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XIAOMI CORPORATION

小米集团

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

(Stock Code: 1810)

**COMPLETION OF PLACING OF EXISTING SHARES AND
TOP-UP SUBSCRIPTION OF
SHARES UNDER GENERAL MANDATE**

The Board is pleased to announce that the completion of the Placing took place on December 4, 2020 in accordance with the terms and conditions of the Placing and Subscription Agreement, where an aggregate of 1,000,000,000 Placing Shares were successfully placed by the Managers to no less than six placees, who and whose ultimate beneficial owners are, to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Independent Third Parties, at the Placing Price of HK\$23.70 for each Placing Share.

As all conditions for the completion of the Subscription had been fulfilled, the Company allotted and issued 1,000,000,000 Subscription Shares to the Seller at HK\$23.70 per Subscription Share on December 9, 2020 in accordance with the terms and conditions of the Placing and Subscription Agreement.

Reference is made to the two announcements of the Company dated December 2, 2020 (the "**December 2 Announcement**") and December 3, 2020 in respect of, among other things, the Placing of existing Shares and the top-up Subscription of Shares under the General Mandate. Unless defined otherwise, capitalized terms used herein shall have the same meanings as those defined in the December 2 Announcement.

COMPLETION OF THE PLACING AND THE SUBSCRIPTION

The Board is pleased to announce that the completion of the Placing took place on December 4, 2020. An aggregate of 1,000,000,000 Placing Shares were successfully placed by the Managers to no less than six placees at the Placing Price of HK\$23.70 for each Placing Share pursuant to the terms and conditions of the Placing and Subscription Agreement. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the placees and their ultimate beneficial owners are Independent Third Parties. None of the placees has become a Substantial Shareholder of the Company immediately after the completion of the Placing.

As all conditions for the completion of the Subscription had been fulfilled, the Company allotted and issued 1,000,000,000 Subscription Shares to the Seller at HK\$23.70 per Subscription Share on December 9, 2020 in accordance with the terms and conditions of the Placing and Subscription Agreement. The net proceeds from the Subscription (after deducting all fees, costs and expenses properly incurred by the Seller and the Company, including the stamp duty, the Stock Exchange trading fee and the SFC transaction levy, to be borne by the Company, and other expenses incurred by the Company, in connection with the Placing and the Subscription) amount to approximately U.S.\$3.1 billion.

The Company intends to use the net proceeds of the Subscription for (a) strengthening its working capital for business expansion; (b) investments to increase market share in key markets; (c) strategic ecosystem investments; and (d) other general corporate purposes.

The table below sets out the shareholding structures of the Company (i) immediately before the completion of the Placing and the Subscription; (ii) immediately after the completion of the Placing, but before the completion of the Subscription; and (iii) immediately after the completion of the Placing and the Subscription, respectively:

Effect of the Placing and the Subscription on shareholding structure of the Company

	Immediately before the completion of the Placing and the Subscription ⁽¹⁾		Immediately after the completion of the Placing, but before the completion of the Subscription ⁽¹⁾		Immediately after the completion of the Placing and the Subscription ⁽¹⁾	
	<i>Number of shares</i>	<i>Approximate %</i>	<i>Number of shares</i>	<i>Approximate %</i>	<i>Number of shares</i>	<i>Approximate %</i>
Shareholder						
Lei Jun ⁽²⁾	6,670,539,142	27.6	5,670,539,142	23.5	6,670,539,142	26.5
Placees	0	0.0	1,000,000,000	4.1	1,000,000,000	4.0
Other Shareholders	17,471,472,162	72.4	17,471,472,162	72.4	17,471,472,162	69.5
Total:	<u>24,142,011,304</u>	<u>100.0</u>	<u>24,142,011,304</u>	<u>100.0</u>	<u>25,142,011,304</u>	<u>100.0</u>

Notes:

- (1) The above table assumes (i) no Shares have been issued pursuant to any Incentive Schemes or otherwise, (ii) no Shares have been purchased by the Company, (iii) no Shares have been purchased by Lei Jun and his associates and (iv) no Conversion Shares have been issued under the Bonds, in each case between the date of the December 2 Announcement and the completion of the Subscription, save for the issue of the Subscription Shares and the Placing Shares being placed in full. Certain figures and percentage figures included in the above table have been subject to rounding adjustments.
- (2) Lei Jun is deemed to be interested in the Shares held by the Seller under the SFO. Taking into account the Class A shares of the Company held by Lei Jun which entitle him to exercise 10 votes per Class A share of the Company, Lei Jun is capable of exercising voting power through shares beneficially owned by him (i) as to 67.4% of the voting rights of the Company immediately before the completion of the Placing and the Subscription; (ii) as to 65.8% of the voting rights of the Company immediately after the completion of the Placing, but before the completion of the Subscription; and (iii) as to 66.4% of the voting rights of the Company immediately after the completion of the Placing and the Subscription.

As at the date of this announcement, the completion of the issue of the Bonds has not taken place. The Company will issue further announcement(s) as and when appropriate according to the Listing Rules.

By order of the Board
Xiaomi Corporation
Lei Jun
Chairman

Hong Kong, December 9, 2020

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. Chew Shou Zi as Executive Director, Mr. Liu Qin as Non-executive Director, and Dr. Chen Dongsheng, Prof. Tong Wai Cheung Timothy and Mr. Wong Shun Tak as Independent Non-executive Directors.