學) from 2005 to 2008. He currently sits on the Board of Advisors of the Tufts University School of Engineering.

Mr. Lin received a Bachelor of Science in Radio Electronics from Sun Yat-sen University (中山大學) in July 1990, and a Master of Science from Drexel University in June 1992.

Save as disclosed above, Mr. Lin has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Mr. Lin entered into a service agreement with the Company on June 19, 2018 pursuant to which he agreed to act as an executive Director and the Vice Chairman of the Board for a period of three years, which will be automatically renewed for successive periods of three years. He is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Relationships

Save as disclosed in the sections “Position and experience” and “Interests in Shares”, as at the Latest Practicable Date, Mr. Lin does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Lin was interested or deemed to be interested in the following Shares or underlying Shares of the Company pursuant to Part XV of the SFO:

Nature of interest ⁽¹⁾	Relevant company	Number and class of securities	Approximate percentage of shareholding in the relevant class of Shares ⁽²⁾
Beneficial owner (L)		30,347,523 Class B Shares	0.15%
Trustee of a trust (L)	Apex Star FT LLC ⁽³⁾	93,438,272 Class B Shares	0.46%
Interest in controlled corporations (L)	Apex Star LLC ⁽³⁾	450,999,618 Class A Shares	9.94%
		1,704,448,197 Class B Shares	8.35%
Interest in controlled corporations (L)	Bin Lin and Daisy Liu Family Foundation ⁽³⁾	60,686,600 Class B Shares	0.30%

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 the Latest Practicable Date .
- (3) Mr. Lin directly holds 30,347,523 Class B Shares. Apex Star FT LLC is controlled by Bin Lin Family Trust. Accordingly, Mr. Lin, 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. Apex Star LLC is controlled by Mr. Lin. Accordingly, Mr. Lin is deemed to be interested in 1,704,448,197 Class B Shares and 450,999,618 Class A Shares held by Apex Star LLC under the SFO. Bin Lin and Daisy Liu Family Foundation is controlled by Mr. Lin. Accordingly, Mr. Lin is deemed to be interested in 60,686,600 Class B Shares held by Bin Lin and Daisy Liu Family Foundation under the SFO.

Save as disclosed above, Mr. Lin was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Mr. Lin is not entitled to receive any annual director's fee from the Company.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Lin to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Lin that need to be brought to the attention of the Shareholders.

(2) LIU DE*Position and experience*

Liu De (“**Mr. Liu**”), aged 50, is an executive Director, a Co-Founder, Senior Vice President and Minister of the Group Leadership Management Department, is currently responsible for the recruitment, promotion, training and evaluation of the middle and senior management of the Group, as well as the organizational structure design and approval procedures of each department. Mr. Liu is a director of various members of the Group. Mr. Liu is also a director of Ninebot Limited (Shanghai Stock Exchange Stock Code: 689009), Viomi Technology Co., Ltd. (NASDAQ ticker: VIOT), Zepp Health Corporation (NYSE ticker: ZEPP) and Shanghai Longcheer Technology Co., Ltd. (Shanghai Stock Exchange Stock Code: 603341). In October 2002, Mr. Liu co-founded Beijing Xinfengrui Industrial Design Co., Ltd. (北京新鋒銳工業設計公司) and served as its executive director until 2007.

Mr. Liu received a Bachelor's degree in Industrial Design in July 1996 and a Master's degree in Mechanical Design and Theory in March 2001, both from the Beijing Institute of Technology (北京理工大學). Mr. Liu received a Master's degree in Industrial Design from Art Center College of Design, Pasadena, California, US, in April 2010.

Save as disclosed above, Mr. Liu has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Mr. Liu entered into a service agreement with the Company on March 24, 2021 pursuant to which he agreed to act as an executive Director of the Board for a period of three years, which will be automatically renewed for successive periods of three years. He is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Relationships

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Liu does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Liu was interested or deemed to be interested in the following Shares or underlying Shares of the Company pursuant to Part XV of the SFO:

Nature of interest ⁽¹⁾	Relevant company	Number and class of securities	Approximate percentage of shareholding in the relevant class of Shares ⁽²⁾
Beneficial owner (L)		10,000,000 Class B Shares	0.05%
Founder of a trust (L)	Lofty Power International Limited ⁽³⁾	135,871,935 Class B Shares	0.67%

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 the Latest Practicable Date.
- (3) Mr. Liu directly holds 10,000,000 Class B Shares. Lofty Power International Limited is controlled by YYL Trust (formerly known as YYL Family Trust). Accordingly, Mr. Liu, as the settlor and protector of YYL Trust, is deemed to be interested in 135,871,935 Class B Shares held by Lofty Power International Limited under the SFO.

Save as disclosed above, Mr. Liu was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director’s emoluments

Mr. Liu is not entitled to receive any annual director’s fee from the Company.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Liu to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Liu that need to be brought to the attention of the Shareholders.

(3) CAI JINQING*Position and experience*

Cai Jinqing (“**Ms. Cai**”), aged 56, has been appointed as an independent non-executive Director, and a member of the Nomination Committee and the Corporate Governance Committee in January 2024.

Ms. Cai has served as the president of Kering Greater China since 2018. She is committed to enhancing the reputation of Kering in Greater China, strengthening the relationship between Kering and its partners, propelling the long-term development of Kering in China, and promoting the increasingly significant role of Greater China in the global market.

From 2012 to 2018, Ms. Cai worked for Christie’s, a world-leading art auction house. Ms. Cai was appointed as the first managing director, president and chairwoman of Christie’s China during her tenure at Christie’s. At present, Ms. Cai is a member of Christie’s Asia Advisory Council. Ms. Cai had also been the founding partner of Brunswick Beijing from 2005 to 2012, a world renowned public relations consulting firm. Prior to that, Ms. Cai founded New Alliance Consulting International Limited and managed the annual conference of Boao Forum for Asia as an exclusive public relations consultant.

Since December 1, 2021, Ms. Cai has served on the board of Mandarin Oriental International Limited (the shares of which are listed on London Stock Exchange (Stock Code: MDO), the Singapore Exchange Limited (Stock Code: M04) and Bermuda Stock Exchange (Stock Code: MOIBD.BH)) as a non-executive director. Ms. Cai also serves as the vice chairwoman of the board of Teach for China, a leading non-profit organisation in China focusing on educational inequality issues in China.

Ms. Cai obtained her Bachelor’s degree from Wellesley College located in Massachusetts and holds a Master’s degree in Public Affairs from Princeton University, School of International and Public Affairs.

Save as disclosed above, Ms. Cai has confirmed that she does not hold (i) any other position with the Company or other members of the Group; (ii) any directorship in any other public companies with securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Length of service

Pursuant to the letter of appointment issued by the Company to Ms. Cai, her initial term of office is three years commencing from the date of her appointment or until the third annual general meeting of the Company since the date of her appointment, whichever is sooner. She is also subject to retirement by rotation and re-election at least once every three years in accordance with the Articles of Association.

Relationships

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Cai does not have any relationships with any Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Cai was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the aforesaid appointment letter, Ms. Cai is entitled to receive an annual director's fee of HK\$600,000.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Ms. Cai to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Ms. Cai that need to be brought to the attention of the Shareholders.

Details of the proposed amendments to the Memorandum and Articles of Association are set out as follows:

Clause No. **Proposed amendments (showing changes to the existing Memorandum of Association)**

Cover page
and heading

~~SEVENTEENTH~~**EIGHTEENTH AMENDED AND RESTATED**
MEMORANDUM OF ASSOCIATION
OF
XIAOMI CORPORATION
小米集团

(adopted by special resolution passed on ~~2 June 2022~~[•] 2024)

Article No. Proposed amendments (showing changes to the existing Articles of Association)

Cover page
and heading~~SEVENTEENTH~~**EIGHTEENTH AMENDED AND RESTATED
ARTICLES OF ASSOCIATION
OF
XIAOMI CORPORATION
小米集团**(adopted by special resolution passed on ~~2 June 2022~~[•] 2024)

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2.2 In these Articles, unless there be something in the subject or context inconsistent therewith:

“Corporate Communication” shall have the meaning given to it in the Listing Rules.

- 5.8 The register may, on at least 10 business days' notice (or on at least 6 business days' notice in the case of a rights issue) being given by advertisement published on the Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the register or part thereof which is closed by virtue of these Articles with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed. In the event that there is an alteration of book closure dates, the Company shall give at least 5 business days' notice in accordance with the procedures set out in this Article and the Listing Rules.
- 7.3 A copy of the notice referred to in Article 7.2 shall be sent in the manner in which notices may be sent to members by the Company as herein provided in Article 35.1.
- ~~7.5 In addition to the giving of notice in accordance with Article 7.3, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members affected by notice published on the Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers.~~
- 7.5 ~~7.6~~A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.
- 7.6 ~~7.7~~The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other monies due in respect thereof.
- 7.7 ~~7.8~~The Board may from time to time at its discretion extend the time fixed for any call, and may extend such time as to all or any of the members, whom by reason of residence outside Hong Kong or other cause the Board considers it reasonable to grant an extension to, but no member shall be entitled to any such extension as a matter of grace and favour.
- 7.8 ~~7.9~~If the sum or any instalment payable in respect of any call is unpaid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 15% per annum as the Board shall determine from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part.
- 7.9 ~~7.10~~No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member) at any general meeting, either personally or by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member until all sums or instalments due from him to the Company in respect of any call, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.

- 7.10 ~~7.11~~—At the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, and the proof of the matters aforesaid shall be conclusive evidence of the debt.
- 7.11 ~~7.12~~—Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the nominal value of the share and/or by way of premium or otherwise, shall for all purposes of these Articles be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, liabilities of joint holders, forfeiture and the like, shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 7.12 ~~7.13~~—The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the monies so advanced the Company may pay interest at such rate (if any) as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such member not less than one month's notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. No such sum paid in advance of calls shall entitle the member paying such sum to any portion of a dividend declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.
- 10.1 If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time during such time as any part thereof remains unpaid, without prejudice to the provisions of Article ~~7.10~~7.9, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment.
- 13.1 The Company shall hold a general meeting as its annual general meeting ~~in~~for each financial year, to be held within six months (or such other period as may be permitted by the Listing Rules or the Exchange) after the end of such financial year. The annual general meeting shall be specified as such in the notices calling it and shall be held at such time and place as the Board shall appoint.

- 15.10 The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority, (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered ~~at~~in the ~~registered office of the Company~~ ~~(manner (including by electronic means) and/or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith)~~, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid provided always that the Chairperson of the meeting may at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited upon receipt of telex or cable or facsimile confirmation from the appointor that the instrument of proxy duly signed is in the course of transmission to the Company. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- 35.1 Except as otherwise provided in these Articles, any notice or document, including any Corporate Communication, may be served by the Company and any notices may be served by the Board on any member ~~either personally or in any of the following manner to the extent permitted by, and in compliance with the requirements of, the Listing Rules:~~
- (a) personally by leaving it at the registered address of such member as appearing in the register;
 - (b) by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or, to the extent permitted (which shall be sent by airmail where the notice or document is posted from one country to another);
 - (c) by the Listing Rules and all applicable laws and regulations, by making it available using electronic means by, including transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company's Website provided that the Company has obtained either (a) the member's prior express positive confirmation in writing or (b) the member's deemed consent, in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means; or;
 - (d) by making it available on the Company's Website and/or the Exchange's website; or
 - (e) (in the case of notice) by advertisement published in the manner prescribed under the Listing Rules.

- 35.4 ~~A member shall be entitled to have notice served on him at any address within Hong Kong. Any member who has not given an express positive confirmation in writing to the Company in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.~~
- 35.4 Any notice or document, including any Corporate Communication:
- (a) delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left;
 - (b) ~~35.5~~ Any notice or document sent by post shall be deemed to have been served on the day following that on which it is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence thereof.;
- 35.6 ~~Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.~~
- (c) given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations, and it shall not be necessary for the receipt of the electronic transmission to be acknowledged by the recipient;
 - (d) served by being made available on the Company's Website and/or the Exchange's website shall be deemed to be served on the day the notice or document first appears on the Company's Website and/or the Exchange's website, or at such later time as may be prescribed by the Listing Rules; and
 - (e) ~~35.7~~ Any notice served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates).

- ~~35.8 Any notice given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations.~~
- 35.5 ~~35.9~~A notice may be given by the Company to the person or persons entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it through the post in a prepaid letter addressed to him or them by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within Hong Kong supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
- 35.6 ~~35.10~~Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the register shall have been duly given to the person from whom he derives his title to such share.
- 35.7 ~~35.11~~Any notice or document delivered or sent to any member in pursuance of these Articles, shall notwithstanding that such member be then deceased and whether or not the Company has notice of his death be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.
- 35.8 ~~35.12~~The signature to any notice to be given by the Company may be written or printed by means of facsimile or, where relevant, by Electronic Signature.
- 37.1 The Company shall comply with the provisions of Appendix ~~14C1~~ of the Listing Rules regarding communication with shareholders or members of the Company.

The following is a summary of the principal terms of the Scheme Rules to be considered and approved by Shareholders at the AGM. It does not form part of, nor is it intended to be part of, the Scheme Rules. The Directors reserve the right at any time prior to the AGM to make amendments to the 2024 Xiaomi HK Share Scheme as they may consider necessary or appropriate provided that such amendments do not conflict in any material aspect with the summary set out in this Appendix.

Purpose: The purpose of the 2024 Xiaomi HK Share Scheme is to provide Xiaomi HK with a flexible means of retaining, incentivising and rewarding Eligible Participants by compensating and/or providing benefits to them, 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 thereby, 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.

Awards: An award may take the form of a Share Option or a Share Award, and which shall be funded by Award Shares.

Scheme administration: The 2024 Xiaomi HK Share Scheme shall be administered by the Scheme Administrator, being either the Xiaomi HK Board and/or any committee of the Xiaomi HK Board or other person(s) to whom the Xiaomi HK Board has delegated its authority to administer the 2024 Xiaomi HK Share Scheme.

Eligible participants: Eligible Participants are determined by the Scheme Administrator from time to time to be eligible to participate as grantees under the 2024 Xiaomi HK Share Scheme, and shall fall under one or more of the below categories:

- (a) ***Employee Participant***, being any person who is an employee (whether full-time or part-time or other employment relationship), director or officer of any member of the Xiaomi HK Group on the Grant Date.
- (b) ***Related Entity Participant***, being any person who is an employee (whether full-time or part-time or other employment relationship), director or officer of: a “holding company” of Xiaomi HK (as defined in the SFO); a “subsidiary” of a holding company of Xiaomi HK (as defined in the SFO) other than the Group; or an “associate company” of Xiaomi HK (as defined in the Listing Rules).

- (c) **Service Provider Participant**, being a person who provides services to the Xiaomi HK Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Xiaomi HK Group as determined by the Scheme Administrator pursuant to the below criteria:

Category	Eligibility criteria for Service Provider Participant
(i) Service providers	Outsourced staff engaged by the Xiaomi HK Group that provides services which are material and relevant to the Xiaomi HK Group's operations (including but not limited to information technology support, customer services and retail store supports) on a regular or recurring basis.
(ii) Consultants	Those that (a) provide consultancy services material and relevant to the Xiaomi HK Group's operations (including but not limited to services in recruitment, tax, research and development, market advisory services); (b) engage with the Xiaomi HK Group on a regular or recurring basis; and (c) have specialties or expertise in areas that supplement the Xiaomi HK Group or with which the Xiaomi HK Group would consider important to maintain a close business relationship on an ongoing basis.
(iii) Suppliers	Those that supply the Xiaomi HK Group with goods on a regular or recurring basis, with which the Xiaomi HK Group would consider important to maintain a close business relationship on an ongoing basis, and in turn, it would be beneficial to the Xiaomi HK Group's business relationship to grant such supplier with proprietary ownership in Xiaomi HK and to encourage the supplier to have a vested shareholding interest in Xiaomi HK and in the Xiaomi HK Group's future development.
(iv) Agents and contractors	Those that provide important services to the Xiaomi HK Group on a regular or recurring basis with which the Xiaomi HK Group would consider important to maintain a close collaborative relationship on an ongoing basis, that in turn, it would be beneficial to the collaboration between the Xiaomi HK Group and the agents and/or contractors to grant such agents and/or contractors proprietary ownership in Xiaomi HK and to encourage the agents and/or contractors to have a vested shareholding interest in Xiaomi HK and the Xiaomi HK Group's future development.

Additional criteria for determining the eligibility of a Service Provider Participant

Where a service provider qualifies for one of the above service provider types and meets the initial eligibility criteria to fall within the above categories, the below will be considered:

Whether one qualifies as a Service Provider Participant: Whether a potential service provider will be eligible to qualify as a Service Provider Participant will be determined by the Scheme Administrator based on qualitative and quantitative performance indicators to be on a case-by-case basis in accordance with the above eligibility criteria.

Whether a service provider provides services to the Group on a continuing basis: In assessing whether a service provider provides services to the Group on a continuing basis, the Scheme Administrator will take into account factors such as: (i) length and type of services provided or will be provided to the Xiaomi HK Group, recurrence and regularity of such services; (ii) how the selection metrics benchmark against comparable metrics used to determine other eligible participants who have been granted awards under the 2024 Xiaomi HK Share Scheme; (iii) the Xiaomi HK Group's objectives in engaging the service provider and how granting awards to the service provider would align with the purpose of the 2024 Xiaomi HK Share Scheme or benefit the Xiaomi HK Group; and (iv) remuneration packages of comparable listed peers with respect to similar service providers, if any, based on available industry information.

Note:

The Directors (including the independent non-executive Directors) consider the proposed categories of Related Entity Participant and Service Provider Participant to be in line with industry norms and that the proposed scope for "Eligible Participants" (including the selection of Eligible Participants) to be appropriate and aligns with the purpose of the 2024 Xiaomi HK Share Scheme. In particular:

- (a) Related Entity Participants will have a sufficiently close relationship with the Xiaomi HK Group and would likely be in a position to influence the Xiaomi HK Group's business, reputation, operations and performance;*
- (b) Service Provider Participants are those service provider sub-categories that Xiaomi HK considers to be particularly important to the success of the Xiaomi HK Group's business and future development, including (i) by contributing to the Xiaomi HK Group's operations and business structure/model (e.g., through the expertise and contribution information technology support, customer services and retails store supports); and (ii) would enable the Xiaomi HK Group to preserve its cash resources, and instead, use share incentives to attract persons of talent outside of the Xiaomi HK Group, whilst also aligning their interests with that of the Xiaomi HK Group and Xiaomi HK Shareholder through them owning a proprietary interest in Xiaomi HK and becoming future Xiaomi HK Shareholders; and*

- (c) *this scope is consistent with scope of grantees under the Company's past subsidiary share schemes, as well as, to the best knowledge of the Directors, the practices of peer companies that operate in similar or comparable industries to that of the Xiaomi HK Group and their remuneration or compensation packages, and accordingly, the Directors (including the independent non-executive Directors) consider it appropriate to enhance the long-term relationship with these Eligible Participants by aligning their interests with that of Xiaomi HK and the Xiaomi HK Shareholder. Based on the above, the Directors (including the independent non-executive Directors) believe that the proposed scope for "Eligible Participants" is in line with the purpose of the 2024 Xiaomi HK Share Scheme.*

**Scheme
Mandate
Limit and
Service
Provider
Sublimit:**

Scheme Mandate Limit:

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 (the "**Scheme Mandate Limit**") is:

- (a) initially set at 10% of the Xiaomi HK Shares in issue as at the Adoption Date, being 1,000,000,000 Xiaomi HK Shares (assuming that there are no changes to Xiaomi HK's issued share capital between the Latest Practicable Date and the AGM); and
- (b) may be subsequently refreshed in accordance with the Scheme Rules and the Listing Rules, as further approved by Shareholders at general meeting.

Award Shares underlying Awards which have lapsed in accordance with the terms of the Scheme Rules or the terms of any other share schemes of Xiaomi HK (and to which the provisions of Chapter 17 of the Listing Rules are applicable) will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit, while the Awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

As at the Latest Practicable Date, the Company and Xiaomi HK has no concrete plan regarding the granting of Awards under the 2024 Xiaomi HK Share Scheme.

Service Provider Sublimit:

Within the Scheme Mandate Limit, the total number of Xiaomi HK Shares that may be issued pursuant to all Awards to be granted to Service Provider Participants under the 2024 Xiaomi HK Share Scheme (the "**Service Provider Sublimit**") is:

- (a) initially set at up to 0.5% of the Xiaomi HK Shares in issue as at the Adoption Date (representing up to 5% of the Scheme Mandate Limit), being 50,000,000 Xiaomi HK Shares (assuming that there are no changes to Xiaomi HK's issued share capital between the Latest Practicable Date and the AGM); and
- (b) may be subsequently refreshed in accordance with the Scheme Rules and the Listing Rules, as further approved by Shareholders at general meeting.

Note:

The Service Provider Sublimit is determined based on the maximum possible number of Award Shares that Xiaomi HK intends to grant to Service Provider Participants and Xiaomi HK's future business and development plan. The Directors (including the independent non-executive Directors) consider the Service Provider Sublimit to be appropriate and reasonable given the nature of the industries in which the Xiaomi HK Group operates and the Xiaomi HK Group's current and future business needs, and takes into account:

- (i) the rationale behind the scope and eligibility criteria of Service Provider Participants, as detailed above;*
- (ii) the awards granted to service provider participants under the Company's past subsidiary share schemes;*
- (iii) that this sublimit provides the Xiaomi HK Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or directors of the Xiaomi HK Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Xiaomi HK Group, which is in line with the purpose of the 2024 Xiaomi HK Share Scheme; and*
- (iv) the fact that this sublimit represents a maximum limit and that Xiaomi HK retains the flexibility to allocate Award Shares from this sublimit to satisfy Awards to other Eligible Participants depending on business growth and needs in the future as and when appropriate. For example, where Xiaomi HK considers that the business needs of the Xiaomi HK Group at a future point in time suggests that the full Service Provider Sublimit is no longer needed for Service Provider Participants and that it would be more appropriate and beneficial to serve the purpose of the 2024 Xiaomi HK Share Scheme to allocate a portion of the Award Shares under this sublimit to other Eligible Participants.*

Refreshing the scheme limit and sublimit:

The Company may refresh the Scheme Mandate Limit and/or the Service Provider Sublimit, as currently in place from time to time, with the approval of Shareholders at general meeting and in accordance with Chapter 17 of the Listing Rules (namely, Listing Rule 17.03C). Any “refreshment” within any three year period, to the extent required by the Listing Rules, shall be approved by Shareholders and subject to the following:

- (a) any controlling shareholder and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
- (b) the Company will comply with the applicable Listing Rules in relation to such refreshment, including Listing Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 (relating to, among others, special requirements for general meetings in respect of transactions that are subject to independent Shareholders' approval and abstentions from voting).

Maximum entitlement of each Eligible Participant: There is no specific maximum entitlement for each Eligible Participant under the 2024 Xiaomi HK Share Scheme. Grants to individuals that exceed the thresholds set out in the Chapter 17 of the Listing Rules will be subject to additional approval requirements as required under the Chapter 17 of the Listing Rules.

Further approval requirements: Any Award granted to a Director, chief executive of the Company or substantial shareholder of the Company, or any of their respective associates requires approval from the independent non-executive Directors (other than the independent non-executive Director who is the grantee). The Corporate Governance Committee shall make a recommendation on any grants of options or awards to a Director who is a WVR Beneficiary.

Additionally, Awards granted to any individual Eligible Participant may be subject to further approval requirements (namely, further approval by Shareholders and/or approval by the remuneration committee to the Board and independent Directors), as required and in accordance with Chapter 17 of the Listing Rules, namely, Listing Rules 17.03D and 17.04, and includes:

	Grantee	Threshold triggering additional approval	Additional approval
(a)	Independent non-executive Director, substantial shareholder of the Company, or their associates	Where the Xiaomi HK Shares issued and to be issued under all Awards granted to the individual grantee (excluding Awards lapsed under the 2024 Xiaomi HK Share Scheme) within any 12-month period (including the date of the latest grant) represent in aggregate over 0.1% of the Xiaomi HK Shares in issue.	Requires approval from Shareholders at general meeting (with the grantee, their associates, and all core connected persons of the Company abstaining from the vote, and Listing Rules 13.40 to 13.42 must be complied with).
(b)	Other Directors, chief executive of the Company, or their respective associates	Where the Xiaomi HK Shares issued and to be issued under all Share Awards (not Share Options) granted to the individual grantee (excluding Share Awards lapsed under the 2024 Xiaomi HK Share Scheme) within any 12-month period (including the date of the latest grant) represent in aggregate over 0.1% of the Xiaomi HK Shares in issue.	Requires approval from Shareholders at general meeting (with the grantee, their associates, and all core connected persons of the Company abstaining from the vote, and Listing Rules 13.40 to 13.42 must be complied with).

Where the Xiaomi HK Shares issued and to be issued under all Awards granted to the individual grantee (excluding Awards lapsed under the 2024 Xiaomi HK Share Scheme) within any 12-month period (including the date of the latest grant) represent in aggregate over 1% of the Xiaomi HK Shares in issue.

Requires approval from Shareholders at general meeting (with the grantee, and their close associates, or where the grantee is a connected person, their associates abstaining from the vote).

(c) Other Eligible Participants

Where the Xiaomi HK Shares issued and to be issued under all Awards granted to the individual grantee (excluding Awards lapsed under the 2024 Xiaomi HK Share Scheme) within any 12-month period (including the date of the latest grant) represent in aggregate over 1% of the Xiaomi HK Shares in issue.

Requires approval from Shareholders at general meeting (with the grantee, and their close associates, or where the grantee is a connected person, their associates abstaining from the vote).

Acceptance:

The Scheme Administrator may determine in their absolute discretion the amount (if any) payable on application or acceptance of an Award and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the Award Letter. Unless otherwise specified in the Award Letter, the Grantee shall have until the first vesting date to accept the Award, following which, the portion not accepted by the Grantee shall automatically lapse.

Issue price and exercise price: The Scheme Administrator may determine in their absolute discretion the Issue Price for the exercise of Share Awards and/or the Exercise Price for Share Options for Awards in the form of Share Awards and/or Share Option (as the case may be) and such prices shall be set out in the Award Letter.

In the event that the Company resolves to seek a separate listing of the Xiaomi HK Shares on the Stock Exchange, GEM or an overseas stock exchange, for so long as Xiaomi HK is a subsidiary of the Company, subject to adjustment in accordance with the relevant requirement under Rule 17.15(2) of the Listing Rules, the Exercise Price of any Share Options granted after such resolution and up to the listing date of Xiaomi HK must not be lower than the new issue price (if any). In particular, the Exercise Price of any Share Options granted during the period commencing six (6) months before the lodgement of Form A1 (or its equivalent for listing on GEM or the overseas stock exchange) up to the listing date of Xiaomi HK must not be lower than the new issue price (if any).

After the Xiaomi HK Shares are listed on the Stock Exchange, the Exercise Price of any Share Options to be granted shall be at least the higher of:

- (a) the closing price of the Xiaomi HK Shares as stated in the daily quotations sheet issued by the Stock Exchange on the Grant Date; and
- (b) the average closing price of the Xiaomi HK Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the Grant Date.

For the purpose of calculating the Exercise Price, where Xiaomi HK has been listed for less than five business days, the new issue price shall be used as the closing price for any Business Day falling within the period before listing. If the Xiaomi HK Shares are listed on any established stock exchange (other than the Stock Exchange), the Exercise Price of any Share Options to be granted shall follow the requirements under the rules of that stock exchange.

Note:

The Company reserving the discretion to determine the Issue Price, if any, and the Exercise Price enables it to consider the grant of Awards on an individual basis taking into account the nature and degree of value benefiting the Group from granting Awards to such grantee, which is aligned with the purpose of the 2024 Xiaomi HK Share Scheme. In the event the Xiaomi HK Shares become listed on the Stock Exchange, the above flexibility allows the Company to control the costs incurred by the Company from the grant of Awards under the 2024 Xiaomi HK Share Scheme by correlating the Exercise Price for Share Options with prevailing market prices at the time of grant (particularly considering that timing of when the Share Options will be exercised are within the discretion of the grantee and is typically made with reference to the difference between Exercise Price and prevailing market prices at the time of exercise).

Exercise period: The Scheme Administrator may determine in its absolute discretion the Exercise Period for any award of Share Options and/or Share Awards and such period shall be set out in the Award Letter. However, the Exercise Period for any award of Share Options shall not be longer than 10 years from the Grant Date.

Vesting period: The Scheme Administrator may determine the vesting period and specify such period in the Award Letter. The vesting period may not be for a period less than 12 months from the Grant Date, except in limited circumstances set out in the Scheme Rules. These circumstances may only apply to Employee Participants and are consistent with the scenarios contemplated in FAQ 092-2022 issued by the Stock Exchange, including:

- (a) grants of “make whole” Awards to a new Employee Participant to replace the awards that the Employee Participant forfeited when leaving their previous employer;
- (b) grants to an Employee Participant whose employment is terminated due to death or disability or event of force majeure;
- (c) grants of Awards that are subject to the fulfilment of performance targets as determined in the conditions of the Grantee’s grant;
- (d) grants of Awards the timing of which is determined by administrative or compliance requirements not connected with the performance of the Employee Participant, in which case the vesting date may be adjusted to take account of the time from which the Award would have been granted if not for such administrative or compliance requirements;

- (e) grants of Awards with a mixed vesting schedule such that the Award vests evenly over a period of 12 months; or
- (f) grants of Awards with a total vesting and holding period of more than 12 months.

Note:

The Directors and the Remuneration Committee are of the view that the vesting period (including the circumstances in which a shorter vesting period may apply), as detailed above, enables Xiaomi HK to offer competitive remuneration and reward packages to Employee Participants, on an ad hoc basis, in such circumstances that would be justified and reasonable, which is also consistent with the Listing Rules and the practice of the Company and peer companies in Xiaomi HK Group's industry. Accordingly, the above vesting period is considered appropriate and aligns with the purpose of the 2024 Xiaomi HK Share Scheme.

Performance targets:

The Scheme Administrator may set performance criteria/targets in the Award Letter in respect of Awards granted based on, among others, transaction milestones, business or financial performance results, individual performance appraisal and/or contribution to the Xiaomi HK Group, and as evaluated by the Xiaomi HK Group over a specified evaluation period.

Note:

The Scheme Administrator will have regard to the purpose of the 2024 Xiaomi HK Share Scheme in making such determinations, with performance targets generally being in line with common key performance indicators in the industry of the Xiaomi HK Group, such as quantitative performance targets to be achieved, the Grantee's background/experience, qualitative contributions made or potentially to be made to the Xiaomi HK Group, and broader audit result trends, subject to amendments or adjustments as the Scheme Administrator deems appropriate.

Voting and Dividend Rights:

Awards do not carry any right to vote at general meetings of Xiaomi HK, nor any right to dividends, transfer or other rights. No Grantee shall enjoy any of the rights of a Xiaomi HK Shareholder by virtue of the grant of an Award unless and until the Xiaomi HK Shares underlying an Award are delivered to the Grantee pursuant to the vesting and exercise of such Award.

Clawback: Where certain events specified in the Scheme Rules arises, the Xiaomi HK Board may determine that, with respect to a Grantee, Awards granted but not yet exercised shall immediately lapse, and with respect to any Xiaomi HK Shares delivered or amount paid to the Grantee, the Grantee be required to transfer the same value, whether in Xiaomi HK Shares and/or cash, back to Xiaomi HK (or nominee). These circumstances are:

- (a) the Grantee ceasing to be an Eligible Participant by reason of termination for cause or without notice, or as a result of being charged/penalised/convicted of an offence involving the Grantee's integrity or honesty;
- (b) the Grantee commits a serious misconduct or breach, including with respect to a policy or code of or other agreement with the Group, which is considered to be material; or
- (c) the Award to the Grantee will no longer be appropriate and aligned with the purpose of the 2024 Xiaomi HK Share Scheme.

Note:

The Directors are of the view that the above clawback mechanism enables Xiaomi HK to clawback Awards (or the Award Shares underlying such Awards) received by those Grantees that have, for example, seriously violated the policies of the Group, put the Group into disrepute, adversely harmed the Group, or otherwise exposed the Group to significant risk. In these circumstances, Xiaomi HK would not consider it in Xiaomi HK or Xiaomi HK Shareholders' best interests to incentivise them with proprietary interests of Xiaomi HK under the 2024 Xiaomi HK Share Scheme, nor would Xiaomi HK consider such Grantees benefiting under the 2024 Xiaomi HK Share Scheme to align with the purpose of the 2024 Xiaomi HK Share Scheme. As such, the Company and Xiaomi HK considers this clawback mechanism appropriate and reasonable.

Lapse of awards:

The Award shall lapse automatically upon the following events:

- (a) the expiry of any Exercise Period;
- (b) the clawback mechanism being triggered;
- (c) the expiry of any of the periods for accepting or exercising the Award;
- (d) the Grantee breaching the rule against transferring the Awards; and
- (e) the Grantee forfeiting the Award.

Cancellation of Awards:

The Scheme Administrator may cancel an award with the prior consent of the Grantee. Where Xiaomi HK cancels an Award granted to an Eligible Participant and makes a new grant to the same Eligible Participant, such new grant may only be made under the 2024 Xiaomi HK Share Scheme with available Scheme Mandate Limit approved by Shareholders as referred to in Listing Rules 17.03B or 17.03C. The Awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit).

- Term of the 2024 Xiaomi HK Share Scheme:** 10 years commencing on the Adoption Date unless terminated earlier.
- Amendment:** The Scheme Administrator may amend the 2024 Xiaomi HK Share Scheme or an Award granted under the 2024 Xiaomi HK Share Scheme, provided that:
- (a) the amendment must comply with Chapter 17 of the Listing Rules;
 - (b) Shareholders' approval at general meeting is required for the following:
 - (i) any amendment or alteration to the terms and conditions of the 2024 Xiaomi HK Share Scheme that is of a material nature or any amendment or alteration to those provisions that relate to the matters set out in Listing Rule 17.03 to the advantage of Eligible Participants;
 - (ii) any change to the authority of the Xiaomi HK Board or the Scheme Administrator to alter the terms of the 2024 Xiaomi HK Share Scheme; and
 - (c) any amendment or alteration to the terms of an Award the grant of which was subject to the approval of a particular body shall be subject to approval by that same body, provided that this requirement does not apply where the relevant alteration takes effect automatically under existing terms of the 2024 Xiaomi HK Share Scheme.
- Termination:** The 2024 Xiaomi HK Share Scheme shall terminate on the earlier of: (a) the 10th anniversary of the Adoption Date; and (b) such date of early termination as determined by the Xiaomi HK Board, provided that such termination shall not affect any subsisting rights in respect of the Awards already granted to Eligible Participants.
- Restrictions on Awards and transferability:** Awards do not carry any right to vote at general meetings of Xiaomi HK, nor any right to dividends, transfer or other rights. Awards shall be personal to the Grantee and shall not be assignable or transferrable, except where a waiver has been granted by the Stock Exchange with respect to the proposed transfer, and such transfer has been made in compliance with the Listing Rules and with the consent of the Company. Following such transfer, the transferee shall be bound by the Scheme Rules and Award Letter as if the transferee was the Grantee.

Alternations in share capital or corporate transactions: In the event of any alteration in the capital structure of Xiaomi HK by way of capitalisation of profits or reserves, rights issue, subdivision or consolidation of Xiaomi HK Shares or reduction of the share capital of Xiaomi HK (other than any alteration in the capital structure of Xiaomi HK as a result of an issue of Xiaomi HK Shares as consideration in a transaction to which Xiaomi HK is a party) after the Adoption Date, the Scheme Administrator shall make such corresponding adjustments, if any, as the Scheme Administrator in its discretion may deem appropriate to reflect such change with respect to:

- (a) the number of Xiaomi HK Shares comprising the Scheme Mandate Limit or Service Provider Sublimit, provided that in the event of any share subdivision or consolidation the Scheme Mandate Limit and Service Provider Sublimit as a percentage of the total issued shares of Xiaomi HK at the date immediately before any consolidation or subdivision shall be the same on the date immediately after such consolidation or subdivision;
- (b) the number of Xiaomi HK Shares comprised in each Award to the extent any Award has not been exercised;
- (c) the Exercise Price of any Share Option or Issue Price of any Share Award;
- (d) or any combination thereof,

as the auditors or a financial advisor engaged by Xiaomi HK for such purpose have certified the satisfaction of the relevant requirements of the Listing Rules and are, in their opinion, fair and reasonable either generally or as regards any particular Grantee, *provided always* that such adjustments should give each Grantee the same proportion of the equity capital of Xiaomi HK, rounded to the nearest whole Share, as that to which that Grantee was previously entitled prior to such adjustments. The capacity of the auditors or financial advisor (as the case may be) is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on Xiaomi HK and the Grantees.

NOTICE OF THE ANNUAL GENERAL MEETING



XIAOMI CORPORATION

小米集团

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

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

NOTICE IS HEREBY GIVEN that the annual general meeting of Xiaomi Corporation (the “**Company**”) will be held at Xiaomi Campus, Anningzhuang Road, Haidian District, Beijing, The People’s Republic of China on Thursday, June 6, 2024 at 2:00 p.m. for the following purposes:

1. To receive the audited consolidated financial statements of the Company and the reports of the directors (the “**Director(s)**”) and the auditor of the Company for the year ended December 31, 2023;
2. To re-elect Lin Bin as an executive Director;
3. To re-elect Liu De as an executive Director;
4. To re-elect Cai Jinqing as an independent non-executive Director;
5. To authorize the board of Directors to fix the respective Directors’ remuneration;
6. To re-appoint PricewaterhouseCoopers as auditor of the Company and to authorize the board of Directors to fix its remuneration;
7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited or on another stock exchange recognized by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total number of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company (excluding any class B ordinary shares in the share capital of the Company (“**Class B Shares**”) that are held as treasury shares which shall have the meaning ascribed to it under the the Rules Governing the Listing of Securities on The Stock Exchange of the Hong Kong Limited coming into effect on June 11, 2024) as at the date of passing this resolution (subject to adjustment in the case of any consolidation or subdivision of the shares of the Company after the passing of this resolution) and the said approval shall be limited accordingly; and

NOTICE OF THE ANNUAL GENERAL MEETING

- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the first annual general meeting of the Company following the passing of the resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
 - (iii) revoked or varied by ordinary resolution of the shareholders in general meeting.”;
- 8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorized and unissued Class B Shares (including any sale or transfer of Class B Shares out of treasury that are held as treasury shares) or securities convertible into Class B Shares, or options, warrants or similar rights to subscribe for Class B Shares or such convertible securities of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of Class B Shares allotted, sold or transferred or agreed conditionally or unconditionally to be allotted, sold or transferred by the Directors pursuant to the approval in paragraph (a) above, otherwise than by way of Rights Issue (as defined below) or pursuant to the exercise of any subscription rights attaching to any securities which may be allotted and issued by the Company from time to time or, pursuant to the exercise of any options which may be granted or the allotment and issue of Class B Shares in lieu of the whole or part of a dividend on Class B Shares in accordance with the articles of association of the Company, shall not exceed 20% of the total number of the issued Shares (excluding any Class B Shares that are held as treasury Shares) as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of the shares of the Company after the passing of this resolution and the said approval shall be limited accordingly) excluding any (A) Class B Shares to be issued pursuant to (i) the exercise of share options which have been granted under the Pre-IPO ESOP (as defined below), (ii) exercise of share options which have been granted under the Post-IPO Share Option Scheme (as defined below), (iii) awards granted under the Share Award Scheme (as defined below), (iv) the exercise of share options which have been granted or may be granted and awards have been granted or may be granted under the 2023 Share Scheme (as defined below) and (B) Class B Shares to be issued upon conversion of Class A ordinary shares in the share capital of the Company into Class B Shares on a one to one basis;

NOTICE OF THE ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“Pre-IPO ESOP” means 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;

“Post-IPO Share Option Scheme” means the post-IPO share option scheme adopted by the Company on June 17, 2018;

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the first annual general meeting of the Company following the passing of the resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) revoked or varied by ordinary resolution of the shareholders in general meeting;

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange);

“Share Award Scheme” means the share award scheme adopted by the Company on June 17, 2018; and

“2023 Share Scheme” means the share scheme adopted by the Company on June 8, 2023.”;

9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 7 and 8 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 8 of the Notice be and is hereby extended by the addition to the total number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors (including any sale or transfer of Class B Shares out of treasury that are held as treasury Shares) pursuant to such general mandate of an amount representing the total number of shares purchased by the Company pursuant to the general mandate referred to in the resolution set out in item 7 of the Notice, provided that such amount shall not exceed 10% of the total number of the issued shares of the Company in issue (excluding any Class B Shares that are held as treasury Shares) as at the date of passing this resolution.”;

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10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** the adoption of the share incentive scheme, named as the 2024 Xiaomi HK Share Scheme (the “**2024 Xiaomi HK Share Scheme**”) proposed by the Directors, a copy of which is produced to this meeting marked “A” and signed by the Chairman of the meeting for the purpose of identification, with the Scheme Mandate Limit (as defined in the 2024 Xiaomi HK Share Scheme, which includes awards to be granted under any other share schemes of Xiaomi HK) of 10% of the total issued and outstanding Xiaomi HK Shares (as defined in the 2024 Xiaomi HK Share Scheme) as at the date of the Shareholders’ approval of the 2024 Xiaomi HK Share Scheme, be and is hereby approved and adopted, and the Scheme Administrator (as defined in the 2024 Xiaomi HK Share Scheme) be and is hereby authorised to grant the awards (“**Awards**”), and do all such acts and execute all such documents as the Scheme Administrator may consider necessary or expedient in order to give full effect to the 2024 Xiaomi HK Share Scheme.”;

11. “**THAT**, conditional upon the passing of ordinary resolution 10, the Service Provider Sublimit (as defined in the 2024 Xiaomi HK Share Scheme) of 0.5% of the total issued and outstanding Xiaomi HK Shares (as defined in the 2024 Xiaomi HK Share Scheme) as at the date of the Shareholders’ approval of the 2024 Xiaomi HK Share Scheme be and is hereby approved and adopted.” Ordinary resolution 10 is not conditional upon the passing of ordinary resolution 11, but ordinary resolution 11 is conditional upon the passing of ordinary resolution 10. In the event that ordinary resolution 10 is passed but ordinary resolution 11 is not passed, the Company will adopt the 2024 Xiaomi HK Share Scheme but the Directors shall alter the 2024 Xiaomi HK Share Scheme to remove references to the grant of Awards to Service Provider Participants. In the event that ordinary resolution 11 is passed but ordinary resolution 10 is not passed, the 2024 Xiaomi HK Share Scheme will not be adopted.”; and

12. To consider and, if thought fit, pass the following resolution as a special resolution:

SPECIAL RESOLUTION

“**THAT** the eighteenth amended and restated memorandum and articles of association of the Company (the “**New Memorandum and Articles of Association**”) (a copy of which has been produced to this meeting and marked “B” and initialed by the chairman of this meeting for the purpose of identification) be and are hereby approved and adopted as the new memorandum and articles of association of the Company in substitution for and to the exclusion of the existing amended and restated memorandum and articles of association of the Company with immediate effect after the close of this meeting and that any one Director of the Company be and is hereby authorised to do all things necessary to implement the adoption of the New Memorandum and Articles of Association of the Company.”.

By order of the Board
Xiaomi Corporation
Lei Jun
Chairman of the Board

Hong Kong, May 14, 2024

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

- a. Any member of the Company entitled to attend and vote at this meeting is entitled to appoint another person as proxy to attend and vote instead of him/her/it. For the avoidance of doubt and for the purpose of the Listing Rules, holders of treasury shares of the Company (if any) are not entitled to vote at this meeting. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint any number of proxies to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- b. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, must be deposited at the Company's share registrar in Hong Kong (i.e. Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong) as soon as possible but in any event not less than 48 hours before the time appointed for holding the meeting (i.e. not later than 2:00 p.m. on June 4, 2024) or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the form of proxy shall be deemed to be revoked.
- c. To ascertain shareholders' eligibility to attend and vote at this meeting, the register of members of the Company will be closed from June 3, 2024, to June 6, 2024 (both days inclusive) during which period no share transfer will be effected. In order to qualify for attending and voting at the annual general meeting, unregistered holders of shares of the Company should ensure that all completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong (i.e. Computershare Hong Kong Investor Services Limited, at Shop 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong), for registration no later than 4:30 p.m., on May 31, 2024.
- d. References to time and dates in this Notice are to Hong Kong time and dates.