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)

RESULTS ANNOUNCEMENT FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026

The board (the "**Board**") of directors (the "**Directors**") of Xiaomi Corporation 小米集团 (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the three and six months ended June 30, 2026. These interim results have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", and reviewed by PricewaterhouseCoopers, the independent auditor of the Company, in accordance with International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity", issued by the International Auditing and Assurance Standards Board. The interim results have also been reviewed by the audit committee of the Company (the "**Audit Committee**").

In this announcement, "we", "us", and "our" refer to the Company and where the context otherwise requires, the Group.

KEY HIGHLIGHTS

	Unaudited Three months ended				
	June 30, 2026	June 30, 2025	Year-over-year change	March 31, 2026	Quarter-over-quarter change
	(Renminbi ("**RMB**") in millions, unless specified)				
Revenue	**108,921.6**	115,956.1	-6.1%	99,141.6	9.9%
Gross profit	**21,608.9**	26,101.0	-17.2%	21,810.1	-0.9%
Operating profit	**10,870.2**	13,436.7	-19.1%	5,312.6	104.6%
Profit before income tax	**11,565.3**	14,402.8	-19.7%	5,728.7	101.9%
Profit for the period	**9,463.4**	11,873.2	-20.3%	4,734.6	99.9%
Non-IFRS Measure:					
Adjusted Net Profit[1]	**6,219.1**	10,830.7	-42.6%	6,072.1	2.4%

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

	Unaudited Six months ended		
	June 30, 2026	June 30, 2025	Year-over-year change
	(RMB in millions, unless specified)		
Revenue	**208,063.2**	227,249.4	-8.4%
Gross profit	**43,419.0**	51,506.9	-15.7%
Operating profit	**16,182.8**	26,562.1	-39.1%
Profit before income tax	**17,294.0**	27,570.8	-37.3%
Profit for the period	**14,198.0**	22,765.9	-37.6%
Non-IFRS Measure: Adjusted Net Profit	**12,291.2**	21,506.3	-42.8%

BUSINESS REVIEW AND OUTLOOK

1. Overall Performance

In the second quarter of 2026, geopolitical uncertainties persisted, while significant increases in key component costs, including memory, along with intensified industry competition, continued to create headwinds for our business. Meanwhile, the artificial intelligence (AI) industry entered a phase of rapid advancement. We proactively optimized our operational management, focusing on foundational technology capabilities, including AI, to empower our "Human × Car × Home" ecosystem. Total revenue for the second quarter of 2026 reached RMB108.9 billion. Segment-wise, in the second quarter of 2026, revenue of our smartphone × AIoT segment reached RMB84.0 billion; revenue of our smart electric vehicle ("**EV**"), AI and other new initiatives segment reached RMB24.9 billion. In this quarter, our adjusted net profit reached RMB6.2 billion.

In the second quarter of 2026, our smartphone shipments reached 31.2 million units. According to Omdia, we maintained top 3 global smartphone shipment ranking for the 24th consecutive quarter. As of June 30, 2026, the number of connected IoT devices on our AIoT platform (excluding smartphones and tablets) reached a record high of 1,160.8 million, up 17.4% year-over-year. In June 2026, our global monthly active users ("**MAU**")[2] reached a record high of 766.5 million, up 4.8% year-over-year. In the second quarter of 2026, we achieved total deliveries of 104,199 vehicles, up 28.2% year-over-year.

We continued to execute on our 2020–2030 goal of investing in foundational core technologies and becoming a global leader in the evolving realm of cutting-edge technologies. In the second quarter of 2026, our research and development ("**R&D**") expenses increased by 18.9% year-over-year to RMB9.2 billion. As of June 30, 2026, our research and development personnel accounted for 47.2% of our total employees. As of June 30, 2026, we have obtained more than 47,000 patents worldwide.

2 Including smartphones and tablets.

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

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

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

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

In the second quarter of 2026, we continued to improve operating efficiency, with the operating expense ratio of our smartphone × AIoT segment reaching 14.2%, down 0.6 percentage points quarter-over-quarter. Meanwhile, we continued to invest proactively in the future, and our capital expenditures for the quarter amounted to approximately RMB3.6 billion, including RMB2.4 billion allocated to the smart EV, AI and other new initiatives segment.

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

4 As of July 15, 2026.

5 As of July 15, 2026.

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

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

2. Smartphone × AIoT

In the second quarter of 2026, revenue from our smartphone × AIoT segment reached RMB84.0 billion. The gross profit margin of our smartphone × AIoT segment reached 20.0%.

Smartphones

In the second quarter of 2026, the global smartphone industry faced broad headwinds from significant increases in memory costs. According to Omdia, global smartphone shipments were down 6% year-over-year in the second quarter of 2026. Facing these headwinds, we proactively optimized our product mix and pricing strategy, while actively adjusting shipment cadence. Our global smartphone shipments reached 31.2 million units in this quarter, and our smartphone revenue reached RMB42.1 billion, with a gross profit margin of 8.5%.

We continued to advance our premiumization strategy and proactively improve our product mix. In the second quarter of 2026, the average selling price ("**ASP**") of our smartphones reached a record high, up 25.9% year-over-year to RMB1,351. According to third-party data, in the second quarter of 2026, our smartphone units with retail prices at or above RMB3,000 sold in the Chinese Mainland accounted for 32.1% of our total smartphone units sold, reaching a record high and up 4.5 percentage points year-over-year. In the RMB3,000-4,000 segment in the Chinese Mainland, our market share reached 16.2%, up 3.3 percentage points year-over-year.

According to Omdia, in the second quarter of 2026, we ranked No. 3 globally in smartphone shipments, maintaining top 3 global smartphone shipment ranking for the 24th consecutive quarter. Our smartphone shipments ranked No. 2 in Southeast Asia, Latin America and the Middle East with market shares of 19.3%, 16.2% and 13.5%, respectively. We ranked No. 3 in Europe and Africa, with market shares of 16.5% and 10.9%, respectively. In the second quarter of 2026, our smartphone shipments ranked among the top three in 53 countries and regions globally and among the top five in 67 countries and regions globally.

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

IoT and lifestyle products

In the second quarter of 2026, revenue from our IoT and lifestyle products reached RMB31.3 billion. The gross profit margin of our IoT and lifestyle products reached 20.1%.

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

Our tablet business maintained stable performance. According to Omdia, in the second quarter of 2026, our tablet shipments advanced to No. 4 globally, among the top five for the 9th consecutive quarter and ranked No. 4 in the Chinese Mainland.

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

Our overseas IoT and lifestyle products continued to grow. In the second quarter of 2026, driven by the expansion of overseas channels and broader product categories, our overseas IoT and lifestyle products revenue increased rapidly year-over-year. Notably, both the shipments and revenue of overseas tablet reached record highs in this quarter.

Internet services

In the second quarter of 2026, our internet services revenue reached RMB9.0 billion. The gross profit margin of our internet services was 76.8%, up 1.4 percentage points year-over-year.

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

In the second quarter of 2026, our advertising business sustained growth momentum, with advertising revenue reaching RMB7.2 billion, up 4.8% year-over-year. Our overseas internet services revenue reached RMB2.9 billion. Overseas internet services revenue accounted for 32.1% of our total internet services revenue.

7 Including basic bands, basic watches and smart watches.
8 Including *Xiaomi Box* and *Xiaomi TV Stick*.

3. Smart EV, AI and Other New Initiatives

In the second quarter of 2026, revenue from our smart EV, AI and other new initiatives segment reached RMB24.9 billion, up 17.1% year-over-year, consisting of RMB23.9 billion from smart EV and RMB1.0 billion from other related businesses (including AI business revenue generated by the Xiaomi MiMo large language model series). In the second quarter of 2026, the gross profit margin of our smart EV, AI and other new initiatives segment was 19.2%. In the second quarter of 2026, the loss from operations[9] related to our smart EV, AI and other new initiatives segment was RMB2.6 billion.

In the second quarter of 2026, the overall passenger vehicle market in the Chinese Mainland experienced a downturn, with retail volume declining by 22% year-over-year[10]. We achieved total deliveries of 104,199 vehicles in this quarter, up 28.2% year-over-year. In the first half of 2026, the *Xiaomi SU7 Series* ranked No. 1 in sales volume among pure electric sedans priced above RMB200,000 in the Chinese Mainland[11]. As of August 17, 2026, cumulative deliveries of our *Xiaomi SU7 Series* have exceeded 500,000 units. According to the July 2026 China Vehicle Value Retention Ratio Research Report, jointly released by China Automobile Dealers Association and Jingzhengu, the *Xiaomi YU7 Series* ranked first among one-year major pure electric vehicles, with a value retention ratio[12] of 82.8%. The *Xiaomi SU7 Series* ranked fourth, with a value retention ratio of 75.3%. Meanwhile, the *Xiaomi SU7 Series* ranked first in value retention ratio among one-year major pure electric sedans.

We continued to refine our technologies and enrich our product portfolio. In July 2026, we officially unveiled the Xiaomi Kunlun Technical Architecture, including the Xiaomi Kunlun Platform, Xiaomi Kunlun HyperRange, and Xiaomi Kunlun Total Safety. Built on this technical architecture, we debuted our first extended-range SUV series: the *Xiaomi SkyNomad Series*, including two variants: the *Xiaomi SkyNomad N90 Max* and the *Xiaomi SkyNomad N70 Max*. We defined the *Xiaomi SkyNomad Series* as an "intelligent, reconfigurable, spacious SUV". The *Xiaomi SkyNomad Series* adopts a fully flat floor from front to rear, with specially optimized rear wheel-arches packaging to deliver a rectangular layout. The extra-long seat slide rails offer flexible space utilization, accommodating face-to-face seating, a mobile workspace, and a flat-bed mode. In terms of Xiaomi Kunlun HyperRange, we use a large-battery extended-range architecture, dual-motor all-wheel drive, and Xiaomi Kunlun 1.5T range-extender unit. The *Xiaomi SkyNomad Series* delivers a CLTC[13] combined range of up to 1,705 km. In terms of Xiaomi Kunlun Total Safety, the *Xiaomi SkyNomad Series* adopts an Armor Cage-type body structure and integrated hot-stamped door ring, equipped with the Xiaomi Armor Scale Battery. And its multi-directional collision test standards exceed the industry's stringent standards. The official pre-sale prices of the *Xiaomi SkyNomad N90 Max* and the *Xiaomi SkyNomad N70 Max* are RMB299,900 and RMB259,900, respectively, and are expected to launch in September 2026.

9 Income/(loss) from operations is defined as gross profit minus operating expenses.
10 According to China Passenger Car Association (CPCA).
11 Source: BitAuto, as of June 30, 2026.
12 Value Retention Ratio is calculated as used-car resale price divided by new-car manufacturer's suggested retail price.
13 China Light-duty Vehicle Test Cycle.

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

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

4. Corporate Social Responsibility (CSR)

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

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

14 The tested model was the long-range version of *Xiaomi YU7*.
15 The tested model was the long-range version of *Xiaomi YU7*.
16 Established with donations from Beijing Xiaomi Foundation.

MANAGEMENT DISCUSSION AND ANALYSIS

Second Quarter of 2026 Compared to Second Quarter of 2025

The following table sets forth the comparative figures for the second quarter of 2026 and the second quarter of 2025:

	Unaudited Three months ended	
	June 30, 2026	June 30, 2025
	(RMB in millions)	
Revenue	**108,921.6**	115,956.1
Cost of sales	**(87,312.7)**	(89,855.1)
Gross profit	**21,608.9**	26,101.0
Research and development expenses	**(9,231.3)**	(7,763.4)
Selling and marketing expenses	**(8,648.5)**	(7,778.0)
Administrative expenses	**(1,481.7)**	(1,627.1)
Fair value changes on financial instruments measured at fair value through profit or loss	**6,457.7**	3,363.5
Share of net profits of investments accounted for using the equity method	**42.4**	86.9
Other income	**2,159.6**	299.4
Other (losses)/gains, net	**(36.9)**	754.4
Operating profit	**10,870.2**	13,436.7
Finance income, net	**695.1**	966.1
Profit before income tax	**11,565.3**	14,402.8
Income tax expenses	**(2,101.9)**	(2,529.6)
Profit for the period	**9,463.4**	11,873.2
Non-IFRS Measure: Adjusted Net Profit	**6,219.1**	10,830.7

Revenue

Revenue decreased by 6.1% from RMB116.0 billion in the second quarter of 2025 to RMB108.9 billion in the second quarter of 2026. The following table sets forth our revenue by segment in the second quarter of 2026 and the second quarter of 2025:

	Unaudited Three months ended			
	June 30, 2026		June 30, 2025	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT	**84,025.8**	**77.1%**	94,692.8	81.7%
Smart EV, AI and other new initiatives	**24,895.8**	**22.9%**	21,263.3	18.3%
Total revenue	**108,921.6**	**100.0%**	115,956.1	100.0%

Smartphone × AIoT

Revenue from our smartphone × AIoT segment decreased by 11.3% from RMB94.7 billion in the second quarter of 2025 to RMB84.0 billion in the second quarter of 2026. The following table sets forth our revenue by line of our smartphone × AIoT segment in the second quarter of 2026 and the second quarter of 2025:

	Unaudited Three months ended			
	June 30, 2026		June 30, 2025	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	**42,118.7**	**38.7%**	45,520.0	39.3%
IoT and lifestyle products	**31,278.0**	**28.7%**	38,712.2	33.4%
Internet services	**9,043.7**	**8.3%**	9,097.7	7.8%
Other related businesses	**1,585.4**	**1.4%**	1,362.9	1.2%
Total revenue of smartphone × AIoT segment	**84,025.8**	**77.1%**	94,692.8	81.7%

(i) Smartphones

Revenue from our smartphones decreased by 7.5% from RMB45.5 billion in the second quarter of 2025 to RMB42.1 billion in the second quarter of 2026, primarily due to the decrease in our smartphone shipments, partially offset by the increase in our smartphone ASP. Our smartphone shipments decreased by 26.5% from 42.4 million units in the second quarter of 2025 to 31.2 million units in the second quarter of 2026, primarily due to the optimization of our product portfolio and the reduction in shipments of our mid-range and low-end smartphones, as well as the weakened global demand driven by the continued increase in price of key components. The ASP of our smartphones increased by 25.9% from RMB1,073.2 per unit in the second quarter of 2025 to RMB1,351.0 per unit in the second quarter of 2026, a record high, primarily due to the optimization of our product portfolio, the higher contribution of smartphone shipments in the Chinese Mainland, as well as the increased ASP in the overseas markets driven by the successful launch of *Xiaomi 17T Series* in May 2026.

(ii) IoT and lifestyle products

Revenue from our IoT and lifestyle products decreased by 19.2% from RMB38.7 billion in the second quarter of 2025 to RMB31.3 billion in the second quarter of 2026, primarily due to the decreased revenue in the Chinese Mainland resulting from the reduction in national subsidies, partially offset by the increased revenue in the overseas markets, driven by tablets, smart TVs and wearables.

(iii) Internet services

Revenue from our internet services decreased by 0.6% from RMB9.1 billion in the second quarter of 2025 to RMB9.0 billion in the second quarter of 2026, primarily due to the decreased revenue from our gaming business and other value-added services, partially offset by the increased revenue from our advertising business.

(iv) Other related businesses

Revenue from our other related businesses increased by 16.3% from RMB1.4 billion in the second quarter of 2025 to RMB1.6 billion in the second quarter of 2026, primarily due to the increased revenue from sales of materials, partially offset by the decreased revenue from installation services provided for air conditioners.

Smart EV, AI and Other New Initiatives

Revenue from our smart EV, AI and other new initiatives segment increased by 17.1% from RMB21.3 billion in the second quarter of 2025 to RMB24.9 billion in the second quarter of 2026.

Revenue from our smart EV increased by 15.9% from RMB20.6 billion in the second quarter of 2025 to RMB23.9 billion in the second quarter of 2026, primarily due to the increase in our vehicle deliveries, partially offset by the decrease in our vehicle ASP. Our vehicle deliveries increased by 28.2% from 81,302 units in the second quarter of 2025 to 104,199 units in the second quarter of 2026, primarily due to the increased deliveries of *Xiaomi YU7 Series*, partially offset by the decreased deliveries of *Xiaomi SU7 Ultra*. The ASP of our smart EV decreased by 9.6% from

RMB253,662 per unit in the second quarter of 2025 to RMB229,312 per unit in the second quarter of 2026, primarily due to the lower contribution from deliveries of *Xiaomi SU7 Ultra*.

Revenue from our other related businesses increased by 56.5% from RMB0.6 billion in the second quarter of 2025 to RMB1.0 billion in the second quarter of 2026, primarily due to the increased revenue from after-sales services related to our smart EV business, as well as the increased revenue from our AI business related to Xiaomi MiMo large language model series.

Cost of Sales

Our cost of sales decreased by 2.8% from RMB89.9 billion in the second quarter of 2025 to RMB87.3 billion in the second quarter of 2026. The following table sets forth our cost of sales by segment in the second quarter of 2026 and the second quarter of 2025:

	Unaudited Three months ended			
	June 30, 2026		June 30, 2025	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT	**67,208.8**	**61.7%**	74,212.7	64.0%
Smart EV, AI and other new initiatives	**20,103.9**	**18.5%**	15,642.4	13.5%
Total cost of sales	**87,312.7**	**80.2%**	89,855.1	77.5%

Smartphone × AIoT

Cost of sales related to our smartphone × AIoT segment decreased by 9.4% from RMB74.2 billion in the second quarter of 2025 to RMB67.2 billion in the second quarter of 2026. The following table sets forth our cost of sales by line of our smartphone × AIoT segment in the second quarter of 2026 and the second quarter of 2025:

	Unaudited Three months ended			
	June 30, 2026		June 30, 2025	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	**38,519.5**	**35.4%**	40,299.7	34.8%
IoT and lifestyle products	**25,005.9**	**23.0%**	29,990.6	25.9%
Internet services	**2,101.5**	**1.9%**	2,242.0	1.9%
Other related businesses	**1,581.9**	**1.4%**	1,680.4	1.4%
Total cost of sales of smartphone × AIoT segment	**67,208.8**	**61.7%**	74,212.7	64.0%

(i) Smartphones

Cost of sales related to our smartphones decreased by 4.4% from RMB40.3 billion in the second quarter of 2025 to RMB38.5 billion in the second quarter of 2026, primarily due to the decreased sales of our smartphones, partially offset by the increased price of key components.

(ii) IoT and lifestyle products

Cost of sales related to our IoT and lifestyle products decreased by 16.6% from RMB30.0 billion in the second quarter of 2025 to RMB25.0 billion in the second quarter of 2026, primarily due to the decreased sales of our IoT and lifestyle products.

(iii) Internet services

Cost of sales related to our internet services decreased by 6.3% from RMB2.2 billion in the second quarter of 2025 to RMB2.1 billion in the second quarter of 2026, primarily due to the decreased cost of our advertising business and gaming business.

(iv) Other related businesses

Cost of sales related to our other related businesses decreased by 5.9% from RMB1.7 billion in the second quarter of 2025 to RMB1.6 billion in the second quarter of 2026, primarily due to the decreased sales from installation services provided for air conditioners.

Smart EV, AI and Other New Initiatives

Cost of sales related to our smart EV, AI and other new initiatives segment increased by 28.5% from RMB15.6 billion in the second quarter of 2025 to RMB20.1 billion in the second quarter of 2026, primarily due to the increased sales of our smart EV and AI business.

Gross Profit and Margin

As a result of the foregoing, our gross profit decreased by 17.2% from RMB26.1 billion in the second quarter of 2025 to RMB21.6 billion in the second quarter of 2026. Our gross profit margin decreased from 22.5% in the second quarter of 2025 to 19.8% in the second quarter of 2026.

The following table sets forth our gross profit and margin by segment in the second quarter of 2026 and the second quarter of 2025:

	Unaudited Three months ended			
	June 30, 2026		June 30, 2025	
	Gross profit	**Gross margin %**	Gross profit	Gross margin %
	(RMB in millions, unless specified)			
Smartphone × AIoT	**16,817.0**	**20.0%**	20,480.1	21.6%
Smart EV, AI and other new initiatives	**4,791.9**	**19.2%**	5,620.9	26.4%
Total gross profit and margin	**21,608.9**	**19.8%**	26,101.0	22.5%

Smartphone × AIoT

The gross profit margin from our smartphone × AIoT segment decreased from 21.6% in the second quarter of 2025 to 20.0% in the second quarter of 2026. The following table sets forth our gross profit and margin by line of our smartphone × AIoT segment in the second quarter of 2026 and the second quarter of 2025:

	Unaudited Three months ended			
	June 30, 2026		June 30, 2025	
	Gross profit	**Gross margin %**	Gross profit	Gross margin %
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	**3,599.2**	**8.5%**	5,220.3	11.5%
IoT and lifestyle products	**6,272.1**	**20.1%**	8,721.6	22.5%
Internet services	**6,942.2**	**76.8%**	6,855.7	75.4%
Other related businesses	**3.5**	**0.2%**	(317.5)	(23.3%)
Total gross profit and margin of smartphone × AIoT segment	**16,817.0**	**20.0%**	20,480.1	21.6%

The gross profit margin from our smartphones decreased from 11.5% in the second quarter of 2025 to 8.5% in the second quarter of 2026, mainly due to the increased price of key components.

The gross profit margin from our IoT and lifestyle products decreased from 22.5% in the second quarter of 2025 to 20.1% in the second quarter of 2026, mainly due to the decreased gross profit margin in the Chinese Mainland resulting from the increased price of key components, partially offset by the increased gross profit margin and higher revenue contribution of certain lifestyle products and wearables in the overseas markets.

The gross profit margin from our internet services increased from 75.4% in the second quarter of 2025 to 76.8% in the second quarter of 2026, mainly due to the increased gross profit margin and higher revenue contribution of our advertising business, partially offset by the decreased gross profit margin of our gaming business.

Smart EV, AI and Other New Initiatives

The gross profit margin from our smart EV, AI and other new initiatives segment decreased from 26.4% in the second quarter of 2025 to 19.2% in the second quarter of 2026, primarily due to the lower contribution from deliveries of *Xiaomi SU7 Ultra*, the increased price of key components and the increased cost related to our AI business.

Operating Expenses

Our operating expenses increased by 12.8% from RMB17.2 billion in the second quarter of 2025 to RMB19.4 billion in the second quarter of 2026. Our operating expenses related to our smart EV, AI and other new initiatives segment increased by 25.7% from RMB5.9 billion in the second quarter of 2025 to RMB7.4 billion in the second quarter of 2026.

Research and Development Expenses

Our research and development expenses increased by 18.9% from RMB7.8 billion in the second quarter of 2025 to RMB9.2 billion in the second quarter of 2026, primarily due to the increased research and development expenses related to our smart EV, AI and other new initiatives, especially the higher investments in our AI infrastructure, and the pace of our research projects related to smartphone × AIoT.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 11.2% from RMB7.8 billion in the second quarter of 2025 to RMB8.6 billion in the second quarter of 2026, primarily due to the increase in selling and marketing expenses related to our smart EV business and expenses related to expansion of our new retail stores in the overseas markets.

Administrative Expenses

Our administrative expenses decreased by 8.9% from RMB1.6 billion in the second quarter of 2025 to RMB1.5 billion in the second quarter of 2026, primarily due to the decrease in compensation for administrative personnel.

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

Our fair value changes on financial instruments measured at fair value through profit or loss increased from a gain of RMB3.4 billion in the second quarter of 2025 to a gain of RMB6.5 billion in the second quarter of 2026, primarily due to the higher fair value gains of both other investments in private equity investment funds and unlisted preferred shares investments in the second quarter of 2026.

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

Our share of net profits of investments accounted for using the equity method decreased from RMB86.9 million in the second quarter of 2025 to RMB42.4 million in the second quarter of 2026.

Other Income

Our other income increased from RMB0.3 billion in the second quarter of 2025 to RMB2.2 billion in the second quarter of 2026, primarily due to the increase in subsidy income.

Other (Losses)/Gains, Net

Our net other (losses)/gains changed from a net gain of RMB754.4 million in the second quarter of 2025 to a net loss of RMB36.9 million in the second quarter of 2026, primarily due to the decrease of disposal gains of investments accounted for using the equity method.

Finance Income, Net

Our net finance income decreased from RMB1.0 billion in the second quarter of 2025 to RMB0.7 billion in the second quarter of 2026, primarily due to the decrease of net interest income.

Income Tax Expenses

Our income tax expenses decreased from RMB2.5 billion in the second quarter of 2025 to RMB2.1 billion in the second quarter of 2026, primarily due to the decrease of taxable profit in the second quarter of 2026.

Profit for the Period

As a result of the foregoing, our profit for the period decreased by 20.3% from RMB11.9 billion in the second quarter of 2025 to RMB9.5 billion in the second quarter of 2026.

Adjusted Net Profit

Our adjusted net profit decreased by 42.6% from RMB10.8 billion in the second quarter of 2025 to RMB6.2 billion in the second quarter of 2026.

Second Quarter of 2026 Compared to First Quarter of 2026

The following table sets forth the comparative figures for the second quarter of 2026 and the first quarter of 2026:

	Unaudited Three months ended	
	June 30, 2026	March 31, 2026
	(RMB in millions)	
Revenue	**108,921.6**	99,141.6
Cost of sales	**(87,312.7)**	(77,331.5)
Gross profit	**21,608.9**	21,810.1
Research and development expenses	**(9,231.3)**	(8,954.4)
Selling and marketing expenses	**(8,648.5)**	(8,276.5)
Administrative expenses	**(1,481.7)**	(1,630.4)
Fair value changes on financial instruments measured at fair value through profit or loss	**6,457.7**	848.5
Share of net profits of investments accounted for using the equity method	**42.4**	43.8
Other income	**2,159.6**	1,085.4
Other (losses)/gains, net	**(36.9)**	386.1
Operating profit	**10,870.2**	5,312.6
Finance income, net	**695.1**	416.1
Profit before income tax	**11,565.3**	5,728.7
Income tax expenses	**(2,101.9)**	(994.1)
Profit for the period	**9,463.4**	4,734.6
Non-IFRS Measure: Adjusted Net Profit	**6,219.1**	6,072.1

Revenue

Revenue increased by 9.9% from RMB99.1 billion in the first quarter of 2026 to RMB108.9 billion in the second quarter of 2026. The following table sets forth our revenue by segment in the second quarter of 2026 and the first quarter of 2026:

	Unaudited Three months ended			
	June 30, 2026		March 31, 2026	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT	**84,025.8**	**77.1%**	79,277.2	80.0%
Smart EV, AI and other new initiatives	**24,895.8**	**22.9%**	19,864.4	20.0%
Total revenue	**108,921.6**	**100.0%**	99,141.6	100.0%

Smartphone × AIoT

Revenue from our smartphone × AIoT segment increased by 6.0% from RMB79.3 billion in the first quarter of 2026 to RMB84.0 billion in the second quarter of 2026. The following table sets forth our revenue by line of our smartphone × AIoT segment in the second quarter of 2026 and the first quarter of 2026:

	Unaudited Three months ended			
	June 30, 2026		March 31, 2026	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	**42,118.7**	**38.7%**	44,273.3	44.7%
IoT and lifestyle products	**31,278.0**	**28.7%**	24,681.2	24.9%
Internet services	**9,043.7**	**8.3%**	9,468.3	9.6%
Other related businesses	**1,585.4**	**1.4%**	854.4	0.8%
Total revenue of smartphone × AIoT segment	**84,025.8**	**77.1%**	79,277.2	80.0%

(i) Smartphones

Revenue from our smartphones decreased by 4.9% from RMB44.3 billion in the first quarter of 2026 to RMB42.1 billion in the second quarter of 2026, primarily due to the decrease in our smartphone shipments, partially offset by the increase in our smartphone ASP. Our smartphone shipments decreased by 7.7% from 33.8 million units in the first quarter of 2026 to 31.2 million units in the second quarter of 2026, primarily due to the weakened global demand driven by the continued increase in price of key components. The ASP of our smartphones increased by 3.1% from RMB1,310.1 per unit in the first quarter of 2026 to RMB1,351.0 per unit in the second quarter of 2026, primarily due to the higher contribution from our premium smartphone shipments in the overseas markets, driven by the successful launch of *Xiaomi 17T Series* in May 2026.

(ii) IoT and lifestyle products

Revenue from our IoT and lifestyle products increased by 26.7% from RMB24.7 billion in the first quarter of 2026 to RMB31.3 billion in the second quarter of 2026, primarily due to the seasonal increase in revenue from air conditioners, as well as the increased revenue from certain lifestyle products in the Chinese Mainland driven by the enhanced promotional efforts during the 618 e-Commerce Shopping Festival.

(iii) Internet services

Revenue from our internet services decreased by 4.5% from RMB9.5 billion in the first quarter of 2026 to RMB9.0 billion in the second quarter of 2026, primarily due to the decreased revenue from our gaming business, partially offset by the increased revenue from our advertising business in the Chinese Mainland.

(iv) Other related businesses

Revenue from our other related businesses increased by 85.6% from RMB0.9 billion in the first quarter of 2026 to RMB1.6 billion in the second quarter of 2026, primarily due to the increased revenue from installation services provided for air conditioners and sales of materials.

Smart EV, AI and Other New Initiatives

Revenue from our smart EV, AI and other new initiatives segment increased by 25.3% from RMB19.9 billion in the first quarter of 2026 to RMB24.9 billion in the second quarter of 2026.

Revenue from our smart EV increased by 25.7% from RMB19.0 billion in the first quarter of 2026 to RMB23.9 billion in the second quarter of 2026, primarily due to the increase in our vehicle deliveries, partially offset by the decrease in our vehicle ASP. Our vehicle deliveries increased by 28.9% from 80,856 units in the first quarter of 2026 to 104,199 units in the second quarter of 2026, primarily due to the increased deliveries of the *New-Generation Xiaomi SU7 Series*. The ASP of our smart EV decreased by 2.5% from RMB235,116 per unit in the first quarter of 2026 to RMB229,312 per unit in the second quarter of 2026, primarily due to the higher contribution from deliveries of the *New-Generation Xiaomi SU7 Series*.

Revenue from our other related businesses increased by 17.3% from RMB0.9 billion in the first quarter of 2026 to RMB1.0 billion in the second quarter of 2026, primarily due to the increased revenue from after-sales services and sales of accessories related to our smart EV business, as well as the increased revenue from our AI business related to Xiaomi MiMo large language model series.

Cost of Sales

Our cost of sales increased by 12.9% from RMB77.3 billion in the first quarter of 2026 to RMB87.3 billion in the second quarter of 2026. The following table sets forth our cost of sales by segment in the second quarter of 2026 and the first quarter of 2026:

	Unaudited Three months ended			
	June 30, 2026		March 31, 2026	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT	**67,208.8**	**61.7%**	61,461.0	62.0%
Smart EV, AI and other new initiatives	**20,103.9**	**18.5%**	15,870.5	16.0%
Total cost of sales	**87,312.7**	**80.2%**	77,331.5	78.0%

Smartphone × AIoT

Cost of sales related to our smartphone × AIoT segment increased by 9.4% from RMB61.5 billion in the first quarter of 2026 to RMB67.2 billion in the second quarter of 2026. The following table sets forth our cost of sales by line of our smartphone × AIoT segment in the second quarter of 2026 and the first quarter of 2026:

	Unaudited Three months ended			
	June 30, 2026		March 31, 2026	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	**38,519.5**	**35.4%**	39,796.7	40.1%
IoT and lifestyle products	**25,005.9**	**23.0%**	18,465.5	18.6%
Internet services	**2,101.5**	**1.9%**	2,262.2	2.3%
Other related businesses	**1,581.9**	**1.4%**	936.6	1.0%
Total cost of sales of smartphone × AIoT segment	**67,208.8**	**61.7%**	61,461.0	62.0%

(i) Smartphones

Cost of sales related to our smartphones decreased by 3.2% from RMB39.8 billion in the first quarter of 2026 to RMB38.5 billion in the second quarter of 2026, primarily due to the decreased sales of our smartphones, partially offset by the increased price of key components.

(ii) IoT and lifestyle products

Cost of sales related to our IoT and lifestyle products increased by 35.4% from RMB18.5 billion in the first quarter of 2026 to RMB25.0 billion in the second quarter of 2026, primarily due to the increased sales of our IoT and lifestyle products.

(iii) Internet services

Cost of sales related to our internet services decreased by 7.1% from RMB2.3 billion in the first quarter of 2026 to RMB2.1 billion in the second quarter of 2026, primarily due to the decreased cost of our advertising business.

(iv) Other related businesses

Cost of sales related to our other related businesses increased by 68.9% from RMB0.9 billion in the first quarter of 2026 to RMB1.6 billion in the second quarter of 2026, primarily due to the increased sales from installation services provided for air conditioners and sales of materials.

Smart EV, AI and Other New Initiatives

Cost of sales related to our smart EV, AI and other new initiatives segment increased by 26.7% from RMB15.9 billion in the first quarter of 2026 to RMB20.1 billion in the second quarter of 2026, primarily due to the increased sales of our smart EV and AI business.

Gross Profit and Margin

As a result of the foregoing, our gross profit decreased by 0.9% from RMB21.8 billion in the first quarter of 2026 to RMB21.6 billion in the second quarter of 2026. Our gross profit margin decreased from 22.0% in the first quarter of 2026 to 19.8% in the second quarter of 2026.

The following table sets forth our gross profit and margin by segment in the second quarter of 2026 and the first quarter of 2026:

	Unaudited Three months ended			
	June 30, 2026		March 31, 2026	
	Gross profit	**Gross margin %**	Gross profit	Gross margin %
	(RMB in millions, unless specified)			
Smartphone × AIoT	**16,817.0**	**20.0%**	17,816.2	22.5%
Smart EV, AI and other new initiatives	**4,791.9**	**19.2%**	3,993.9	20.1%
Total gross profit and margin	**21,608.9**	**19.8%**	21,810.1	22.0%

Smartphone × AIoT

The gross profit margin from our smartphone × AIoT segment decreased from 22.5% in the first quarter of 2026 to 20.0% in the second quarter of 2026. The following table sets forth our gross profit and margin by line of our smartphone × AIoT segment in the second quarter of 2026 and the first quarter of 2026:

	Unaudited Three months ended			
	June 30, 2026		March 31, 2026	
	Gross profit	**Gross margin %**	Gross profit	Gross margin %
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	**3,599.2**	**8.5%**	4,476.6	10.1%
IoT and lifestyle products	**6,272.1**	**20.1%**	6,215.7	25.2%
Internet services	**6,942.2**	**76.8%**	7,206.1	76.1%
Other related businesses	**3.5**	**0.2%**	(82.2)	(9.6%)
Total gross profit and margin of smartphone × AIoT segment	**16,817.0**	**20.0%**	17,816.2	22.5%

The gross profit margin from our smartphones decreased from 10.1% in the first quarter of 2026 to 8.5% in the second quarter of 2026, mainly due to the increased price of key components.

The gross profit margin from our IoT and lifestyle products decreased from 25.2% in the first quarter of 2026 to 20.1% in the second quarter of 2026, mainly due to the decrease in gross profit margin of certain lifestyle products, tablets and smart TVs, resulting from the increased price of key components and the enhanced promotional efforts during the 618 e-Commerce Shopping Festival in the Chinese Mainland.

The gross profit margin from our internet services increased from 76.1% in the first quarter of 2026 to 76.8% in the second quarter of 2026, mainly due to the increased gross profit margin and higher revenue contribution of our advertising business.

Smart EV, AI and Other New Initiatives

The gross profit margin from our smart EV, AI and other new initiatives segment decreased from 20.1% in the first quarter of 2026 to 19.2% in the second quarter of 2026, primarily due to the increased price of key components, as well as the increased cost related to our AI business.

Operating Expenses

Our operating expenses increased by 2.7% from RMB18.9 billion in the first quarter of 2026 to RMB19.4 billion in the second quarter of 2026. Our operating expenses related to our smart EV, AI and other new initiatives segment increased by 4.5% from RMB7.1 billion in the first quarter of 2026 to RMB7.4 billion in the second quarter of 2026.

Research and Development Expenses

Our research and development expenses increased by 3.1% from RMB9.0 billion in the first quarter of 2026 to RMB9.2 billion in the second quarter of 2026, primarily due to the pace of our research projects related to smartphone × AIoT, as well as the higher investments in our AI infrastructure.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 4.5% from RMB8.3 billion in the first quarter of 2026 to RMB8.6 billion in the second quarter of 2026, primarily due to the increase in selling and marketing expenses related to our smart EV business, as well as higher logistic expenses and e-commerce commission driven by the seasonal increase in sales of our smart large home appliances during the 618 e-Commerce Shopping Festival.

Administrative Expenses

Our administrative expenses decreased by 9.1% from RMB1.6 billion in the first quarter of 2026 to RMB1.5 billion in the second quarter of 2026, primarily due to the decrease in compensation for administrative personnel.

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

Our fair value changes on financial instruments measured at fair value through profit or loss increased from a gain of RMB0.8 billion in the first quarter of 2026 to a gain of RMB6.5 billion in the second quarter of 2026, primarily due to the fair value gains of listed equity investments in the second quarter of 2026, compared to the fair value losses of listed equity investments in the first quarter of 2026, and the higher fair value gains of unlisted preferred shares investments in the second quarter of 2026.

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

Our share of net profits of investments accounted for using the equity method decreased from RMB43.8 million in the first quarter of 2026 to RMB42.4 million in the second quarter of 2026.

Other Income

Our other income increased from RMB1.1 billion in the first quarter of 2026 to RMB2.2 billion in the second quarter of 2026, primarily due to the increase in subsidy income, partially offset by the decrease in value-added tax preferences.

Other (Losses)/Gains, Net

Our net other (losses)/gains changed from a net gain of RMB386.1 million in the first quarter of 2026 to a net loss of RMB36.9 million in the second quarter of 2026.

Finance Income, Net

Our net finance income increased from RMB0.4 billion in the first quarter of 2026 to RMB0.7 billion in the second quarter of 2026, primarily due to the change of value of financial liabilities payable to fund investors.

Income Tax Expenses

Our income tax expenses increased from RMB1.0 billion in the first quarter of 2026 to RMB2.1 billion in the second quarter of 2026, primarily due to the increase of taxable profit in the second quarter of 2026.

Profit for the Period

As a result of the foregoing, our profit for the period increased by 99.9% from RMB4.7 billion in the first quarter of 2026 to RMB9.5 billion in the second quarter of 2026.

Adjusted Net Profit

Our adjusted net profit increased by 2.4% from RMB6.1 billion in the first quarter of 2026 to RMB6.2 billion in the second quarter of 2026.

Non-IFRS Measure: Adjusted Net Profit

To supplement our consolidated results which are prepared and presented in accordance with all applicable IFRS Accounting Standards issued by the International Accounting Standards Board ("**IFRS Accounting Standards**"), we utilize non-IFRS adjusted net profit ("**Adjusted Net Profit**") as an additional financial measure. We define Adjusted Net Profit as profit for the period, as adjusted by taking out (i) share-based compensation, (ii) net fair value changes on investments, (iii) amortization of intangible assets resulting from acquisitions, (iv) changes of value of financial liabilities to investors, and (v) income tax effects of non-IFRS adjustments.

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

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

	Unaudited Three Months Ended June 30, 2026						
				Adjustments			
	As reported	**Share-based compensation[1]**	**Net fair value changes on investments[2]**	**Amortization of intangible assets resulting from acquisitions[3]**	**Changes of value of financial liabilities to investors[4]**	**Income tax effects[5]**	**Non-IFRS**
				(RMB in thousand, unless specified)			
Profit for the period	**9,463,376**	**910,359**	**(5,534,283)**	**36,002**	**546,066**	**797,553**	**6,219,073**
Net margin	**8.7%**						**5.7%**

	Unaudited Three Months Ended March 31, 2026						
				Adjustments			
	As reported	Share-based compensation[1]	Net fair value changes on investments[2]	Amortization of intangible assets resulting from acquisitions[3]	Changes of value of financial liabilities to investors[4]	Income tax effects[5]	Non-IFRS
				(RMB in thousand, unless specified)			
Profit for the period	4,734,577	1,410,743	(425,406)	36,002	610,649	(294,430)	6,072,135
Net margin	4.8%						6.1%

	Unaudited Three Months Ended June 30, 2025						
				Adjustments			
	As reported	Share-based compensation[1]	Net fair value changes on investments[2]	Amortization of intangible assets resulting from acquisitions[3]	Changes of value of financial liabilities to investors[4]	Income tax effects[5]	Non-IFRS
				(RMB in thousand, unless specified)			
Profit for the period	11,873,163	1,269,615	(2,870,108)	36,002	253,578	268,417	10,830,667
Net margin	10.2%						9.3%

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

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

Notes:

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

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

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

(4) Represent the change of value of the financial liabilities payable to the investors.

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

Liquidity and Financial Resources

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

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

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

Issuance of Debt Securities

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

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

As of June 30, 2026, 12,112,587 class B ordinary shares of the Company (the "**Class B Shares**") were issued pursuant to conversion of the 2027 Bonds.

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

17 Including (i) cash and cash equivalents, (ii) restricted cash, (iii) term bank deposits, (iv) short-term investments measured at fair value through profit or loss, (v) short-term investments measured at amortized cost, (vi) long-term investments measured at amortized cost, and (vii) treasury investments included in long-term investments measured at fair value through profit or loss.

Consolidated Statement of Cash Flows

	Unaudited Three months ended	
	June 30, 2026	March 31, 2026
	(RMB in millions)	
Net cash generated from/(used in) operating activities[1]	**3,842.2**	(1,792.0)
Net cash generated from investing activities	**9,895.8**	8,326.9
Net cash used in financing activities[1]	**(2,645.2)**	(7,059.3)
Net increase/(decrease) in cash and cash equivalents	**11,092.8**	(524.4)
Cash and cash equivalents at the beginning of the period	**26,334.5**	26,914.4
Effects of exchange rate changes on cash and cash equivalents	**(174.9)**	(55.5)
Cash and cash equivalents at the end of the period	**37,252.4**	26,334.5

Note:

(1) Excluding (1) the change of trade payables related to the finance factoring business; (2) the change of loan and interest receivables and impairment provision for loan receivables mainly resulting from the fintech business; and (3) the change of restricted cash resulting from the fintech business, the net cash generated from operating activities was RMB11.2 billion in the second quarter of 2026 and the net cash used in operating activities was RMB5.2 billion in the first quarter of 2026. Excluding the change of borrowings for the finance factoring business, the net cash used in financing activities was RMB5.8 billion and RMB6.3 billion in the second quarter of 2026 and in the first quarter of 2026, respectively. The information in this footnote is based on the management accounts of the Group, which have not been audited or reviewed by the Group's auditor. The accounting policies applied in the preparation of the management accounts are consistent with those used for other figures in this announcement.

Net Cash Generated from Operating Activities

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

In the second quarter of 2026, our net cash generated from operating activities was RMB3.8 billion, representing cash generated from operations of RMB6.5 billion minus income tax paid of RMB2.7 billion. Cash generated from operations was primarily attributed to our profit before income tax of RMB11.6 billion, mainly adjusted by a fair value gain on financial instruments measured at fair value through profit or loss of RMB6.5 billion, an increase in inventories of RMB9.5 billion and an increase in prepayments and other receivables of RMB4.1 billion, partially offset by an increase in trade payables of RMB16.2 billion.

Net Cash Generated from Investing Activities

In the second quarter of 2026, our net cash generated from investing activities was RMB9.9 billion, which was primarily attributed to the net decrease of term bank deposits of RMB12.8 billion, partially offset by the purchase of property, plant and equipment of RMB1.5 billion and the net increase of long-term investments measured at fair value through profit or loss of RMB1.5 billion.

Net Cash Used in Financing Activities

In the second quarter of 2026, our net cash used in financing activities was RMB2.6 billion, which was primarily attributed to the payments for shares repurchase of RMB5.0 billion, the payments of deferred consideration for acquisition of intangible assets of RMB0.7 billion and the payments of lease liabilities of RMB0.7 billion, partially offset by the net increase of borrowings of RMB4.1 billion.

Borrowings

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

Capital Expenditure

	Unaudited	
	Three months ended	
	June 30, 2026	March 31, 2026
	(RMB in millions)	
Capital expenditures		
Smartphone × AIoT	**1,237.9**	1,780.0
Smart EV, AI and other new initiatives	**2,382.6**	1,494.1
Total	**3,620.5**	3,274.1

Off-Balance Sheet Commitments and Arrangements

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

Investments Held

As of June 30, 2026, we had invested in about 410 companies with an aggregate book value of RMB92.0 billion. In the second quarter of 2026, we recorded a net gain on disposal of investments (after tax) of RMB0.8 billion.

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

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

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

Employee and Remuneration Policy

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

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our human resources strategy, we offer employees competitive compensation packages. As of June 30, 2026, 15,842 employees held share-based awards. The total remuneration expenses, including share-based compensation expenses, in the second quarter of 2026 were RMB7.8 billion.

Foreign Exchange Risk

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

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

Pledge of Assets

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

Contingent Liabilities

We did not have any material contingent liabilities as of June 30, 2026. Further details of the contingencies are set out in Note 12 to the financial information.

FINANCIAL INFORMATION

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENTS

For the three months and six months ended June 30, 2026
*(Expressed in Renminbi ("**RMB**"))*

	Note	Unaudited Three months ended June 30,		Unaudited Six months ended June 30,	
		2026	2025	**2026**	2025
		RMB'000	RMB'000	**RMB'000**	RMB'000
Revenue	2	**108,921,609**	115,956,091	**208,063,227**	227,249,428
Cost of sales	2, 3	**(87,312,691)**	(89,855,133)	**(164,644,189)**	(175,742,560)
Gross profit		**21,608,918**	26,100,958	**43,419,038**	51,506,868
Research and development expenses	3	**(9,231,284)**	(7,763,377)	**(18,185,665)**	(14,475,085)
Selling and marketing expenses	3	**(8,648,495)**	(7,777,971)	**(16,924,978)**	(14,977,788)
Administrative expenses	3	**(1,481,686)**	(1,627,144)	**(3,112,071)**	(3,157,238)
Fair value changes on financial instruments measured at fair value through profit or loss		**6,457,659**	3,363,497	**7,306,176**	6,190,519
Share of net profits of investments accounted for using the equity method		**42,431**	86,864	**86,198**	150,395
Other income		**2,159,635**	299,446	**3,245,020**	461,212
Other (losses)/gains, net		**(37,010)**	754,446	**349,095**	863,243
Operating profit		**10,870,168**	13,436,719	**16,182,813**	26,562,126
Finance income		**1,288,098**	1,478,526	**2,566,152**	2,482,491
Finance costs		**(592,935)**	(512,462)	**(1,454,927)**	(1,473,866)
Profit before income tax		**11,565,331**	14,402,783	**17,294,038**	27,570,751
Income tax expenses	4	**(2,101,955)**	(2,529,620)	**(3,096,085)**	(4,804,842)
Profit for the period		**9,463,376**	11,873,163	**14,197,953**	22,765,909
Attributable to:					
— Owners of the Company		**9,462,405**	11,904,405	**14,185,525**	22,828,726
— Non-controlling interests		**971**	(31,242)	**12,428**	(62,817)
		9,463,376	11,873,163	**14,197,953**	22,765,909
Earnings per share (expressed in RMB per share):	5				
Basic		**0.37**	0.46	**0.55**	0.90
Diluted		**0.36**	0.45	**0.53**	0.87

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three months and six months ended June 30, 2026
(Expressed in RMB)

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

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

As of June 30, 2026
(Expressed in RMB)

	Note	**Unaudited As of June 30, 2026 RMB'000**	Audited As of December 31, 2025 RMB'000
Assets			
Non-current assets			
Property, plant and equipment		**29,077,133**	27,950,293
Intangible assets		**10,863,229**	8,319,373
Investments accounted for using the equity method		**6,614,910**	6,268,209
Long-term investments measured at fair value through profit or loss	6	**85,343,013**	80,881,337
Deferred income tax assets		**4,016,785**	3,636,008
Term bank deposits		**65,710,773**	92,045,627
Long-term investments measured at amortized cost	6	**16,008,606**	13,405,600
Other non-current assets		**20,631,893**	20,778,731
		238,266,342	253,285,178
Current assets			
Inventories	8	**84,882,115**	80,989,452
Trade and notes receivables	7	**19,773,065**	15,239,877
Loan receivables		**13,089,949**	12,580,269
Prepayments and other receivables		**34,167,707**	33,725,967
Short-term investments measured at amortized cost	6	**500,000**	200,000
Short-term investments measured at fair value through profit or loss	6	**21,505,612**	29,273,546
Term bank deposits		**62,465,572**	51,308,666
Restricted cash		**4,138,063**	4,578,635
Cash and cash equivalents		**37,252,369**	26,914,377
		277,774,452	254,810,789
Total assets		**516,040,794**	508,095,967

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

As of June 30, 2026
(Expressed in RMB)

	Note	**Unaudited As of June 30, 2026 RMB'000**	Audited As of December 31, 2025 RMB'000
Equity and liabilities			
Equity attributable to owners of the Company			
Share capital		**422**	426
Reserves		**269,699,490**	266,218,235
		269,699,912	266,218,661
Non-controlling interests		**119,490**	104,608
Total equity		**269,819,402**	266,323,269
Liabilities			
Non-current liabilities			
Borrowings	9	**29,570,360**	22,921,433
Deferred income tax liabilities		**2,822,040**	2,400,758
Provisions		**3,443,191**	3,652,246
Other non-current liabilities		**24,146,991**	20,392,784
		59,982,582	49,367,221
Current liabilities			
Trade payables	10	**118,328,052**	110,699,472
Other payables and accruals		**27,866,977**	35,351,923
Advance from customers		**18,563,761**	19,272,778
Borrowings	9	**9,706,402**	13,202,226
Income tax liabilities		**3,531,512**	6,649,117
Provisions		**8,242,106**	7,229,961
		186,238,810	192,405,477
Total liabilities		**246,221,392**	241,772,698
Total equity and liabilities		**516,040,794**	508,095,967

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2026

(Expressed in RMB)

	Unaudited Six months ended June 30, 2026 RMB'000	**Unaudited Six months ended June 30, 2025 RMB'000**
Net cash generated from operating activities	**2,050,234**	28,054,740
Net cash generated from/(used in) investing activities	**18,222,664**	(60,128,639)
Net cash (used in)/generated from financing activities	**(9,704,493)**	34,434,304
Net increase in cash and cash equivalents	**10,568,405**	2,360,405
Cash and cash equivalents at the beginning of the period	**26,914,377**	33,661,442
Effects of exchange rate changes on cash and cash equivalents	**(230,413)**	(13,817)
Cash and cash equivalents at the end of the period	**37,252,369**	36,008,030

1 Basis of preparation

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

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

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

The accounting policies and methods of computations used in the preparation of the Interim Financial Information are consistent with those used in the preparation of the 2025 Financial Statements, except for the adoption of certain new and amended standards which has had no significant impact on the Group's results for the Interim Report Period and the Group's financial position as of June 30, 2026.

2 Segment information and revenue

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

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

The CODM assesses the performance of the operating segments mainly based on segment revenue and gross profit of each operating segment. There were no material inter-segment sales during the three months and six months ended June 30, 2026 and 2025. The revenues from external customers reported to the CODM are measured in a manner consistent with that applied in the interim condensed consolidated income statements.

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

Three months ended June 30, 2026

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

Three months ended June 30, 2025

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

Six months ended June 30, 2026

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

Six months ended June 30, 2025

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

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

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

Note:

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

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

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

3 Expenses by nature

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

4 Income tax expenses

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

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

5 Earnings per share

(a) Basic

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

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

(b) Diluted

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

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

6 Investments

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

Amounts recognized in profit or loss of investments measured at fair value through profit or loss:

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

7 Trade and notes receivables

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

	As of June 30, 2026 RMB'000 (Unaudited)	As of December 31, 2025 RMB'000 (Audited)
Up to 3 months	**15,742,405**	11,963,353
3 to 6 months	**2,778,286**	1,806,243
6 months to 1 year	**854,785**	1,117,839
1 to 2 years	**516,574**	427,200
Over 2 years	**213,985**	234,403
	20,106,035	15,549,038
Less: credit loss allowance	**(332,970)**	(309,161)
	19,773,065	15,239,877

8 Inventories

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

Note:

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

9 Borrowings

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

10 Trade payables

Trade payables primarily include payables for inventories. Trade payables and their aging analysis based on invoice date are as follows:

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

11 Dividends

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

12 Contingencies

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

In this connection, Xiaomi India received orders alleging that it has inappropriately deducted certain costs and expenses, including purchase costs of mobile phones and royalty fees paid to overseas third parties as well as companies within the Group. As a result, certain of its bank accounts have been attached and thereby Indian Rupees ("**INR**") 49,170,230,000 (equivalent to RMB3,535,831,000) has been considered as restrictive as of June 30, 2026 (December 31, 2025: INR48,550,132,000 (equivalent to RMB3,784,968,000)). The cases are currently in the hearing stages and not yet concluded.

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

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

OTHER INFORMATION

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

During the six months ended June 30, 2026 and up to the Latest Practicable Date[18], the Company repurchased a total of 377,465,400 Class B Shares on the Stock Exchange at an aggregate consideration of approximately HK$11,665,522,937 (the "**Shares Repurchased**") to enhance the shareholder value in the long run. Particulars of the Shares Repurchased are as follows:

Month of Repurchase	No. of Shares Repurchased	Price Paid per share Highest *(HK$)*	Price Paid per share Lowest *(HK$)*	Aggregate Consideration (approximately) *(HK$)*
January	68,751,000	39.32	34.92	2,540,279,326
February	39,376,400	36.78	33.94	1,392,181,061
March	40,503,800	35.18	31.54	1,326,056,687
April	78,918,600	32.44	29.08	2,453,839,435
May	47,844,200	31.58	27.86	1,407,447,346
June	75,925,000	28.70	21.34	1,842,974,058
July	14,998,400	28.88	25.74	403,077,655
August *(up to the Latest Practicable Date)*	11,148,000	28.00	25.82	299,667,370
Total	377,465,400			11,665,522,937

In respect of the Shares Repurchased, the weighted voting rights (the "**WVR**") beneficiaries of the Company simultaneously reduced their WVR in the Company proportionately by way of converting their class A ordinary shares of the Company (the "**Class A Shares**") into Class B Shares on a one-to-one ratio pursuant to Rule 8A.21 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), such that the proportion of shares carrying WVR of the Company shall not be increased, pursuant to the requirements under Rules 8A.13 and 8A.15 of the Listing Rules.

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

18 The Latest Practicable Date refers to August 13, 2026, being the latest practicable date prior to the publication of this interim results announcement for the purpose of ascertaining certain information contained herein.

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

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

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

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

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

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

Compliance with the Corporate Governance Code

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

Save for code provision C.2.1 of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules, the Company has complied with all the code provisions set out in the CG Code during the six months ended June 30, 2026.

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

Audit Committee

The Audit Committee (comprising one non-executive Director and two independent non-executive Directors, namely, Mr. Liu Qin, Dr. Chen Dongsheng and Mr. Wong Shun Tak) has reviewed the unaudited interim results of the Group for the three and six months ended June 30, 2026. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members and the external auditor of the Company, PricewaterhouseCoopers.

Material Litigation

The Company was not involved in any material litigation or arbitration during the six months ended June 30, 2026, nor were the Directors aware of any material litigation or claims that were pending or threatened against the Company.

Interim Dividend

The Board has resolved not to declare an interim dividend for the six months ended June 30, 2026.

Events after June 30, 2026

Save as disclosed in this announcement, there have been no other significant events that might affect the Group after June 30, 2026 and up to the date of this announcement.

Publication of the Interim Results Announcement and Interim Report

This interim results announcement has been published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.mi.com. The interim report of the Company will be published on the aforesaid websites of the Stock Exchange and the Company and will be dispatched to the Company's shareholders (if requested) in due course.

By order of the Board
Xiaomi Corporation
Lei Jun
Chairman

Hong Kong, August 18, 2026

As at the date of this announcement, the Board comprises Mr. Lei Jun as chairman and executive Director, Mr. Lin Bin as vice chairman and executive Director, Mr. Liu De as executive Director, Mr. Liu Qin as non-executive Director, and Dr. Chen Dongsheng, Mr. Wong Shun Tak and Ms. Cai Jinqing as independent non-executive Directors.