Supplemental Listing Document

If you are in any doubt about this document, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, accountant or other professional adviser. The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") assumes no responsibility for the correctness of any of the statements made or opinions or reports expressed in this document. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of Macquarie Bank Limited, the Company (defined below) or the Warrants.

Non-collateralised warrants
25,000,000 European Style Cash Settled Put Warrants
relating to the HKD traded ordinary Class B shares of Xiaomi Corporation
issued by

Macquarie Bank Limited

(ABN 46 008 583 542)

(Incorporated under the laws of Australia)

Issue Price: SGD 0.200 per Warrant

This document is published for the purpose of obtaining a listing of all the above warrants (the "**Warrants**") to be issued by Macquarie Bank Limited (the "**Issuer**", "**Macquarie Bank**", "**we**" or "**us**") and is supplemental to and should be read in conjunction with a base listing document published on 5 June 2025 (the "**Base Listing Document**") for the purpose of giving information with regard to the Issuer and the Warrants. Information relating to Xiaomi Corporation (the "**Company**") is contained in this document.

This document does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase, Warrants or other securities of the Issuer, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration Warrants or other securities of the Issuer. Restrictions have been imposed on offers and sales of the Warrants and on distributions of documents relating thereto in Singapore, the U.S., the United Kingdom, Hong Kong and Australia (see Base Listing Document).

Investors are warned that the price of the Warrants may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. Prospective purchasers should therefore ensure that they understand the nature of the Warrants and carefully study the risk factors set out in this document before they invest in the Warrants.

The Warrants constitute direct, general and unsecured contractual obligations of the Issuer and of no other person, including those in respect of deposits, but excluding any debts for the time being preferred by law and any subordinated obligations and if you purchase the Warrants you are relying upon the creditworthiness of the Issuer and have no rights under the Warrants against the Company.

The Issuer is regulated as an authorised deposit taking institution by the Australian Prudential Regulation Authority ("APRA"). The Issuer, acting through its Singapore branch is authorised and licensed by the Monetary Authority of Singapore to carry on wholesale banking business in Singapore pursuant to the Banking Act 1970 of Singapore and therefore is subject to the supervision of the Monetary Authority of Singapore.

03 July 2025

Application has been made to the SGX-ST for permission to deal in and for quotation of the Warrants and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Warrants. It is expected that dealings in the Warrants will commence on 04 July 2025.

Warrants are complex instruments and are not suitable for inexperienced investors. Investors should also have sufficient financial resources and liquidity to bear all of the risks of an investment in the Warrants. Prospective purchasers should not invest in Warrants which are complex financial instruments unless they have the expertise (either alone or with a financial adviser) to evaluate how the Warrants will perform under changing conditions, the resulting effects on the value of the Warrants and the impact this investment will have on the potential investor's overall investment portfolio.

Subject as set out below, the Issuer accepts full responsibility for the accuracy of the information contained in this document and the Base Listing Document in relation to itself and the Warrants. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this document and the Base Listing Document for which it accepts responsibility (subject as set out below in respect of the information contained herein with regard to the Company) is in accordance with the facts and is not limited by anything likely to affect the import of such information. The information contained herein with regard to the Company consists of extracts from information released publicly. The Issuer accepts responsibility for accurately reproducing such extracts but accept no further or other responsibility in respect of such information.

Neither the delivery of this document nor any sale made hereunder shall create any implication that there has been no change in the affairs of the Issuer, and its subsidiaries and affiliates since the date hereof. No person has been authorised to give any information or to make any representations other than those contained in this document in connection with the offering of the Warrants, and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer.

This document does not constitute an offer or invitation by or on behalf of the Issuer to purchase or subscribe for any of the Warrants. The distribution of this document and the offering of the Warrants may, in certain jurisdictions, be restricted by law. The Issuer requires persons into whose possession this document comes to inform themselves of and observe all such restrictions.

The Warrants have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). Warrants, or interests therein, may not at any time be offered, sold, resold or delivered within the U.S. or to, or for the account or benefit of, U.S. persons and any offer, sale, resale or delivery made within the U.S. or to, or for the account or benefit of, a U.S. person will not be recognised. A further description of certain restrictions on offering and sale of the Warrants and distribution of this document is given in the section headed "Sales Restrictions" in the Base Listing Document.

The SGX-ST has made no assessment of, nor taken any responsibility for, the financial soundness of the Issuer or the merits of investing in the Warrants, nor have they verified the accuracy or the truthfulness of statements made or opinions expressed in this document.

The Issuer or its affiliates may repurchase Warrants at any time and any Warrant which is repurchased may be offered from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer. Investors should not therefore make any assumption as to the number of Warrants in issue at any time.

References in this document to the "**Conditions**" shall mean references to the Terms and Conditions of the European Style Cash Settled Put Warrants contained in the Base Listing Document. Terms not defined herein shall have the meanings ascribed thereto in the Conditions.

TERMS AND CONDITIONS OF THE WARRANTS

*The following are the terms and conditions of the Warrants and should be read in conjunction with, and are qualified by reference to, the other information set out in this document and the base listing document dated 5 June 2025 as amended by the addendums dated 1 November 2024 and 9 May 2025 (the "**Base Listing Document**").*

The Conditions are set out in the section headed "Terms and Conditions of the European Style Cash Settled Put Warrants" in the Base Listing Document. For the purposes of the Conditions, the following terms shall have the following meanings:

Warrants:	25,000,000 European Style Cash Settled Put Warrants relating to the HKD traded ordinary Class B shares ("**Shares**") of the Company
Company:	Xiaomi Corporation (Reuters Instrument Code: 1810.HK)
Conversion Ratio (number of Shares per Warrant):	0.066667 (i.e. every 15 Warrants initially relate to 1 Share)
Underlying Price[1] and Source:	HKD 57.750 (out of the money) (Reuters/Bloomberg)
Exercise Price:	HKD 50.000
Gearing[1]:	3.1x
Premium[1]:	45.4%
Volatility[1]:	Implied: 155% Historical: 41%
Launch Date:	30 June 2025
Closing Date:	03 July 2025
Dealing Commencement Date:	04 July 2025
Last Trading Date:	The 5th Business Day immediately preceding the Expiry Date, provided that if such day is not a day on which The Stock Exchange of Hong Kong Limited ("**HKEX**") is open for dealings during its normal trading hours ("HK Business Day"), the Business Day immediately preceding such day which is also a HK Business Day, currently being 24 December 2025
Expiry Date:	05 January 2026
Board Lot:	100 Warrants

[1] These figures are calculated as at, and based on information available to the Issuer on or about, the date of the termsheet in respect of the Warrants. The Issuer is not obliged, and undertakes no responsibility to any person, to update or inform any person of any changes to the figures after the date of the termsheet in respect of the Warrants.

Valuation Date:	Each of the five Exchange Business Days immediately preceding the Expiry Date (subject to Market Disruption Events as set out in the Conditions of the Warrants)
Exercise:	Warrantholders shall not be required to deliver an exercise notice. Exercise of Warrants shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Warrants shall be deemed to have been automatically exercised at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day). The Cash Settlement Amount less the Exercise Expenses in respect of the Warrants shall be paid in the manner set out in Condition 4(c) of the Warrants. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero or negative, all Warrants shall be deemed to have expired at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day) and Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the Warrants.
Cash Settlement Amount:	In respect of each Warrant, shall be an amount (if positive) payable in the Settlement Currency equal to the Exchange Rate multiplied by: (A) (i) the Exercise Price LESS (ii) the arithmetic mean of the closing prices of one Share (as derived from the daily publications of the Relevant Stock Exchange, subject to any adjustments to such closing prices determined by the Issuer to be necessary to reflect any capitalisation, rights issue, distribution or the like) for each Valuation Date MULTIPLIED by (B) the Conversion Ratio In certain circumstances, the Conversion Ratio and the Exercise Price will be adjusted as set out in Condition 6 of the Warrants.
Exchange Rate:	The rate of exchange for the conversion of the Reference Currency to the Settlement Currency as at 5:00 p.m. (Singapore time) on the Expiry Date as shown on Bloomberg provided that if the Bloomberg service ceases to display such information, such page as displays such information on such other services as may be selected by the Issuer.
Reference Currency:	Hong Kong dollars
Settlement Currency:	Singapore dollars The Shares are traded in Hong Kong dollars on HKEX. However, the Warrants will be issued and traded in Singapore dollars on the Singapore Exchange Securities Trading Limited ("**SGX-ST**").
Exercise Expenses:	Warrantholders will be required to pay all charges (including any taxes if applicable) which are incurred in respect of the exercise of the Warrants.

Relevant Stock Exchange:	HKEX
Clearing System:	The Central Depository (Pte) Limited ("**CDP**")
Fees and Charges:	Normal transaction and brokerage fees shall apply to the trading of the Warrants on the SGX-ST.

In addition, the Conditions have been modified as follows:

Reference to "Business Day" in Condition 2 shall be replaced by "Exchange Business Day".

"**Exchange Business Day**" shall be a day on which the HKEX is open for dealings in Hong Kong during its normal trading hours.

The Conditions set out in the section headed "Terms and Conditions of the European Style Cash Settled Put Warrants" in the Base Listing Document are set out below. This section is qualified in its entirety by reference to the detailed information appearing elsewhere in this document which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions set out below, replace or modify the relevant Conditions for the purpose of the Warrants.

TERMS AND CONDITIONS OF THE EUROPEAN STYLE CASH SETTLED PUT WARRANTS

1. Form, Status, Transfer and Title

(a) *Form*. The Warrants (which expression shall, unless the context otherwise requires, include any further warrants issued pursuant to Condition 11) are issued subject to and with the benefit of:

(i) a master instrument by way of deed poll (the "**Master Instrument**") dated 15 July 2022, made by Macquarie Bank Limited (the "**Issuer**"); and

(ii) a master warrant agent agreement (the "**Warrant Agent Agreement**") dated 26 November 2004 and such other Warrant Agent Agreement as may be in force from time to time, made between the Issuer and the Warrant Agent for the Warrants.

Copies of the Master Instrument and the Warrant Agent Agreement are available for inspection at the specified office of the Warrant Agent.

The Warrantholders (as defined below) are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Master Instrument and the Warrant Agent Agreement.

(b) *Status*. The Warrants constitute direct, general and unsecured contractual obligations of the Issuer and rank, and will rank, equally among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (save for statutorily preferred exceptions). The Warrants provide for cash settlement on exercise.

(c) *Transfer*. The Warrants are represented by a global warrant certificate ("**Global Warrant**") which will be deposited with The Central Depository (Pte) Limited ("**CDP**"). Warrants in definitive form will not be issued. Transfers of Warrants may be effected only in Board Lots or integral multiples thereof. All transactions in (including transfers of) Warrants, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records maintained by CDP.

(d) *Title*. Each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Warrants shall be treated by the Issuer and the Warrant Agent as the holder and absolute owner of such number of Warrants, notwithstanding any notice to the contrary. The expression "**Warrantholder**" shall be construed accordingly.

2. Warrant Rights and Exercise Expenses

(a) *Warrant Rights*. Every Warrant entitles each Warrantholder, upon due exercise and on compliance with Condition 4, to payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4.

The "**Cash Settlement Amount**", in respect of each Warrant, shall be an amount (if positive) payable in the Settlement Currency equal to:

(A) (i) the Exercise Price for the time being LESS (ii) the arithmetic mean of the closing prices of one Share (as derived from the daily publications of the relevant stock exchange on which the Shares related to the Warrants are traded ("**Relevant Stock Exchange**") (as specified in the relevant Supplemental Listing Document), subject to any adjustments to such closing prices determined by the Issuer to be necessary to reflect any capitalisation, rights issue, distribution or the like) for each Valuation Date (as defined below) MULTIPLIED by (B) the Conversion Ratio,

and multiplied by the applicable exchange rate if the Reference Currency is different from the Settlement Currency.

If the Issuer determines, in its sole discretion, that on any Valuation Date a Market Disruption Event (as defined below) has occurred, then that Valuation Date shall be postponed until the first succeeding Business Day (as defined below) on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the two Business Days immediately following the original date that, but for the Market Disruption Event, would have been a Valuation Date. In that case:

(A) that second Business Day shall be deemed to be the Valuation Date notwithstanding the Market Disruption Event; and

(B) the Issuer shall determine the closing price on the basis of its good faith estimate of the bid price that would have prevailed on that second Business Day but for the Market Disruption Event.

If the postponement of a Valuation Date as aforesaid would result in a Valuation Date falling on or after the Expiry Date, then (1) the Business Day immediately preceding the Expiry Date (the "**Last Valuation Date**") shall be deemed to be the Valuation Date notwithstanding the Market Disruption Event and (2) the Issuer shall determine the closing price on the basis of its good faith estimate of the bid price that would have prevailed on the Last Valuation Date but for the Market Disruption Event.

"**Conversion Ratio**" means the ratio (expressed as the number of Shares to which one Warrant relates) specified by the Issuer, subject to adjustments in accordance with these Conditions.

"**Market Disruption Event**" means the occurrence or existence on any Valuation Date of (i) any suspension of trading on the Relevant Stock Exchange of the Shares requested by the Company if that suspension, is in the determination of the Issuer, material, (ii) any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the Relevant Stock Exchange or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) on the Relevant Stock Exchange in the Shares if that suspension or limitation is, in the determination of the Issuer, material, or (iii) the closing of the Relevant Stock Exchange or a disruption to trading on the Relevant Stock Exchange if that disruption, is in the determination of the Issuer, material as a result of the occurrence of any act of God, war, riot, public disorder, explosion, terrorism or otherwise.

"**Valuation Date**" means, with respect to the exercise of Warrants, and subject as provided above in relation to a Market Disruption Event, each of the five Business Days immediately preceding the Expiry Date relating to such exercise.

(b) *Exercise Expenses*. Warrantholders will be required to pay all charges (including any taxes if applicable) which are incurred in respect of the exercise of the Warrants (the "**Exercise Expenses**"). An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount in accordance with Condition 4. Notwithstanding the foregoing, the Warrantholders shall account to the Issuer on demand for any Exercise Expenses to the extent that they were not or could not be deducted from the Cash Settlement Amount prior to the date of payment of the Cash Settlement Amount to the Warrantholders in accordance with Condition 4.

3. Expiry Date

Unless automatically exercised in accordance with Condition 4(b), the Warrants shall be deemed to expire at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day).

4. Exercise of Warrants

(a) *Exercise*. Warrants may only be exercised on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day) in accordance with Condition 4(b).

(b) *Automatic Exercise*. Warrantholders shall not be required to deliver an exercise notice. Exercise of Warrants shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Warrants shall be deemed to have been automatically exercised at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day). The Cash Settlement Amount less the Exercise Expenses in respect of the Warrants shall be paid in the manner set out in Condition 4(c) below. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero or negative, all Warrants shall be deemed to have expired at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day) and Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the Warrants.

(c) *Settlement*. In respect of Warrants which are automatically exercised in accordance with Condition 4(b), the Issuer will pay to the relevant Warrantholder the Cash Settlement Amount (if any) in the Settlement Currency. The aggregate Cash Settlement Amount (less any Exercise Expenses) shall be despatched as soon as practicable and no later than five Business Days following the Last Valuation Date by way of crossed cheque or other payment in immediately available funds drawn in favour of the Warrantholder only (or, in the case of joint Warrantholders, the first-named Warrantholder) appearing in the records maintained by CDP. Any payment made pursuant to this Condition 4(c) shall be delivered at the risk and expense of the Warrantholder and posted to the Warrantholder's address appearing in the records maintained by CDP (or, in the case of joint Warrantholders, to the address of the first-named Warrantholder appearing in the records maintained by CDP). If the Cash Settlement Amount is equal to or less than the determined Exercise Expenses, no amount is payable.

(d) *CDP not liable.* CDP shall not be liable to any Warrantholder with respect to any action taken or omitted to be taken by the Issuer or the Warrant Agent in connection with the exercise of the Warrants or otherwise pursuant to or in connection with these Conditions.

(e) *Business Day*. In these Conditions, a "**Business Day**" shall be a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.

5. Warrant Agent

(a) *Warrant Agent*. The Issuer reserves the right, subject to the appointment of a successor, at any time to vary or terminate the appointment of the Warrant Agent and to appoint another Warrant Agent provided that it will at all times maintain a Warrant Agent which, so long as the Warrants are listed on the SGX-ST, shall be in Singapore. Notice of any such termination or appointment and of any change in the specified office of the Warrant Agent will be given to the Warrantholders in accordance with Condition 9.

(b) *Agent of Issuer*. The Warrant Agent will be acting as agent of the Issuer and will not assume any obligation or duty to or any relationship of agency or trust for the Warrantholders. All determinations and calculations by the Warrant Agent under these Conditions shall (save in the case of manifest error) be final and binding on the Issuer and the Warrantholders.

6. Adjustments

(a) *Potential Adjustment Event*. Following the declaration by a Company of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the Shares and, if so, will (i) make the corresponding adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate to account for that dilutive or concentrative or other effect, and (ii) determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an exchange on which options or futures contracts on the Shares are traded.

(b) *Definitions*. "**Potential Adjustment Event**" means any of the following:

(i) a subdivision, consolidation or reclassification of the Shares (excluding a Merger Event) or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution or dividend to existing holders of the Shares of (1) such Shares, or (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Shares, or (3) share capital or other securities of another issuer acquired by the Company as a result of a “spin-off” or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Issuer;

(iii) an extraordinary dividend;

(iv) a call by the Company in respect of the Shares that are not fully paid;

(v) a repurchase by the Company of the Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(vi) with respect to a Company an event that results in any shareholder rights pursuant to a shareholder rights agreement or other plan or arrangement of the type commonly referred to as a “poison pill” being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Company (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or

(vii) any other event that may have, in the opinion of the Issuer, a dilutive or concentrative or other effect on the theoretical value of the Shares.

(c) *Merger Event, Tender Offer, Nationalisation and Insolvency*. If a Merger Event, Tender Offer, Nationalisation or Insolvency occurs in relation to the Shares, the Issuer may take any action described below:

(i) determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, Nationalisation or Insolvency made by an options exchange to options on the Shares traded on that options exchange;

(ii) cancel the Warrants by giving notice to the Warrantholders in accordance with Condition 9. If the Warrants are so cancelled, the Issuer will pay an amount to each Warrantholder in respect of each Warrant held by such Warrantholder which amount shall be the fair market value of a Warrant taking into account the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer and/or any of its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 9; or

(iii) following any adjustment to the settlement terms of options on the Shares on such exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select (the "**Option Reference Source**") make a corresponding adjustment to any one or more of the Conditions, which adjustment will be effective as of the date determined by the Issuer to be the effective date of the corresponding adjustment made by the Option Reference Source. If options on the Shares are not traded on the Option Reference Source, the Issuer will make such adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate, with reference to the rules and precedents (if any) set by the Option Reference Source, to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, that in the determination of the Issuer would have given rise to an adjustment by the Option Reference Source if such options were so traded.

Once the Issuer determines that its proposed course of action in connection with a Merger Event, Tender Offer, Nationalisation or Insolvency, it shall give notice to the Warrantholders in accordance with Condition 9 stating the occurrence of the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Warrantholders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of a Merger Event, Tender Offer, Nationalisation or Insolvency.

(d) *Definitions*. "**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Company (i) all the Shares of that Company are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Shares of that Company become legally prohibited from transferring them. "**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer. "**Merger Event**" means, in respect of the Shares, any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in reclassification or change of all of such Shares outstanding), (iii) takeover offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Company that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Company or its subsidiaries with or into another entity in which the Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the Merger Date is on or before the Valuation Date or, if there is more than one Valuation Date, the Last Valuation Date. "**Nationalisation**" means that all the Shares or all or substantially all of the assets of a Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof. "**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deems relevant.

(e) *Other Adjustments*. Except as provided in this Condition 6 and Condition 12, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as it believes appropriate in circumstances where an event or events occur which it believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Warrants and the obligations of the Issuer, give rise to such adjustment provided that such adjustment is considered by the Issuer not to be materially prejudicial to the Warrantholders generally (without considering the circumstances of any individual Warrantholder or the tax or other consequences of such adjustment in any particular jurisdiction).

(f) *Notice of Adjustments*. All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warrantholders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.

7. Purchases

The Issuer or its related corporations may at any time purchase Warrants at any price in the open market or by tender or by private treaty. Any Warrants so purchased may be held or resold or surrendered for cancellation.

8. Meetings of Warrantholders; Modification

(a) *Meetings of Warrantholders*. The Warrant Agent Agreement contains provisions for convening meetings of the Warrantholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Warrant Agent Agreement) of a modification of the provisions of the Warrants or of the Warrant Agent Agreement.

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the date, time and place of the meeting shall be given to the Warrantholders. Such a meeting may be convened by the Issuer or by Warrantholders holding not less than ten per cent. of the Warrants for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 25 per cent. of the Warrants for the time being remaining unexercised, or at any adjourned meeting two or more persons being or representing Warrantholders whatever the number of Warrants so held or represented.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three-quarters of the votes cast by such Warrantholders who, being entitled to do so, vote in person or by proxy.

An Extraordinary Resolution passed at any meeting of the Warrantholders shall be binding on all the Warrantholders, whether or not they are present at the meeting. Resolutions can be passed in writing if passed unanimously.

(b) *Modification*. The Issuer may, without the consent of the Warrantholders, effect (i) any modification of the provisions of the Warrants or the Master Instrument which is not materially prejudicial to the interests of the Warrantholders or (ii) any modification of the provisions of the Warrants or the Master Instrument which is of a formal, minor or technical nature, which is made to correct an obvious error or which is necessary in order to comply with mandatory provisions of Singapore law. Any such modification shall be binding on the Warrantholders and shall be notified to them by the Warrant Agent before the date such modification becomes effective or as soon as practicable thereafter in accordance with Condition 9.

9. Notices

(a) *Documents*. All cheques and other documents required or permitted by these Conditions to be sent to a Warrantholder or to which a Warrantholder is entitled or which the Issuer shall have agreed to deliver to a Warrantholder may be delivered by hand or sent by post addressed to the Warrantholder at his address appearing in the records maintained by CDP or, in the case of joint Warrantholders, addressed to the joint holder first named at his address appearing in the records maintained by CDP, and airmail post shall be used if that address is not in Singapore. All documents delivered or sent in accordance with this paragraph shall be delivered or sent at the risk of the relevant Warrantholder.

(b) *Notices*. All notices to Warrantholders will be validly given if published in English on the web-site of the SGX-ST. Such notices shall be deemed to have been given on the date of the first such publication. If publication on the web-site of the SGX-ST is not practicable, notice will be given in such other manner as the Issuer may determine. The Issuer shall, at least one month prior to the expiry of any Warrant, give notice of the date of expiry of such Warrant in the manner prescribed above, provided that if the tenure of the Warrant is less than one month, the Issuer shall publish the expiry notice as soon as practicable after the listing of the Warrant.

10. Liquidation

In the event of a liquidation or dissolution of the Company or the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, all unexercised Warrants will lapse and shall cease to be valid for any purpose, in the case of voluntary liquidation, on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, on the date of the relevant court order or, in the case of the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law. In the event of the voluntary liquidation of the Company, the Issuer shall make such adjustments or amendments as it reasonably believes are appropriate in the circumstances.

11. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Warrantholders, to create and issue further warrants so as to form a single series with the Warrants.

12. De-Listing

(a) *De-Listing*. If at any time, any Shares cease to be listed, traded or publicly quoted on the Relevant Stock Exchange for any reason and are not immediately re-listed, re-traded or re-quoted on an exchange, trading system or quotation system acceptable to the Issuer ("**De-Listing**"), the Issuer shall give effect to these Conditions in such manner and make such adjustments and amendments to the rights attaching to the Warrants (including terminating the Warrants early) as it shall, in its absolute discretion, consider appropriate to ensure, so far as it is reasonably able to do so, that the interests of the Warrantholders generally are not materially prejudiced as a consequence of such De-Listing (without considering the individual circumstances of any Warrantholder or the tax or other consequences that may result in any particular jurisdiction).

(b) *Adjustments*. Without prejudice to the generality of Condition 12(a), where the Shares are, or, upon the De-Listing, become, listed on any other stock exchange, these Conditions may, in the absolute discretion of the Issuer, be amended to the extent necessary to allow for the substitution of that other stock exchange in place of the Relevant Stock Exchange and the Issuer may, without the consent of the Warrantholders, make such adjustments to the entitlements of Warrantholders on exercise (including, if appropriate, by converting foreign currency amounts at prevailing market rates into the Settlement Currency) as may be appropriate in the circumstances.

(c) *Issuer's Determination*. The Issuer shall determine, in its absolute discretion, any adjustment or amendment and its determination shall be conclusive and binding on the Warrantholders save in the case of manifest error. Notice of any adjustments or amendments shall be given to the Warrantholders in accordance with Condition 9 as soon as practicable after they are determined.

13. Early Termination for Illegality and Force Majeure, etc.

(a) *Illegality and Force Majeure, etc*. If the Issuer determines that, for reasons beyond its control, the performance of its obligations under the Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging arrangements with respect to the Warrants for any reason, the Issuer may at its discretion and without obligation terminate the Warrants early by giving notice to the Warrantholders in accordance with Condition 9.

Should any one or more of the provisions contained in the Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

(b) *Termination*. If the Issuer terminates the Warrants early, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrantholder in respect of each Warrant held by such holder equal to the fair market value of a Warrant notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 9.

14. Governing Law

The Warrants, the Master Instrument and the Warrant Agent Agreement will be governed by and construed in accordance with Singapore law. The Issuer and each Warrantholder (by its purchase of the Warrants) shall be deemed to have submitted for all purposes in connection with the Warrants, the Master Instrument and the Warrant Agent Agreement to the non-exclusive jurisdiction of the courts of Singapore.

15. Prescription

Claims against the Issuer for payment of any amount in respect of the Warrants will become void unless made within six years of the Expiry Date and, thereafter, any sums payable in respect of such Warrants shall be forfeited and shall revert to the Issuer.

16. Contracts (Rights of Third Parties) Act 2001 of Singapore

Unless otherwise provided in the Global Warrant, the Master Instrument and the Warrant Agent Agreement, a person who is not a party to any contracts made pursuant to the Global Warrant, the Master Instrument and the Warrant Agent Agreement has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any terms of such contracts. Except as expressly provided herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts.

SUMMARY OF THE ISSUE

The following is a summary of the issue and should be read in conjunction with, and is qualified by reference to, the other information set out in this document and the Base Listing Document. Terms used in this Summary are defined in the Conditions.

Issuer:	Macquarie Bank Limited
Company:	Xiaomi Corporation
The Warrants:	European Style Cash Settled Put Warrants relating to the Shares
Number:	25,000,000 Warrants
Form:	The Warrants will be issued subject to, and with the benefit of, an instrument by way of deed poll dated 15 July 2022 (the "**Master Instrument**") and executed by the Issuer and a master warrant agent agreement dated 26 November 2004 (the "**Warrant Agent Agreement**") and made between the Issuer and the Warrant Agent.
Conversion Ratio (number of Shares per Warrant):	0.066667 (i.e. every 15 Warrants initially relate to 1 Share)
Cash Settlement Amount:	In respect of each Warrant, shall be an amount (if positive) payable in the Settlement Currency equal to the Exchange Rate multiplied by: (A) (i) the Exercise Price LESS (ii) the arithmetic mean of the closing prices of one Share (as derived from the daily publications of the Relevant Stock Exchange, subject to any adjustments to such closing prices determined by the Issuer to be necessary to reflect any capitalisation, rights issue, distribution or the like) for each Valuation Date MULTIPLIED by (B) the Conversion Ratio In certain circumstances, the Conversion Ratio and the Exercise Price will be adjusted as set out in Condition 6 of the Warrants.
Exchange Rate:	The rate of exchange for the conversion of HKD to SGD as at 5:00 p.m. (Singapore time) on the Expiry Date as shown on Bloomberg provided that if the Bloomberg service ceases to display such information, such page as displays such information on such other services as may be selected by the Issuer.
Denominations:	Warrants are represented by a global warrant in respect of all the Warrants.
Exercise:	Warrantholders shall not be required to deliver an exercise notice. Exercise of Warrants shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Warrants shall be deemed to have been automatically exercised at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day). The Cash

	Settlement Amount less the Exercise Expenses in respect of the Warrants shall be paid in the manner set out in Condition 4(c) of the Warrants. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero or negative, all Warrants shall be deemed to have expired at 12:00 noon (Singapore time) on the Expiry Date (or if the Expiry Date is not a Business Day, the immediately preceding Business Day) and Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the Warrants.
Trading Currency:	Singapore dollars
Transfers of Warrants:	Warrants may only be transferred in Board Lots (or integral multiples thereof). All transfers in Warrants, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records of CDP.
Listing:	Application has been made to the SGX-ST for permission to deal in and for quotation of the Warrants and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Warrants. Issue of the Warrants is conditional on such listing being granted. It is expected that dealings in the Warrants on the SGX-ST will commence on or about 04 July 2025.
Governing Law:	The laws of Singapore
Warrant Agent:	Macquarie Capital Securities (Singapore) Pte. Limited
Further Issues:	Further issues which will form a single series with the Warrants will be permitted.

The above summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this document and the Base Listing Document.

RISK FACTORS

The following risk factors are relevant to the Warrants:

(a) investment in Warrants involves substantial risks including market risk, liquidity risk, and the risk that the Issuer will be unable to satisfy its obligations under the Warrants. Investors should ensure that they understand the nature of all these risks before making a decision to invest in the Warrants. You should consider carefully whether Warrants are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. Warrants are not suitable for inexperienced investors;

(b) the Warrants constitute direct, general and unsecured contractual obligations of the Issuer and no other person and will rank pari passu with the Issuer's other unsecured contractual obligations and with the Issuer's unsecured and unsubordinated debt other than indebtedness preferred by mandatory provisions of law. The Warrants are not secured by any collateral.
Section 13A(3) of the Banking Act of 1959 of Australia provides that, in the event of the Issuer becoming unable to meet its obligations or suspends payments, the assets of the Issuer in Australia are to be available to satisfy specified liabilities in priority to all other liabilities of the Issuer (including the obligations of the Issuer under the Warrants). The specified liabilities include first, certain obligations of the Issuer to APRA in respect of amounts payable by APRA to holders of protected accounts and any administration costs incurred by APRA. Then, as the next priority, other liabilities of the Issuer in Australia in relation to protected accounts that account-holders keep with the Issuer. Following this any debts that the Issuer owes to the Reserve Bank of Australia and any liabilities under an industry support contract (certified under section 11CB of the Banking Act) and then, any other liabilities, in order of their priority. If you purchase the Warrants you are relying upon the creditworthiness of the Issuer and have no rights under the Warrants against any other person. In particular, it should be noted that the Issuer issues a large number of financial instruments, including Warrants, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If you purchase the Warrants you are relying upon the creditworthiness of the Issuer and have no rights under the Warrants against the company which has issued the underlying shares. The Issuer is not a fiduciary of Warrantholders (as defined in the Conditions) and has substantially no obligation to a Warrantholder other than to pay amounts in accordance with the terms thereof as set forth herein and in the Base Listing Document. The Issuer does not in any respect underwrite or guarantee the performance of any Warrant. Any profit or loss realised by a Warrantholder in respect of a Warrant upon exercise or otherwise due to changes in the value of such Warrant, or the underlying shares, is solely for the account of such Warrantholder. In addition, the Issuer shall have the absolute discretion to put in place any hedging transaction or arrangement which it deems appropriate in connection with any Warrant or the underlying shares. A reduction in the rating, if any, accorded to outstanding debt securities of the Issuer by any one of its rating agencies could result in a reduction in the trading value of the Warrants;

(c) the price of the Warrants may fall in value as rapidly as it may rise and Warrantholders may sustain a total loss of their investment. The risk of losing all or any part of the purchase price of a Warrant upon the expiry of the Warrants means that, in order to recover and realise a return on investment, investors in Warrants must generally anticipate correctly the direction, timing and magnitude of any change in the value of the shares of the underlying company. Changes in the price of the shares of the underlying company can be unpredictable, sudden and large and such changes may result in the price of such shares moving in a direction which will negatively impact upon the return on an investment. In the case of Warrants relating to shares, certain events relating to such shares or the underlying company may cause adverse movements in the value and price of the underlying shares, as a result of which, the Warrantholders may, in certain circumstances, sustain a total loss of their investment if, for the Warrants, the average closing price of the underlying shares on the valuation dates is equal to or higher than the exercise price;

(d) due to their nature, the Warrants can be volatile instruments and may be subject to considerable fluctuations in value. The price of the Warrants may fall in value as rapidly as it may rise due to, including but not limited to, variations in the frequency and magnitude of the changes in the price of the underlying shares, dividends, interest rate, volatility, foreign exchange rates, the time remaining to expiry and the creditworthiness of the Issuer;

(e) before exercising or selling the Warrants, the holders of Warrants should carefully consider, among other things, (i) the trading price of the Warrants; (ii) the value and volatility of the reference security; (iii) the time remaining to expiration; (iv) the probable range of Cash Settlement Amounts; (v) any change(s) in interim interest rates and dividend yields; (vi) any change(s) in currency exchange rates; (vii) the depth of the market or liquidity of the reference security; (viii) any related transaction costs; and (ix) the creditworthiness of the Issuer;

(f) fluctuations in the price of the underlying shares will affect the price of the Warrants but not necessarily in the same magnitude and direction, therefore, prospective investors intending to purchase Warrants to hedge their market risk associated with investing in the underlying shares, should recognise the complexities of utilising the Warrants in this manner;

(g) the settlement amount of Warrants at any time prior to the expiry of the Warrants may be less than the trading price of such Warrants at that time. The difference between the trading price and the settlement amount as the case may be, will reflect, among other things, a "time value" for the Warrants. The "time value" of the Warrants will depend partly upon the length of the period remaining to the expiry date of the Warrants and expectations concerning the value of the shares of the underlying company;

(h) investors should note that an investment in the Warrants involves valuation risks in relation to the underlying asset. The value of the underlying asset may vary over time and may increase or decrease by reference to various factors, which may include corporate actions, macro economic factors and market trends. Certain events relating to the underlying shares require or permit the Issuer to make certain adjustments or amendments to the Conditions (for example, adjusting the Exercise Price and the Conversion Ratio). However, the Issuer is not required to make an adjustment for every event that affects the underlying asset. If an event occurs that does not require the Issuer to adjust the Conversion Ratio or any other part of the Conditions, the market price of the Warrants and the return upon the exercise of the Warrants may be affected;

(i) as indicated in the Conditions, a Warrantholder must tender a specified number of Warrants at any one time in order to exercise. Thus, Warrantholders with fewer than the specified minimum number of Warrants in a particular series will either have to sell their Warrants or purchase additional Warrants, incurring transactions costs in each case, in order to realise their investment;

(j) unless otherwise specified in the Conditions, in the case of any exercise of the Warrants, there may be a time lag between the date on which the Warrants are exercised and the time the applicable settlement amount relating to such an event is determined. Any such delay between the time of exercise and the determination of the settlement amount will be specified in the Conditions. However such delay could be significantly longer, particularly in the case of a delay in the exercise of the Warrants arising from, a determination by the Issuer that a Market Disruption Event has occurred at any relevant time or that adjustments are required in accordance with the Conditions. That applicable settlement amount, may change significantly during any such period, and such movement or movements could decrease or modify the settlement amount of the Warrants;

(k) if, whilst the Warrants remain unexercised, trading in the underlying shares on the relevant stock exchange is suspended, trading in the Warrants may be suspended for a similar period;

(l) in the case of the Warrants, certain events relating to the shares of the underlying company require or, as the case may be, permit the Issuer to make certain adjustments or amendments to the Conditions, and investors have limited anti-dilution protection under the Conditions. The Issuer may at its sole discretion adjust the entitlement upon exercise or valuation of the Warrants for events such as, amongst others, subdivision of the shares of the underlying company and dividend in specie, however the Issuer is not required to make an adjustment for every event that may affect the shares of the underlying company;

(m) the Warrants are only exercisable on their expiry date and may not be exercised by Warrantholders prior to such expiry date. Accordingly, if on such expiry date the Cash Settlement Amount (where applicable) is zero or negative, a Warrantholder will lose the value of his investment;

(n) investors should note that it is not possible to predict the price at which the Warrants will trade in the secondary market or whether such market will be liquid or illiquid. A decrease in the liquidity of the Warrants or the underlying shares, futures, derivatives or other security related to the Warrants may cause, in turn, an increase in the volatility associated with the price of such issue of Warrants. The Issuer may, but is not obligated to, at any time, purchase Warrants at any price in the open market or by tender or private agreement. Any Warrants so purchased may be held or resold or surrendered for cancellation. As the Warrants are only exercisable on the expiry date, an investor will not be able to exercise his warrants to realise value in the event that the relevant issue becomes illiquid;

(o) in the event of any delisting of the Warrants from the SGX-ST (other than at expiry), the Issuer will use all reasonable efforts to list the Warrants on another exchange. If the Warrants are not listed or traded on any exchange, pricing information for the Warrants may be difficult to obtain and the liquidity of the Warrants may be adversely affected;

(p) two or more risk factors may simultaneously have an effect on the value of a Warrant such that the effect of any individual risk factor may not be predicted. No assurance can be given as to the effect any combination of risk factors may have on the value of a Warrant;

(q) in the ordinary course of their business, including without limitation in connection with the Issuer or its appointed designated market maker's market making activities, the Issuer and any of its respective subsidiaries and affiliates may effect transactions for their own account or for the account of their customers and hold long or short positions in the underlying shares or related derivatives. In addition, in connection with the offering of any Warrants, the Issuer and any of its respective subsidiaries and affiliates may enter into one or more hedging transactions with respect to the underlying shares or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and any of its respective subsidiaries and its affiliates, the Issuer and any of its respective subsidiaries and affiliates may enter into transactions in the underlying shares or related derivatives which may affect the market price, liquidity or value of the Warrants and which may affect the interests of Warrantholders;

(r) if the Issuer determines in good faith that the performance of its obligations under the Conditions has become unlawful or impractical in whole or in part, the Issuer may at its sole and absolute discretion and without obligation, terminate the Warrants prior to the expiry date, in which event the Issuer to the extent permitted by any relevant applicable law, will pay to each Warrantholder an amount as determined by the Issuer, in its sole and absolute discretion, in accordance with the Conditions. If the Issuer terminates the Warrants prior to the expiry date, the Issuer will, if and to the extent permitted by any relevant applicable law, pay each Warrantholder an amount to be determined by the Issuer, in its sole and absolute discretion, to be the fair market value of the Warrants immediately prior to such termination or otherwise determined as specified in the Conditions, notwithstanding the illegality or impracticality;

(s) the Issuer may enter into discount, commission or fee arrangements with brokers and/or any of its affiliates with respect to the primary or secondary market in the Warrants and such arrangement may present certain conflicts of interest for the brokers. The arrangements may or may not result in the benefit to investors in Warrants buying and selling Warrants through nominated brokers. Investors in the Warrants should note that any brokers with whom the Issuer has a commission arrangement does not, and cannot be expected to deal, exclusively in the Warrants, therefore any broker and/or its subsidiaries or affiliates may from time to time engage in transactions involving the shares in the underlying company and/or structured products of other issuers over the same shares in the same underlying company as the Warrants for their proprietary accounts and/or accounts of their clients. The fact that the same broker may deal simultaneously for different clients in competing products in the market place may affect the value of the Warrants and present certain conflicts of interests;

(t) third party individuals may comment on the Warrants on social media or other platforms from time to time. None of these third party individuals, whether sponsored by the Issuer or not, is an agent of the Issuer and such commentary is not the Issuer's advice or recommendation to invest in the Warrants. The Issuer is not responsible for any statements or comments made by such third party individuals. To the extent a fee is paid by the Issuer, such fee arrangement may present potential conflicts of interest for the individual;

(u) changes in Singapore tax law and/or policy may adversely affect Warrantholders. Warrantholders who are in any doubt as to the effects of any such changes should consult their stockbrokers, bank managers, accountants, solicitors or other professional advisers;

(v) as the Warrants are represented by a global warrant certificate which will be deposited with the CDP:

(i) investors should note that no definitive certificate will be issued in relation to the Warrants;

(ii) there will be no register of Warrantholders and each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Warrants by way of interest (to the extent of such number) in the global warrant certificate in respect of those Warrants represented thereby shall be treated as the holder of such number of Warrants;

(iii) investors will need to rely on any statements received from their brokers/custodians as evidence of their interest in the Warrants; and

(iv) notices to such Warrantholders will be published on the web-site of the SGX-ST. Investors will need to check the web-site of the SGX-ST regularly and/or rely on their brokers/custodians to obtain such notices; and

(w) the value of the Warrants depends upon, amongst other things, the ability of Issuer to fulfil its obligations under the terms which, in turn is primarily dependent on the financial prospects of the Issuer; and

(x) Foreign Account Tax Compliance withholding may affect payments on the Warrants

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("FATCA") impose a reporting regime and, potentially, a 30% withholding tax with respect to (i) certain payments from sources within the U.S., (ii) "foreign passthru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution.

"Passthru payments" means any withholdable payment and any "foreign passthru payment," which is currently not defined. The current proposed FATCA regulations (“**Proposed Regulations**”) state that the Internal Revenue Service and the U.S. Treasury have determined, that withholding on “foreign passthru payments” is not required, pending further guidance and analysis. The Proposed Regulations provide that such withholding will not be effective before the date that is two years after the publication of final regulations defining the term “foreign pass-thru payment”.

While the Warrants are in dematerialised form and held within the clearing systems, in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the clearing systems. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. An Issuer’s obligations under the Warrants are discharged once it has paid the clearing systems and an Issuer has therefore no responsibility for any amount thereafter transmitted through the clearing systems and custodians or intermediaries.

Macro-economic risks

(y) Macquarie Bank’s and the MBL Group’s business and results of operation have been and may, in the future, be adversely affected by financial markets, global credit and other economic and geopolitical challenges generally.

Macquarie Bank and/or its controlled entities’ (the “MBL Group”) businesses operate in or depend on the operation of global markets, including through exposures in securities, loans, derivatives and other activities and it is impacted by various factors it cannot control. In particular, uncertainty and volatility in global credit markets, liquidity constraints, increased funding costs, the level and volatility of interest rates, constrained access to funding, uncertainty concerning government shutdowns and debt ceilings, changing patterns of government spending in response to geopolitical events, fluctuations or other significant changes in both equity and capital market activity, supply chain disruptions and labour shortages have adversely affected and may continue to adversely affect transaction flow in a range of industry sectors. These factors could also adversely affect the MBL Group's access to and costs of funding and in turn may negatively impact its liquidity and competitive position.

Additionally, global markets may be adversely affected by the current or anticipated impact of climate change, extreme weather events or natural disasters, the emergence or continuation of widespread health emergencies or pandemics, cyber-attacks or campaigns, military conflicts, including the Russia-Ukraine conflict, the Israeli Palestinian conflict and other conflicts in the Middle East, terrorism or other geopolitical events such as rising tensions between the U.S. and China, and concerns about a potential conflict involving Taiwan.

The dynamic and constantly evolving sanctions environment, including the volume, nature and diversity of sanctions imposed during the Russia-Ukraine conflict, continues to drive heightened sanctions compliance risk and complexity in applying control frameworks across the market. The Russia-Ukraine conflict and conflicts in the Middle East have caused, and may continue to cause, supply shocks in energy, food and other commodities markets, disruption to global shipping lanes and supply chains, increased inflation, cybersecurity risks, increased volatility in commodity, currency and other financial markets and heightened geopolitical tensions. Either new or increased sanctions, the lifting of sanctions or a divergence in sanctions regimes of different authorities on currently-sanctioned countries that are, for example, major energy producers, could continue to disrupt regional and global energy, commodities and financial markets and macroeconomic conditions generally, adversely impacting the MBL Group and its customers, clients and employees.

New tariff barriers and retaliatory measures that have been imposed or threatened in recent months have disrupted and are likely to continue to disrupt global trade flows and adversely impact economic growth. The impact of announced and implemented tariffs has been exacerbated by the unpredictable manner in which announcements have been made and subsequently revised and the short time frames for implementation of some of these measures. Tariffs and countermeasures may increase volatility in financial markets, including equity, currency and interest rate markets, adversely affect business investment, negatively impact investor confidence, lead to the re-direction of exports, reduce co-operation and escalate tensions between the countries targeted by trade sanctions and result in lower economic growth in both the countries impacted by trade sanctions and globally, any of which may negatively impact Macquarie Bank's and the MBL Group's business and results of operations.

Actions taken by central banks, including changes to official interest rate targets, balance sheet management and government-sponsored lending facilities are beyond the MBL Group's control and difficult to predict. Sudden changes in monetary policy, for example in response to increased inflation or changes to fiscal or trade policies, could lead to financial market volatility and are likely to affect market interest rates and the value of financial instruments and other assets and liabilities, and can impact the MBL Group's customers.

The MBL Group's trading income may be adversely affected during times of subdued market conditions and client activity. Increased market volatility can lead to trading losses or cause the MBL Group to reduce the size of its trading activities in order to limit its risk exposure.
Market conditions, as well as declines in asset values, may cause the MBL Group's clients to transfer their assets out of the MBL Group's funds or other products or their brokerage accounts and result in reduced net revenues.

The MBL Group's realisations from asset sales may also be less than anticipated if economic conditions deteriorate. A deterioration in economic conditions may also negatively impact the MBL Group's ability to exit its investment positions as a result of decreased transaction activity. In addition, if financial markets decline, revenues from the MBL Group's products are likely to decrease. In addition, increases in volatility increase the level of the MBL Group's risk weighted assets and increase the MBL Group's capital requirements. Increased capital requirements may require the MBL Group to raise additional capital at a time, and on terms, which may be less favourable than the MBL Group would otherwise achieve during stable market conditions.

Sudden declines and significant volatility in the prices of assets may substantially curtail or eliminate the trading markets for certain assets, which may make it very difficult to sell, hedge or value such assets. The inability to sell or effectively hedge assets reduces the MBL Group's ability to limit losses in such positions and difficulty in valuing assets may negatively affect the MBL Group's capital, liquidity or leverage ratios, increase funding costs and generally require the MBL Group to maintain additional capital.

Concerns about, or a default by, one or more institutions or by a sovereign could lead to market-wide liquidity problems, losses or defaults by other institutions, financial instruments losing their value and liquidity, and interruptions to capital markets that may further affect the MBL Group. Negative perceptions about the soundness of a financial institution can result in counterparties seeking to limit their exposure and depositors withdrawing their deposits, which can happen more quickly than in the past due to the rapid dissemination of negative information through social media channels and other advances in technology, further weakening the institution. Bank collapses in the U.S. and Europe in 2023 have heightened these concerns. The commercial soundness of many financial institutions may be closely interrelated as a result of credit, trading, clearing or other relationships among financial institutions. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms, hedge funds and exchanges that the MBL Group interacts with on a daily basis. If any of the MBL Group's counterpart financial institutions fail, the MBL Group's financial exposures to that institution may lose some or all of their value. Any of these events may have a serious adverse effect on the MBL Group's liquidity, profitability and value.

(z) Macquarie Bank's and the MBL Group's ability to operate their businesses could be impaired if their liquidity is constrained.

Liquidity is essential to Macquarie Bank's and the MBL Group's business. Financial institutions have failed in the past due to lack of liquidity. Inadequate liquidity, or even the perception that Macquarie Bank's and the MBL Group's liquidity is inadequate, would pose a serious risk to their ability to operate. Macquarie Bank's and the MBL Group's liquidity may be impacted at any given time as a result of various factors, including deposit losses, market disruptions, macroeconomic shocks, increases to liquidity and regulatory capital requirements due to legal and regulatory changes, restrictive central bank actions such as quantitative tightening that may reduce monetary supply and increase interest rates, the insolvency of a major market participant or systemically important financial institution, any idiosyncratic event impacting Macquarie Bank's or the MBL Group's reputation and/or business, any other unexpected cash outflows or higher-than-anticipated funding needs. The uncertainties surrounding these factors could undermine confidence in Macquarie Bank and the MBL Group or the financial system as a whole.

Factors beyond Macquarie Bank's and the MBL Group's control, such as periods of market stress, a fall in investor confidence or financial market illiquidity may increase their funding costs and reduce their access to conventional funding sources. Additionally, from time to time, regulations that impose increased liquidity requirements on financial institutions may be adopted. These regulations may require Macquarie Bank and the MBL Group to hold larger amounts of highly liquid assets and/or constrain Macquarie Bank's and the MBL Group's ability to raise funding or deploy capital. Further, Macquarie Bank's and the MBL Group's ability to liquidate assets may be impaired if there is not generally a liquid market for such assets, as well as in circumstances where other market participants are seeking to sell similar otherwise generally liquid assets at the same time, as is likely to occur in a liquidity or other market crisis or in response to changes in law or regulation.

Macquarie Bank and the MBL Group may need to raise funding from alternative sources if their access to stable and lower cost sources of funding, such as customer deposits and the equity and debt capital markets, is reduced. Those alternative sources of funding could be more expensive or also limited in availability. Macquarie Bank's and the MBL Group's funding costs could also be negatively affected by actions that they may take in order to satisfy their mandated liquidity coverage and net stable funding ratios or other regulatory requirements.

If Macquarie Bank and the MBL Group fail to effectively manage their liquidity, this could constrain their ability to fund or invest in their businesses, and thereby adversely affect their business, results of operations, prospects, financial performance or financial condition.

(aa) Failure of Macquarie Bank or the MBL Group to maintain their credit ratings and those of their subsidiaries could adversely affect their cost of funds, liquidity, competitive position and access to capital markets.

The credit ratings assigned to Macquarie Bank or the MBL Group and certain of their subsidiaries by rating agencies are based on their evaluation of a number of factors, including the MBL Group's ability to maintain a stable and diverse earnings stream, strong capital ratios, strong credit quality and risk management controls, funding stability and security, disciplined liquidity management and its key operating environments, including the availability of systemic support in Australia. In addition, a credit rating downgrade could be driven by the occurrence of one or more of the other risks identified in this section or by other events that are not related to the MBL Group where there has been no deterioration in its business, such as changes to the ratings methodology or criteria.

If these MBL Group entities fail to maintain their current credit ratings, this could (i) adversely affect Macquarie Bank's or the MBL Group's cost of funds, liquidity, competitive position, the willingness of counterparties to transact with the MBL Group and its ability to access capital markets; or (ii) trigger Macquarie Bank's or the MBL Group's obligations under certain bilateral provisions in some of their trading and collateralised financing contracts. Under these provisions, counterparties could be permitted to terminate contracts with the MBL Group or require it to post collateral. Termination of Macquarie Bank's or a MBL Group entity's trading and collateralised financing contracts could cause them to sustain losses and impair their liquidity by requiring them to find other sources of financing or to make significant cash payments or securities movements.

(ab) Changes and increased volatility in currency exchange rates may adversely impact the MBL Group's financial results and its financial and regulatory capital positions.

While the MBL Group's consolidated financial statements are presented in Australian Dollars, a significant portion of the MBL Group's operating income is derived, and operating expenses are incurred, from its offshore business activities, which are conducted in a broad range of currencies. Changes in the rate at which the Australian Dollar is translated from other currencies can impact the MBL Group's financial statements and the economics of its business.

Although the MBL Group seeks to carefully manage its exposure to foreign currencies, in part through matching of assets and liabilities in local currencies and through the use of foreign exchange forward contracts to hedge its exposure, the MBL Group is still exposed to exchange risk. The risk becomes more acute during periods of significant currency volatility. Insofar as the MBL Group is unable to hedge or has not completely hedged its exposure to currencies other than the Australian Dollar, the MBL Group's reported profit and foreign currency translation reserve would be affected.

In addition, because the MBL Group's regulatory capital position is assessed in Australian Dollars, its capital ratios may be adversely impacted by a depreciating Australian Dollar, which increases the capital requirement for assets denominated in currencies other than Australian Dollars.

(ac) Macquarie Bank's and the MBL Group's businesses are subject to the risk of loss associated with price volatility in the equity markets and other markets in which they operate.

Macquarie Bank and the MBL Group are exposed to changes in the value of financial instruments and other financial assets that are carried at fair market value, as well as changes to the level of their advisory and other fees, due to changes in interest rates, exchange rates, equity and commodity prices and credit spreads and other market risks. These changes may result from changes in economic conditions, monetary and fiscal policies, market liquidity, availability and cost of capital, international and regional political events, acts of war or terrorism, corporate, political or other scandals that reduce investor confidence in capital markets, natural disasters or pandemics or a combination of these or other factors.

Macquarie Bank and the MBL Group trade in foreign exchange, interest rate, commodity, bullion, energy, securities and other markets and are an active price maker in the derivatives market. Certain financial instruments that Macquarie Bank and/or the MBL Group hold and contracts to which they are a party are complex and these complex structured products often do not have readily available markets to access in times of liquidity stress. Additionally, a number of the markets Macquarie Bank and the MBL Group trade in, and in particular the energy markets, have or may experience increased levels of volatility as a result of uncertainty and supply chain disruptions related to ongoing developments, such as the Russia-Ukraine conflict, conflict in the Middle East and the implementation or proposed implementation of new trade barriers. In addition, reductions in equity market prices or increases in interest rates may reduce the value of Macquarie Bank's and the MBL Group's clients' portfolios, which in turn may reduce the fees they earn for managing assets in certain parts of their business. Increases in interest rates or attractive prices for other investments could cause Macquarie Bank's and the MBL Group's clients to transfer their assets out of their funds or other products.

Interest rate risk arises from a variety of sources, including mismatches between the repricing periods of assets and liabilities. As a result of these mismatches, movements in interest rates can affect earnings or the value of the MBL Group. See also "Risk Factors – Macro-economic Risks – Inflation has had, and could continue to have, a negative effect on Macquarie Bank's and the MBL Group's business, results of operations and financial condition.".

(ad) Macquarie Bank's and the MBL Group's businesses are subject to risks including trading losses, risks associated with market volatility and the risks associated with their physical commodities activities.

Macquarie Bank's and the MBL Group's commodities business primarily involves transacting with their clients to help them manage risks associated with their commodity exposures, and Macquarie Bank and the MBL Group may also enter into commodity transactions on their own behalf. These transactions often involve Macquarie Bank and the MBL Group taking on exposure to price movements in the underlying commodities. Macquarie Bank and the MBL Group employ a variety of techniques and processes to manage these risks, including hedging, but, they may not fully hedge their risk, and their risk management techniques may not be as effective as they intend for a variety of reasons, including unforeseen events occurring outside their risk modelling. For example, some products may have limited market liquidity and access to derivative markets may become constrained during periods of volatile commodity market conditions, increasing the cost of hedging instruments. Macquarie Bank's and the MBL Group's counterparty risk may also be elevated at times of high volatility because their counterparties may be more likely to be under financial stress, increasing Macquarie Bank's and the MBL Group's exposure to potential losses as a result of those counterparties defaulting or failing to perform their obligations. See also "Risk Factors – Counterparty credit risk – Failure of external parties to honour their commitments in connection with Macquarie Bank's and the MBL Group's trading, lending and other activities may adversely impact their business".

While most of Macquarie Bank's and the MBL Group's commodities markets activities involve financial exposures, from time to time they will also have physical positions, which expose them to the risks of owning and/or transporting commodities, some of which may be hazardous. Commodities involved in Macquarie Bank's and the MBL Group's intermediation activities and investments are also subject to the risk of unforeseen or catastrophic events, which are likely to be outside of their control. These risks may include accidents and failures with transportation and storage infrastructure, determinations made by exchanges, extreme weather events or other natural disasters, leaks, spills or release of hazardous substances, disruptions to global supply chains and shipping operations, changes to local legislation and regulation, government action (for example, energy price caps or emergency measures) or hostile geopolitical events (including the ongoing Russia-Ukraine conflict and conflict in the Middle East and any potential conflict as a result of rising tensions between China and Taiwan and the United States). The occurrence of any of such events may prevent Macquarie Bank and the MBL Group from performing under their agreements with clients, may impair their operations or financial results and may result in litigation, regulatory action, negative publicity or other reputational harm. Also, while Macquarie Bank and the MBL Group seek to insure against potential risks, insurance may be uneconomic to obtain, the insurance that Macquarie Bank and the MBL Group have may not be adequate to cover all their losses or they may not be able to obtain insurance to cover some of these risks. There may also be substantial costs in complying with extensive and evolving laws and regulations relating to Macquarie Bank's and the MBL Group's commodities and risk management related activities and investments including energy and climate change laws and regulations worldwide. Increasingly complex sanctions regimes implemented by countries globally have increased risk and uncertainty in some areas of the commodities sector, by prohibiting the continuation of, or requiring significant restructuring of, large and complex transactions and potentially affecting planned exit strategies. See also "Risk Factors – Legal and regulatory risks – The MBL Group is subject to the risk of loss as a result of not complying with laws governing financial crime, including sanctions".

(ae) Funding constraints of investors may impact Macquarie Bank's and/or the MBL Group's income.

Macquarie Bank and the MBL Group generate a portion of their income from the sale of assets to external parties. If buyers are unable to obtain financing to purchase assets that Macquarie Bank and/or the MBL Group currently hold or purchase with the intention to sell in the future, Macquarie Bank and/or the MBL Group may be required to hold investment assets for longer than they intended or sell these assets at lower prices than they historically would have expected to achieve, which may lower their rate of return on these investments and require funding for periods longer than they have anticipated.

(af) Inflation has had, and could continue to have, a negative effect on Macquarie Bank's and the MBL Group's business, results of operations and financial condition.

Inflationary pressures have affected economies, financial markets and market participants worldwide. In 2022 and 2023, central banks responded to these pressures with higher interest rates and aggressive balance sheet policies, which contributed to elevated financial and capital market volatility and significant changes in asset values. Central banks continue to warn that inflationary pressures may persist and there is a risk that inflation could return to the elevated levels recently experienced. New or increased trade barriers may also have an inflationary effect. If inflation were to return to the recent elevated levels, it could result in increases in labour costs and other operating costs, thus putting pressure on Macquarie Bank's and the MBL Group's expenses.

(ag) The MBL Group could suffer losses due to climate change.

The MBL Group's businesses could also suffer losses due to climate change. Climate change is a driver of both financial and non-financial risks. Climate change related impacts include physical risks from changing climatic conditions which could result from increased frequency and/or severity of adverse weather events. Such disasters could disrupt the MBL Group's operations or the operations of customers or external parties on which the MBL Group rely. These events could impact the ability of the MBL Group's clients or customers to repay their obligations, reduce the value of collateral, negatively impact asset values and result in other effects. Additionally, climate change could result in transition risks such as changes to laws and regulations, technology development and disruptions and changes in consumer and market preferences towards low carbon goods and services. These factors could restrict the scope of the MBL Group's existing businesses, limit the MBL Group's ability to pursue certain business activities and offer certain products and services, amplify credit and market risks, negatively impact asset values, result in litigation, regulatory scrutiny and/or action, negative publicity or other reputational harm and/or otherwise adversely impact the MBL Group, its business or its customers.

Climate risks can also arise from the inconsistencies and conflicts in the manner in which climate policy and financial regulation is implemented in the regions where the MBL Group operates, including initiatives to apply and enforce policy and regulation with extraterritorial effect. Legislative or regulatory uncertainties and changes are also likely to result in higher regulatory, compliance, credit, reputation and other risks and costs.

The MBL Group's ability to meet its climate-related goals, targets and commitments is subject to risks and uncertainties, many of which are outside of the MBL Group's control, such as technology advances, public policies and challenges related to capturing, verifying, analysing and disclosing emissions and climate-related data. Failure to effectively manage these risks could adversely affect the MBL Group's business, prospects, reputation, financial performance or financial condition.

Legal and regulatory risks

(ah) Many of Macquarie Bank's and the MBL Group's businesses are highly regulated and they could be adversely affected by temporary and permanent changes in law, regulations and regulatory policy.

The MBL Group operates various businesses across multiple jurisdictions or sectors which are regulated by more than one regulator. Additionally, some members of the Macquarie Group own or manage assets and businesses that are regulated. The MBL Group's businesses include an "authorised deposit-taking institution" ("ADI") in Australia (regulated by APRA), a credit institution in Ireland (regulated by the Central Bank of Ireland), bank branches in the United Kingdom, the Dubai International Finance Centre and Singapore, and representative offices in the United States, South Africa, Brazil and Switzerland. The regulations vary from country to country but generally are designed to protect depositors and the banking system as a whole, not holders of Macquarie Bank's securities or creditors. In addition, as a diversified financial institution, many of the MBL Group's businesses are subject to financial services regulation other than prudential banking regulation, as well as laws, regulations and oversight specific to the industries applicable to Macquarie Bank's businesses and assets. Failure to comply with any laws or regulations which the MBL Group is subject to could adversely affect its business, prospects, reputation or financial condition.

Regulatory agencies and governments frequently review and revise banking and financial services laws, security and competition laws, fiscal laws and other laws, regulations and policies, including fiscal and trade policies. Changes to laws, regulations or policies, including changes in interpretation or implementation of laws, regulations or policies, could substantially affect Macquarie Bank and the MBL Group or their businesses, the products and services Macquarie Bank and the MBL Group offer or the value of their assets, or have unintended consequences or impacts across Macquarie Bank's and the MBL Group's business. These may include imposing more stringent liquidity requirements and capital adequacy, increasing tax burdens generally or on financial institutions or transactions, limiting the types of financial services and products that can be offered and/or increasing the ability of other providers to offer competing financial services and products, as well as changes to prudential regulatory requirements. Global economic conditions and increased scrutiny of the governance, culture, remuneration and accountability in the banking sector have led to increased supervision and regulation, as well as changes in regulation in the markets in which Macquarie Bank and the MBL Group operate and may lead to further significant changes of this kind. Health, safety, environmental and social laws and regulations can also change rapidly and significantly. The occurrence of any adverse health, safety, environmental or social event, or any changes, additions to, or more rigorous enforcement of, health, safety, environmental and social standards could have an impact on operations and/or result in material expenditures.

Macquarie Bank and the MBL Group have invested in renewable energy and other low-carbon technology projects as part of the global effort to achieve net zero carbon emissions by 2050. Macquarie Bank and the MBL Group also provide climate-related solutions (including capital and financing, risk management, and physical execution and logistics services across the renewable energy, clean fuels and critical minerals sectors) as part of its lending, trading, derivatives and other businesses to support its clients in their decarbonisation efforts. As part of the global effort towards net zero carbon emissions, a number of governments and regulatory bodies have provided subsidies and other support to reduce the cost of capital associated with projects that support these efforts. However, there is a risk that governments and regulatory bodies may scale down or abandon their commitment to this net zero target due to political, economic or social pressures. A widespread scaling down or abandonment of these commitments may result in Macquarie Bank, the MBL Group and its clients being unable to generate adequate returns from projects that supported these commitments and may significantly reduce the market for Macquarie Bank and the MBL Group's climate-related solutions, negatively impacting Macquarie Bank and the MBL Group's business, results of operations and operational strategies.

In some countries in which the MBL Group does business or may in the future do business, in particular in emerging markets, the laws and regulations are uncertain and evolving, and it may be difficult for the MBL Group to determine the requirements of local laws in every market. The MBL Group's inability to remain in compliance with local laws in a particular market could have a significant and negative effect not only on its businesses in that market but also on its reputation generally.

In addition, regulation is becoming increasingly extensive and complex, and in many instances requires the MBL Group to make complex judgments, which increases the risk of non-compliance. Some areas of regulatory change involve multiple jurisdictions seeking to adopt a coordinated approach or certain jurisdictions seeking to expand the territorial reach of their regulation. The nature and impact of future changes are unpredictable, beyond Macquarie Bank's and the MBL Group's control and may result in potentially conflicting requirements, resulting in additional legal and compliance expenses and changes to their business practices that adversely affect their profitability.

APRA may introduce new prudential regulations or modify existing regulations, including those that apply to Macquarie Bank as an ADI. Any such event could result in changes to the organisational structure of the MBL Group and/or the Macquarie Group and adversely affect the MBL Group.

Macquarie Bank and its subsidiaries are subject to laws that authorise regulatory bodies to block or reduce the flow of funds from those subsidiaries to Macquarie Bank. Restrictions or regulatory action of that kind could impede access to funds that Macquarie Bank needs to make payments on its obligations, including debt obligations, or dividend payments.

(ai) The MBL Group is subject to the risk of loss as a result of not complying with laws governing financial crime, including sanctions.

The MBL Group is subject in its operations worldwide to laws and regulations relating to corrupt and illegal payments, counter-terrorism financing, anti-bribery and corruption and adherence to anti-money laundering obligations, as well as laws, sanctions and economic trade restrictions relating to doing business with certain individuals, groups and countries. The geographical diversity of the MBL Group's operations, employees, clients and customers, as well as the vendors and other external parties that it deals with, increases the risk that the MBL Group may be found in violation of financial crime related laws. Emerging financial crime risk typologies could also limit the MBL Group's ability to track the movement of funds thereby heightening the risk of the MBL Group breaching financial crime related laws, sanctions or bribery and corruption laws. The MBL Group's ability to comply with relevant laws is dependent on its detection and reporting capabilities, control processes and oversight accountability. Additionally, the current sanctions environment remains dynamic and constantly evolving. Increasingly complex sanctions and disclosure regimes, which may differ or are not aligned across countries, could adversely affect the MBL Group's business activities and investments, as well as expose the MBL Group to compliance risk and reputational harm.

A failure to comply with these requirements and expectations, even if inadvertent, or resolve any identified deficiencies could subject the MBL Group to significant penalties (including criminal liability), revocation, suspension, restriction or variation of conditions of operating licences, adverse reputational consequences, a breach of its contractual arrangements, litigation by external parties (including potentially class actions) or limitations on the MBL Group's ability to do business.

(aj) Macquarie Bank and the MBL Group may be adversely affected by increased governmental and regulatory scrutiny or negative publicity.

Governmental scrutiny from regulators, legislative bodies and law enforcement agencies with respect to matters relating to the financial services sector generally, and the MBL Group's business operations, capital, liquidity, financial and non-financial risk management and other matters, has increased dramatically in recent years. The political and public sentiment regarding financial institutions has resulted in a significant amount of adverse press coverage, as well as adverse statements or charges by regulators or other government officials, and in some cases, to increased regulatory scrutiny, enforcement actions and litigation. Responding to and addressing such matters, regardless of the ultimate outcome, is time-consuming, expensive, can adversely affect investor confidence and can divert the time and effort of the MBL Group's staff (including senior management) from their business.

Investigations, inquiries, penalties and fines sought by regulatory authorities have increased substantially over the last several years, with regulators exercising their enhanced enforcement powers in commencing enforcement actions or with advancing or supporting legislation targeted at the financial services industry. If the MBL Group is subject to adverse regulatory findings, the financial penalties could have a material adverse effect on its results of operations. Adverse publicity, governmental scrutiny and legal and enforcement proceedings can also have a negative impact on the MBL Group's reputation with clients and on the morale and performance of its employees.

New or changing government rules and policies may result in government or public scrutiny of the MBL Group's business in ways the MBL Group has not previously experienced, including in areas such as employment practices and its association with groups and initiatives focused on environmental and social goals. The MBL Group's efforts to comply with rules and norms across all of the jurisdictions it operates may expose it to legal risk and criticism from governments and other stakeholders and harm its reputation.

(ak) Litigation and regulatory actions may adversely impact Macquarie Bank's and the MBL Group's results of operations.

Macquarie Bank and the MBL Group may, from time to time, be subject to material litigation and regulatory actions, for example, as a result of inappropriate documentation of contractual relationships, class actions or regulatory breaches, which, if they crystallise, may adversely impact upon their results of operations and financial condition in future periods or their reputation. Macquarie Bank and the MBL Group entities regularly obtain legal advice and make provisions, as deemed necessary. There is a risk that any losses may be larger than anticipated or provided for, or that additional litigation, regulatory actions or other contingent liabilities may arise. Furthermore, even where monetary damages may be relatively small, an adverse finding in a regulatory or litigation matter could harm Macquarie Bank's and the MBL Group's reputation or brand, thereby adversely affecting their business.

Counterparty credit risk

(al) Failure of external parties to honour their commitments in connection with Macquarie Bank's and the MBL Group's trading, lending and other activities may adversely impact their business.

Macquarie Bank and the MBL Group are exposed to potential losses as a result of an individual, counterparty or issuer being unable or unwilling to honour its contractual obligations. Macquarie Bank and the MBL Group are also exposed to potential concentration risk arising from individual exposures or other concentrations including to industries or countries. Macquarie Bank and the MBL Group assume counterparty credit risk in connection with their lending, trading, derivatives and other businesses where they rely on the ability of external parties to satisfy their financial obligations to them in full and on a timely basis. Macquarie Bank's and the MBL Group's recovery of the value of the resulting credit exposure may be adversely affected by a number of factors, including declines in the financial condition of the counterparty, the value of collateral they hold and the market value of counterparty obligations they hold. Changes in sanctions laws may affect the credit condition of their counterparties, with those whose businesses were developed around the ability to trade in or utilise now-sanctioned commodities more likely to have been negatively affected. A period of low or negative economic growth, changes in market conditions or stressed or volatile markets and/or a rise in unemployment could also adversely impact the ability of Macquarie Bank's and the MBL Group's consumer and/or commercial borrowers or counterparties to meet their financial obligations and negatively impact Macquarie Bank's and the MBL Group's credit portfolio. Consumers have been and may continue to be negatively impacted by inflation, resulting in drawdowns of savings or increases in household debt. Higher interest rates, which have increased debt servicing costs for some businesses and households, may adversely impact credit quality, particularly in a period of low or negative economic growth. If the macroeconomic environment worsens, Macquarie Bank's and the MBL Group's credit portfolio and allowance for credit losses could be adversely impacted. Please refer to Note 33 of the Macquarie Bank 2025 Financial Report as set out in the Appendix for details on the concentration of credit risk by significant geographical locations and counterparty types.

Macquarie Bank and the MBL Group are also subject to the risk that their rights against external parties may not be enforceable in all circumstances and jurisdictions. Macquarie Bank's and the MBL Group's inability to enforce their rights may result in losses.

(am) Macquarie Bank and the MBL Group may experience impairments in their loans, investments and other assets.

Macquarie Bank and its subsidiaries recorded A$150 million of credit and other impairment charges for the financial year ended 31 March 2025, including A$110 million for net credit impairment charges, and A$40 million for net other impairment charges on interests in associates and joint ventures, intangible assets and other non-financial assets. Credit and other impairments may be required in future periods depending upon the credit quality of Macquarie Bank's and the MBL Group's counterparties or if the market value of assets similar to those held were to decline. Credit and other impairment charges may also vary following a change to the inputs or forward-looking information used in the determination of expected credit losses. Please refer to Note 12 of the Macquarie Bank 2025 Financial Report as set out in the Appendix for further information on the determination of expected credit losses.

Sudden declines and significant volatility in the prices of assets may substantially curtail or eliminate the trading markets for certain assets, which may make it very difficult to sell, hedge or value such assets. The inability to sell or effectively hedge assets reduces Macquarie Bank's and the MBL Group's ability to limit losses in such positions and the difficulty in valuing assets may negatively affect their capital, liquidity or leverage ratios, increase their funding costs and generally require them to maintain additional capital.

Operational risks

(an) Macquarie Bank's and the MBL Group's ability to retain and attract qualified employees is critical to the success of their business and the failure to do so may materially adversely affect their performance.

Macquarie Bank's and the MBL Group's employees are their most important resource, and their performance largely depends on the talents and efforts of highly skilled individuals. Macquarie Bank's and the MBL Group's continued ability to compete effectively in their businesses and to expand into new business areas and geographic regions depends on their ability to retain and motivate their existing employees and attract new employees. Competition from within the financial services industry and from businesses outside the financial services industry, such as professional service firms, hedge funds, private equity funds and venture capital funds, for qualified employees has historically been intense. Remuneration costs required to attract and retain employees may increase and the competitive market for talent may further intensify. Recent employment conditions have made the competition to hire and retain qualified employees more challenging and costly. Attrition rates may also be impacted by factors such as changes in worker expectations, concerns and preferences, including an increased demand for remote work options and other flexibility in the post COVID-19 environment.

In order to attract and retain qualified employees, Macquarie Bank and the MBL Group must compensate such employees at or above market levels. Typically, those levels have caused employee remuneration to be the MBL Group's greatest expense as its performance-based remuneration has historically been cash and equity based and highly variable. Recent market events have resulted in increased regulatory and public scrutiny of corporate remuneration policies and the establishment of criteria against which industry remuneration policies may be assessed. As a regulated entity, Macquarie Bank may be subject to limitations on remuneration practices (which may or may not affect its competitors). These limitations may require Macquarie Bank and the MBL Group to further alter their remuneration practices in ways that could adversely affect their ability to attract and retain qualified and talented employees.

Advances in technology, such as automation and artificial intelligence, may result in changes to the composition of Macquarie Bank's and the MBL Group's workforce by reducing the number of employees they need to perform certain functions and by requiring higher levels of certain skills. As a result, Macquarie Bank and the MBL Group may have to manage processes involving workplace displacement and Macquarie Bank and the MBL Group may have to increase the amount they spend on employee training and recruitment, particularly if they need to acquire skills that are in high demand. If Macquarie Bank and the MBL Group are unable to effectively manage these processes, their business and operations may be adversely affected.

Current and future laws (including laws relating to immigration and outsourcing) may restrict Macquarie Bank's and the MBL Group's ability to move responsibilities or personnel from one jurisdiction to another. This may impact Macquarie Bank's and the MBL Group's ability to take advantage of business and growth opportunities or potential efficiencies.

(ao) Macquarie Bank and the MBL Group may incur financial loss, adverse regulatory consequences or reputational damage due to inadequate or failure in internal or external operational systems and infrastructures, people and processes.

Macquarie Bank and the MBL Group's businesses depend on their ability to process and monitor, on a daily basis, a very large number of transactions, many of which are highly complex, across numerous and diverse markets in many currencies. While Macquarie Bank and the MBL Group employ a range of risk monitoring and risk mitigation techniques, those techniques and the judgments that accompany their application cannot anticipate every economic and financial outcome or the specifics and timing of such outcomes. As such, Macquarie Bank and the MBL Group may, in the course of their activities, incur losses. There can be no assurance that the risk management processes and strategies that Macquarie Bank and the MBL Group have developed will adequately anticipate or be effective in addressing market stress or unforeseen circumstances. For a further discussion of Macquarie Bank's and the MBL Group's risk management policies and procedures, please refer to Note 33 of the Macquarie Bank 2025 Financial Report as set out in the Appendix.

Macquarie Bank and the MBL Group also face the risk of operational failure, termination or capacity constraints of any of the counterparties, clearing agents, exchanges, clearing houses or other financial intermediaries Macquarie Bank and the MBL Group use to facilitate their securities or derivatives transactions, and as Macquarie Bank's and the MBL Group's interconnectivity with their clients and counterparties grows, the risk to Macquarie Bank and the MBL Group of failures in their clients' and counterparties' systems also grows. Any such failure, termination or constraint could adversely affect Macquarie Bank's and the MBL Group's ability to effect or settle transactions, service their clients, manage their exposure to risk, meet their obligations to counterparties or expand their businesses or result in financial loss or liability to their clients and counterparties, impairment of their liquidity, disruption of their businesses, regulatory intervention or reputational damage.

As Macquarie Bank's and the MBL Group's client base, business activities and geographical reach expands, developing and maintaining their operational systems and infrastructure becomes increasingly challenging. Macquarie Bank and the MBL Group must continuously update these systems to support their operations and growth, which may entail significant costs and risks of successful integration. Macquarie Bank's and the MBL Group's financial, accounting, data processing or technology assets may fail to operate properly or be disrupted as a result of events that are wholly or partially beyond their control, such as a malicious cyber-attack or a disruption event at an external supplier.

The MBL Group's businesses manage a large volume of sensitive data and rely on the secure processing, transmission, storage and retrieval of confidential, proprietary and other information in their data management systems and technology, and in those managed, processed and stored by external parties on behalf of the MBL Group. Inadequate data governance, management and control across the data lifecycle, which includes the capture, processing, retention, publication, use, archiving and disposal of data, could lead to poor decision making in the provision of credit as well as affecting its data management regulatory obligations, all of which may cause the MBL Group to incur losses or lead to regulatory actions. Macquarie Bank and the MBL Group are subject to laws, rules and regulations in a number of jurisdictions regarding compliance with their privacy policies and the disclosure, collection, use, sharing and safeguarding of personally identifiable information of certain parties, such as their employees, customers, suppliers, counterparties and other external parties, the violation of which could result in litigation, regulatory fines and enforcement actions. Furthermore, a breach, failure or other disruption of Macquarie Bank's and the MBL Group's data management systems and technology, or those of their external service providers, could lead to the unauthorised or unintended release, misuse, alteration, loss or destruction of personal or confidential data about their customers, employees or other external parties in their possession. A purported or actual unauthorised access or unauthorised disclosure of personal or confidential data could materially damage Macquarie

Bank's and the MBL Group's reputation and expose Macquarie Bank and the MBL Group to liability for violations of privacy and data protection laws.

Macquarie Bank and the MBL Group have deployed artificial intelligence tools in parts of its business and they anticipate these tools will play an increasing role within Macquarie Bank and the MBL Group's business in the future. Poor use of these tools, including inadequate controls over the way Macquarie Bank and the MBL Group use these tools and their output, could result in unintended consequences, including employees relying on inaccurate or incomplete outputs. Inadequacies in the datasets on which generative AI tools and other AI algorithms rely may also result in biased, incomplete and/or inaccurate outputs. Future laws or regulations may limit the development of these tools or the way Macquarie Bank and the MBL Group use them.

Macquarie Bank and the MBL Group are exposed to the risk of loss resulting from the failure of their internal or external processes and systems, such as from the disruption or failure of their IT systems, or from external suppliers and service providers, including public and private cloud-based technology platforms. Such operational risks may include theft and fraud, failure to effectively implement employment practices and inadequate workplace safety, improper business practices, mishandling of client moneys or assets, client suitability and servicing risks, product complexity and pricing, and valuation risk or improper recording, evaluating or accounting for transactions or breaches of their internal policies and regulations. There is increasing regulatory and public scrutiny concerning the appropriate management of data and the resilience of outsourced and offshore activities and their associated risks. If Macquarie Bank and the MBL Group fail to manage these risks appropriately, they may incur financial losses and/or regulatory intervention and penalties and damage to their reputation which may impact their ability to attract and retain clients who may or may not be directly affected.

Macquarie Bank and the MBL Group are also exposed to the risk of loss and adverse impact to external stakeholders, resulting from their business activities, including the actions or inactions of their employees, contractors or any other persons that are perceived to be representing Macquarie Bank, the MBL Group and external service providers operating in markets globally. Conduct risks can arise from lack of reasonable care and diligence exercised or intentional malfeasance, fraud and other misconduct, including the misuse of client information in connection with insider trading or for other purposes, even if promptly discovered and remediated, can result in reputational damage and material losses and liabilities for Macquarie Bank and the MBL Group. Whilst Macquarie Bank and the MBL Group have a range of controls and processes to minimise their conduct risk exposure and identify and manage employee behaviours in line with their risk management policies, it is not always possible to deter or prevent employee misconduct. The precautions Macquarie Bank and the MBL Group take to prevent and detect this activity may not be effective in all cases, which could result in financial losses, regulatory intervention and reputational damage.

(ap) A cyber-attack, information security breach or technology disruption event of Macquarie Bank or the MBL Group or of an external supplier could adversely affect Macquarie Bank's or the MBL Group's ability to conduct their business, manage their exposure to risk or expand their businesses. This may result in the disclosure or misuse of confidential or proprietary information and an increase in Macquarie Bank's or the MBL Group's costs to maintain and update their operational and security controls and infrastructure.

The MBL Group's businesses depend on the security and efficacy of its data management systems and technology, as well as those of external parties with whom it interacts or on whom it relies. To access the MBL Group's network, products and services, its customers and other external parties may use personal mobile devices or computing devices that are outside of its network environment and are subject to their own cybersecurity risks. While the MBL Group seeks to operate in a control environment that limits the likelihood of a cyber and information security incident, and to ensure that the impact of a cyber and information security incident can be minimised by its information security capability and incident response, there can be no assurances that the MBL Group's security controls will provide absolute security against a dynamic external threat environment.

Cyber and information security risks for financial institutions have increased in recent years, in part because of the proliferation of new technologies, the use of internet and telecommunications technology, the increase in remote working arrangements and the increased sophistication and activities of attackers (including hackers, organised criminals, terrorist organisations, hostile state-sponsored activity, disgruntled individuals, activists and other external parties). These risks have grown more acute due to advances in artificial intelligence, such as the use of machine learning and generative artificial intelligence, which has allowed malicious actors to develop more advanced social engineering attacks, including targeted phishing attacks. Global events and geopolitical instability may increase security threats targeted at financial institutions. Targeted social engineering attacks are becoming more sophisticated and are extremely difficult to prevent, requiring the exercise of sound judgment and vigilance by the MBL Group's employees at all times. The techniques used by hackers change frequently and may not be recognised until launched or until after a breach has occurred. Additionally, the existence of cyber-attacks or security breaches at the MBL Group's suppliers may also not be disclosed to it in a timely manner.

Despite efforts to protect the integrity of the MBL Group's systems through the implementation of controls, processes, policies and other protective measures, there is no guarantee that the measures the MBL Group continues to take will provide absolute security or recoverability given that the techniques used in cyber-attacks are complex, executed rapidly, frequently evolving and as a result are difficult to prevent, detect, and respond to.

Due to increasing consolidation, interdependence and complexity of financial entities and technology systems, a technology failure, cyber-attack or other information security breach that significantly degrades, deletes or compromises the systems or data of one or more financial entities could have a material impact on counterparties or other market participants, including the MBL Group. This consolidation, interconnectivity and complexity increases the risk of operational failure, on both individual and industry-wide bases, as disparate systems need to be integrated. Any technology failure, cyber-attack or other information security breach, termination or constraint on any of its external parties could, among other things, adversely affect the MBL Group's ability to effect transactions, service its clients, manage its exposure to risk or expand its businesses.

The MBL Group anticipates cyber-attacks will continue to occur because perpetrators are well resourced, deploying highly sophisticated techniques, including artificial intelligence based attacks, which are evolving rapidly. This challenges its ability to implement effective control measures to prevent or minimise damage that may be caused by all information security threats. Cyber-attacks or other information security breaches, whether directed at the MBL Group or external parties, may result in a material loss or have adverse consequences for the MBL Group, including operational disruption, financial losses, reputational damage, theft of intellectual property and customer data, violations of applicable privacy laws and other laws, litigation exposure, regulatory fines, penalties or intervention, loss of confidence in its security measures and additional compliance costs, all of which could have a material adverse impact on the MBL Group.

(aq) Macquarie Bank's and the MBL Group's operations rely on their ability to maintain an appropriately staffed workforce, and on the competence, engagement, health, safety and wellbeing of employees and contractors.

Macquarie Bank's and the MBL Group's ability to operate their businesses efficiently and profitably, to offer products and services that meet the expectations of their clients and customers, and to maintain an effective risk management framework is highly dependent on their ability to staff their operations appropriately and on the competence, integrity and health, safety and wellbeing of their employees and contractors.

Macquarie Bank's and the MBL Group's operations could be impaired if the measures they take to ensure the health, safety and wellbeing of their employees and contractors are ineffective, or if any external party on which they rely fails to take appropriate and effective actions to protect the health and safety of their employees and contractors.

(ar) The MBL Group could suffer losses due to hostile, catastrophic or unforeseen events, including due to environmental and social factors.

The MBL Group's businesses are subject to the risk of unforeseen, hostile or catastrophic events, many of which are outside of its control, including natural disasters, extreme weather events (such as persistent winter storms or protracted droughts), leaks, spills, explosions, release of toxic substances, fires, accidents on land or at sea, terrorist attacks, military conflict including the ongoing Russia-Ukraine conflict and conflict in the Middle East and any potential conflict as a result of rising tensions between China and Taiwan and the United States, or other hostile or catastrophic events. Any significant environmental change or external event (including increased frequency and severity of storms, floods and other catastrophic events such as earthquakes, persistent changes in precipitation levels, rising average global temperatures, rising sea levels, pandemics, other widespread health emergencies, civil unrest, geopolitical or terrorism events) has the potential to disrupt business activities, impact the MBL Group's operations or reputation, increase credit risk and other credit exposures, damage property and otherwise affect the value of assets held in the affected locations and the MBL Group's ability to recover amounts owing to it.

The occurrence of any such events may prevent the MBL Group from performing under its agreements with clients, may impair its operations or financial results, and may result in litigation, regulatory action, negative publicity or other reputational harm. The MBL Group may also not be able to obtain insurance to cover some of these risks and the insurance that it has may be inadequate to cover its losses. Any such long-term, adverse environmental or social consequences could prompt the MBL Group to exit certain businesses altogether. In addition, such an event or environmental change (as the case may be) could have an adverse impact on economic activity, consumer and investor confidence, or the levels of volatility in financial markets.

The MBL Group also faces increasing public scrutiny, laws and regulations related to environmental, social and governance ("ESG") factors, including concerns in respect of "greenwashing" practices. The MBL Group risks damage to its brand and reputation if it fails to act responsibly in a number of areas, such as diversity and inclusion, environmental stewardship, respecting the rights of Indigenous Peoples, support for local communities, corporate governance and transparency and considering ESG factors (including human rights breaches such as modern slavery) where relevant when conducting its business, including under its investment and procurement processes. The MBL Group is also subject to competing demands from different stakeholder groups with divergent views on such ESG-related factors, including by governmental and regulatory officials in various geographical markets in which it operates and invests. Failure to effectively manage these risks, including managing ESG-related expectations across varied stakeholder interests, may result in breaches of the MBL Group's statutory obligations and harm to its reputation, and could adversely affect the MBL Group's business, prospects, reputation, financial performance or financial condition.

(as) Failure of the MBL Group's insurance carriers or its failure to maintain adequate insurance cover could adversely impact its results of operations.

The MBL Group maintains insurance that it considers to be prudent for the scope and scale of its activities. If the MBL Group's insurance carriers fail to perform their obligations to the MBL Group and/or its third-party cover is insufficient for a particular matter or group of related matters, its net loss exposure could adversely impact its results of operations.

(at) The MBL Group is subject to risks in using custodians.

Certain products the MBL Group manages depend on the services of custodians to carry out certain securities transactions. Securities held at custodians are typically segregated. In the event of the insolvency of a custodian, the MBL Group might not be able to recover equivalent unsegregated assets in full as the beneficiaries of these products will rank among the custodian's unsecured creditors. In addition, the cash held with a custodian in connection with these products will not be segregated from the custodian's own cash, and the creditors of these products will therefore rank as unsecured creditors in relation to the cash they have deposited.

(au) Macquarie Bank may be exposed to contagion risk as it does not control the management, operations or business of entities in the Macquarie Group that are not part of the MBL Group.

Entities in the Macquarie Group that are not part of the MBL Group may establish or operate businesses separately from the businesses of the MBL Group and are not obligated to support the businesses of the MBL Group, other than as required by APRA prudential standards. The activities of those entities may have an impact on the MBL Group.

Strategic risks

(av) Macquarie Bank's and the MBL Group's business may be adversely affected by their failure to adequately manage the risks associated with strategic opportunities and new businesses, including acquisitions, and the exiting or restructuring of existing businesses.

Macquarie Bank and other entities in the MBL Group are continually evaluating strategic opportunities and undertaking acquisitions of businesses, some of which may be material to their operations. Macquarie Bank's and/or the MBL Group's completed and prospective acquisitions and growth initiatives may cause them to become subject to unknown liabilities of the acquired or new business and additional or different regulations.

Future growth, including through acquisitions, mergers and other corporate transactions, may place significant demands on the MBL Group's legal, accounting, IT, risk management and operational infrastructure and result in increased expenses. A number of the MBL Group's business initiatives and further expansions of existing businesses are likely to bring it into contact with new clients, new asset classes and other new products or new markets. These business activities expose the MBL Group to new and enhanced risks, including reputational concerns arising from dealing with a range of new counterparties and investors, actual or perceived conflicts of interest, regulatory scrutiny of these activities, potential political pressure, increased credit-related and operational risks, including risks arising from IT systems and reputational concerns with the manner in which these businesses are being operated or conducted.

Any time Macquarie Bank and such other MBL Group entities make an acquisition, they may over-value the acquisition, they may not achieve expected synergies, they may achieve lower than expected cost savings or otherwise incur losses, they may lose customers and market share, they may face disruptions to their operations resulting from integrating the systems, processes and personnel (including in respect of risk management) of the acquired business into the MBL Group or their management's time may be diverted to facilitate the integration of the acquired business into the MBL Group. Macquarie Bank and other entities in the MBL Group may also underestimate the costs associated with outsourcing, exiting or restructuring existing businesses. Where Macquarie Bank's and/or the MBL Group's acquisitions are in foreign jurisdictions, or are in emerging or growth economies in particular, they may be exposed to heightened levels of regulatory scrutiny and political, social or economic disruption and sovereign risk in emerging and growth markets.

(aw) Macquarie Bank and the MBL Group's businesses depend on the Macquarie Group's brand and reputation.

The MBL Group believes its reputation in the financial services markets and the recognition of the Macquarie brand by its customers are important contributors to its business. Many companies in the Macquarie Group and many of the funds managed by entities owned, in whole or in part, by the Macquarie Group use the Macquarie name. The MBL Group does not control those entities that are not in the MBL Group, but their actions may reflect directly on its reputation.

The MBL Group's business may be adversely affected by negative publicity or poor financial performance in relation to any of the entities using the Macquarie name, including any Macquarie-managed fund or funds that Macquarie has promoted or is associated with. Investors and lenders may associate such entities and funds with the name, brand and reputation of the Macquarie Group and other Macquarie-managed funds. If funds that use the Macquarie name or are otherwise associated with Macquarie-managed infrastructure assets, such as roads, airports, utilities and water distribution facilities that people view as community assets, are perceived to be managed inappropriately, those managing entities could be subject to criticism and negative publicity, harming the reputation of Macquarie Bank and the MBL Group and the reputation of other entities that use the Macquarie name.

(ax) Competitive pressure, both in the financial services industry, as well as in the other industries in which Macquarie Bank and the MBL Group operate, could adversely impact their business.

Macquarie Bank and the MBL Group face significant competition from local and international competitors, which compete vigorously in the markets and sectors across which the MBL Group operates. Macquarie Bank and the MBL Group compete, both in Australia and internationally, with asset managers, retail and commercial banks, private banking firms, investment banking firms, brokerage firms, internet-based firms, commodity trading firms and other investment and service firms as well as businesses in adjacent industries in connection with the various funds and assets they manage and services they provide. This includes specialist competitors that may not be subject to the same capital and regulatory requirements and therefore may be able to operate more efficiently.

In addition, digital technologies and business models are changing consumer behaviour and the competitive environment. The use of digital channels by customers to conduct their banking continues to rise and emerging competitors are increasingly utilising new technologies and seeking to disrupt existing business models, including in relation to digital payment services and open data banking, that challenge, and could potentially disrupt, traditional financial services. Macquarie Bank and the MBL Group face competition from established providers of financial services as well as from businesses developed by non-financial services companies. Macquarie Bank and the MBL Group believe that they will continue to experience pricing pressures in the future as some of their competitors seek to obtain or increase market share.

The widespread adoption and rapid evolution of new technologies, including process automation, machine learning and artificial intelligence, analytic capabilities, self-service digital trading platforms and automated trading markets, internet services and digital assets, such as central bank digital currencies, cryptocurrencies (including stablecoins), tokens and other cryptoassets, clearing and settlement processes could have a substantial impact on the financial services industry. As these technologies develop, customer demand for products and services based on these technologies may increase, and new technologies may increasingly be integrated into the internal processes to generate efficiencies. If Macquarie Bank and the MBL Group are unable to match the speed or success of their competitors in developing and integrating these technologies, they may be unable to compete effectively with their competitors, adversely affecting Macquarie Bank's and the MBL Group's business and results of operations.

Any consolidation in the global financial services industry may create stronger competitors with broader ranges of product and service offerings, increased access to capital, and greater efficiency and pricing power which may enhance the competitive position of the MBL Group's competitors. In addition to mergers and acquisitions pursued for commercial reasons, consolidation may also occur as a result of bank regulators encouraging or directing stronger institutions to acquire weaker institutions to preserve stability. The effect of competitive market conditions, especially in the MBL Group's main markets, products and services, may lead to an erosion in its market share or margins.

(ay) Conflicts of interest could limit the MBL Group's current and future business opportunities.

As the MBL Group expands its businesses and its client base, it increasingly has to address potential or perceived conflicts of interest, including situations where its services to a particular client conflict with, or are perceived to conflict with, its own proprietary investments or other interests or with the interests of another client, as well as situations where one or more of its businesses have access to material non public information that may not be shared with other businesses within the Macquarie Group. While the MBL Group believes it has adequate procedures and controls in place to address conflicts of interest, including those designed to prevent the improper sharing of information among its businesses, appropriately dealing with conflicts of interest is complex, and its reputation could be damaged and the willingness of clients or counterparties to enter into transactions may be adversely affected if the MBL Group fails, or appears to fail, to appropriately manage conflicts of interest. In addition, actual, potential or perceived conflicts could give rise to claims by and liabilities to clients, litigation or enforcement actions.

Tax

(az) Macquarie Bank's and the MBL Group's business operations expose them to potential tax liabilities that could have an adverse impact on their results of operations and their reputation.

Macquarie Bank and the MBL Group are exposed to costs and risks arising from the manner in which the Australian and international tax regimes may be applied, enforced and/or amended, both in terms of their own tax compliance and the tax aspects of transactions on which they work with clients and other external parties.

Macquarie Bank's and the MBL Group's international, multi-jurisdictional platform increases their tax risks. Any actual or alleged failure to comply with or any change in the implementation, interpretation, application or enforcement of applicable tax laws and regulations could adversely affect Macquarie Bank's and the MBL Group's reputation and affected business areas, significantly increase their effective tax rate or tax liability and expose them to legal, regulatory and other actions.

Accounting standards

(ba) Changes in accounting standards, policies, interpretations, estimates, assumptions and judgments that could have a material impact on the financial results of Macquarie Bank and the MBL Group.

Macquarie Bank's and the MBL Group's accounting policies are fundamental to how they record and report their financial position and results of operations. These policies require the use of estimates, assumptions and judgements that affect the reported value of Macquarie Bank's and the MBL Group's assets or liabilities and results of operations. Management is required to determine estimates and apply subjective and complex assumptions and judgements about matters that are inherently uncertain. Changes in those estimates, assumptions and judgements are accounted for prospectively as a change in accounting estimate unless it is determined that either (i) the determination thereof was in error or (ii) the accounting policy which sets out the application of those estimates, assumptions and judgements has changed, in which case the previous reported financial information is re-presented.

Accounting standard setting bodies issue new accounting standards and interpretations in response to outreach activities, evolving interpretations, application of accounting principles as well as changes in market developments. In addition, changes in interpretations by accounting standard setting bodies; regulators; and Macquarie Bank's and the MBL Group's independent external auditor may also arise from time to time. These changes may be difficult to predict in terms of the nature of such changes and the timing thereof. The application of new requirements and interpretations may impact how Macquarie Bank and the MBL Group prepare and report their financial statements. In some cases, Macquarie Bank and the MBL Group may be required to apply a new or revised standard or change in interpretation retrospectively, resulting in a requirement to re-present their previously reported financial information.

(a) Risks relating to the weighted voting rights structure.

The Company is controlled through weighted voting rights. Certain individuals who own shares of a class which is being given more votes per share may have the ability to determine the outcome of most matters. If the Company takes actions that the other shareholders do not view as beneficial, the market price of the underlying shares and hence the Warrants could be affected.

(b) Investors should note that they are exposed to an exchange rate risk as the Warrants will be issued and traded in Singapore dollars while the underlying shares are traded in Hong Kong dollars and the Cash Settlement Amount is converted from a foreign currency into Singapore dollars. The value of the Warrants may therefore be affected by, amongst other factors, the relative exchange rates of the Singapore dollar and the Hong Kong dollars. Exchange rates between currencies are determined by forces of supply and demand in the foreign exchange markets. These forces are, in turn, affected by factors such as international balances of payments and other economic and financial conditions, government intervention in currency markets and currency trading speculation. Fluctuations in foreign exchange rates, foreign political and economic developments, and the imposition of exchange controls or other foreign governmental laws or restrictions applicable to such investments may affect the foreign currency market price and the exchange rate-adjusted equivalent price of the Warrants. Fluctuations in the exchange rate of any one currency may be offset by fluctuations in the exchange rate of other relevant currencies.

(c) The price of the Share is published during the trading hours of the Relevant Stock Exchange. The trading days and hours of the Relevant Stock Exchange are different from that of the SGX-ST. In assessing the price of the Warrants, you should be aware of the differences in the time zone and the actual trading days and hours of the relevant exchanges in Singapore and Hong Kong. For example, the price of the Share may be volatile during which the Stock SGX-ST is not open for trading of the Warrants. There may also be certain period of time during the trading hours of the SGX-ST when the prices of the Shares are not available. The market maker will not be able to provide liquidity for the Warrants during such times.

(d) Risks relating to the multiple counter single equities in Hong Kong.

Where the Company adopts the multiple counters model for trading its shares on HKEX in HKD and one or more foreign currencies (such as Renminbi) separately, the relatively recent introduction and untested nature of HKEX’s multiple counters model may bring the following additional risks:

(i) The Warrants are only related to the Shares which are HKD traded on HKEX. Any movement in the trading prices of the shares of the Company traded in another currency counter should not directly affect the price of the Warrants. Investors should not consider the price of the shares of the Company traded in another currency counter in making investment decision in the Warrants;

(ii) if there is a suspension of inter-counter transfer of the shares of the Company between the HKD counter and any other currency counters for any reason, such shares will only be able to be traded in the relevant currency counter on HKEX, which may affect the demand and supply of the Shares and have an adverse effect on the price of the Warrants; and

(iii) the trading price on HKEX of HKD traded shares may deviate significantly from the trading price on HKEX of shares traded in another currency counter due to a number of factors such as market liquidity, foreign exchange conversion risk, supply and demand in each counter and exchange rate fluctuation. Changes in the trading price of the Shares may adversely influence the price of the Warrants.

INFORMATION RELATING TO THE COMPANY

All information contained in this document regarding the Company, including, without limitation, its financial information, is derived from publicly available information. The Issuer has not independently verified any of such information.

Xiaomi Corporation (the "**Company**") manufactures communication equipment and parts. The Company produces and sells mobile phones, smart phone software, set-top boxes, and related accessories. The Company markets its products worldwide.

The information set out in Appendix I of this document relates to the unaudited consolidated financial results of the Company and its subsidiaries for the three months ended 31 March 2025 and has been extracted and reproduced from the Company's announcement dated 27 May 2025. Further information relating to the Company may be located on the Company's web-site at http://www.mi.com.

INFORMATION RELATING TO THE DESIGNATED MARKET MAKER

Macquarie Capital Securities (Singapore) Pte. Limited ("**MCSSP**") has been appointed the designated market maker ("**DMM**") for the Warrants. The DMM will provide competitive buy and sell quotes for the Warrants continuously during the trading hours of the SGX-ST on the following basis:

(a)	Maximum bid and offer spread	:	10 times the minimum permitted price movement in the Warrants in accordance with the rules of the SGX-ST or SGD 0.20, whichever is the greater
(b)	Minimum quantity subject to bid and offer spread	:	10,000 Warrants
(c)	Last Trading Day for Market Making	:	The date falling five Business Days immediately preceding the Expiry Date, provided that if such day is not a day on which HKEX is open for dealings during its normal trading hours ("HK Business Day"), the Business Day immediately preceding such day which is also a HK Business Day

Quotations will/may however not be provided by the DMM in the following circumstances:

(i) during the pre-market opening and five minutes following the opening of the SGX-ST on any trading day;

(ii) if the Warrant is valueless (where the Issuer's bid price is below the minimum bid size for such securities as prescribed by the SGX-ST);

(iii) when trading in the Shares is suspended or limited in a material way (including price quote limits activated by the relevant exchange or otherwise); for the avoidance of doubt, the DMM is not obliged to provide quotations for the Warrants at any time when the shares or securities relating to or constituting the Index are not traded for any reason;

(iv) when the Issuer or DMM faces technical problems affecting the ability of the DMM to provide the bid and offer prices;

(v) when the ability of the Issuer to source a hedge or unwind an existing hedge, as determined by the Issuer in good faith, is materially affected by the prevailing market conditions. The Issuer will inform the SGX-ST of its inability to do so as soon as practicable;

(vi) in cases where the Issuer has no Warrants to sell, then the DMM will only provide bid quotations. The DMM may provide intermittent offer quotations when it has inventory of the Warrants;

(vii) when the stock market experiences exceptional price movements and volatility; and

(viii) when it is a public holiday in Singapore or Hong Kong and the SGX-ST or HKEX is not open for dealings.

History and Business

MCSSP holds a Capital Markets Services License issued by the Monetary Authority of Singapore and is a trading member of SGX-ST as well as a Clearing Member of the CDP. Under the Capital Markets Services License, MCSSP is permitted to deal in securities and provide custodial services as well as act as an exempt financial adviser. Its principal activities are those relating to the provision of stock and share broking services, prescribed under the rules and regulations of the SGX-ST, and related securities research services. MCSSP is a wholly owned subsidiary of Macquarie Group Holdings (Singapore) Pte. Limited and its ultimate holding company is Macquarie Group Limited.

SUPPLEMENTAL INFORMATION RELATING TO THE ISSUER

The Macquarie Bank Limited 2025 Annual Report for the financial year ended 31 March 2025 is released. Copies of the Macquarie Bank Limited 2025 Annual Report can be obtained at the office of Macquarie Capital Securities (Singapore) Pte. Limited at 9 Straits View #21-07 Marina One West Tower Singapore 018937, and viewed at www.macquarie.com.au.

For more information on the Issuer, please see www.macquarie.com.

Queries regarding the Warrants may be directed to 1800 288 2880 (Toll Free) or +65 6601 0289 (International) or info@warrants.com.sg.

SALE

General

No action has been or will be taken by the Issuer that would permit a public offering of the Warrants or possession or distribution of any offering material in relation to the Warrants in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of any Warrants, or distribution of any offering material relating to the Warrants may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws or regulations and will not impose any obligation on the Issuer. In the event that the Issuer contemplates a placing, placing fees may be payable in connection with the issue and the Issuer may at its discretion allow discounts to placees.

European Economic Area

Please note that in relation to EEA states, additional selling restrictions may apply in respect of any specific EEA state.

The Warrants are not offered, sold or otherwise made available and will not be offered, sold, or otherwise made available under this document to any retail investor in the European Economic Area. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Warrants or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Warrants or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPS Regulation. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

  (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

  (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

  (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended and superseded the "**Prospectus Regulation**"); and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Warrants to be offered so as to enable an investor to decide to purchase or subscribe the Warrants.

United Kingdom

Each dealer has represented and agreed, and each further dealer appointed in respect of the Warrants will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Warrants which are the subject of the offering contemplated by. document to any retail investor in the United Kingdom. Consequently no key information document required by the PRIIPs Regulation as it by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA") forms part of domestic law (the "UK PRIIPs Regulation") for offering or selling the Warrants or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Warrants or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of EUWA; or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and

(b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Warrants to be offered so as to enable an investor to decide to purchase or subscribe for the Warrants.

Each dealer has represented and agreed, and each further dealer appointed in respect of the Warrants will be required to represent and agree, that:

(a) in respect of Warrants having a maturity of less than one year: (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or sell any Warrants other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Warrants would otherwise constitute a contravention of Section 19 of the FSMA, by us;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of the Warrants in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Warrants in, from or otherwise involving the United Kingdom.

United States of America

The Warrants have not been, and will not be, registered under the Securities Act. Subject to certain exceptions, Warrants, or interests therein, may not at any time be offered, sold, resold or delivered, directly or indirectly, in the U.S. or to, or for the account or benefit of, any U.S. person or to others for offering, sale or resale in the U.S. or to any such U.S. person. Offers and sales of Warrants, or interests therein, in the U.S. or to U.S. persons would constitute a violation of U.S. securities laws unless made in compliance with registration requirements of the Securities Act or pursuant to an exemption therefrom. As used herein, "**U.S.**" means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction; and "**U.S. person**" means any citizen or resident of the U.S., including any corporation, partnership or other entity created or organised in or under the laws of the U.S. or of any political subdivision thereof, any estate or trust the income of which is subject to U.S. income taxation regardless of its source, and any other "**U.S. person**" as such term is defined in Regulation S under the Securities Act.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Warrants may not be circulated or distributed, nor may Warrants be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than pursuant to, and in accordance with the conditions of, any applicable provision of the Securities and Futures Act 2001 of Singapore.

Hong Kong

Each distributor, purchaser or subscriber of the Warrants has represented and agreed that it has not issued or had in its possession for the purposes of issue, and will not issue, or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Warrants, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Warrants which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

Commonwealth of Australia

This document is not a prospectus, product disclosure statement or any other disclosure document for the purposes of the Corporations Act 2001 (Cth) (the "**Act**"). This document has not been, and will not be, lodged with the Australian Securities and Investments Commission, ASX Limited or any other government agency in Australia. Each Warrantholder will be required to represent and agree that, unless the applicable final terms otherwise provides, it:

(a) has not offered or invited applications, and will not make any offer, or invite applications, for the issue, sale or purchase of any Warrant in Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, this document, any addendums to the Base Listing Document and this document or any other offering material or advertisement relating to any Warrant in Australia,

Unless:

(a) the offeree or invitee is a "wholesale client", "sophisticated investor" or "professional investor" (as defined in the Act);

(b) the minimum aggregate consideration payable by each offeree or invitee is at least A$500,000 (or its equivalent in other currencies but disregarding moneys lent by the offeror or its associates); or

(c) the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Act.

Section 708(19) of the Act provides that an offer of debentures for issue or sale does not need disclosure to investors under Part 6D.2 of the Act if the issuer is an Australian ADI. As at the date of this document, the Issuer is an ADI.

SUPPLEMENTAL GENERAL INFORMATION

The information set out herein is supplemental to, and should be read in conjunction with, the information set out on page 127 of the Base Listing Document.

1. Settlement of trades done on a normal "ready basis" on the SGX-ST generally takes place on the second Business Day following the transaction. Dealing in the Warrants will take place in Board Lots in Singapore dollars. For further details on the transfer of Warrants and their exercise, please refer to the section headed "Summary of the Issue" above.

2. It is not the current intention of the Issuer to apply for a listing of the Warrants on any stock exchange other than the SGX-ST.

3. Macquarie Bank is an indirect subsidiary of MGL. Macquarie Group is a large diversified Australian-based financial institution with a long and successful history. Like any financial institution, Macquarie Group has been subject to lawsuits.

   As appropriate, the Macquarie Group makes provision for and recognises contingent liabilities in respect of actual and potential claims and proceedings that have not been determined. An assessment of likely losses is made on a case-by-case basis for the purposes of Macquarie Group's consolidated financial statements and specific provisions that Macquarie Group considers appropriate are made, as described in the Notes to Macquarie Group's consolidated financial statements for the year ended 31 March 2025.

   There are no, nor have there been, any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which Macquarie Bank or the Macquarie Group is aware) in the 12 month period prior to the date of this document which may have or have had a significant effect on the financial position or profitability of Macquarie Bank.

4. To the best of the Issuer's knowledge, there has been no adverse change, material in the context of the issue of the Warrants, in the financial position of the Issuer since 31 March 2025.

5. The following contracts, relating to the issue of the Warrants, have been or will be entered into by the Issuer and may be material to the issue of the Warrants:

   (a) the Master Instrument; and

   (b) the Warrant Agent Agreement.

   None of the directors of the Issuer has any direct or indirect interest in any of the above contracts.

6. The Warrants are not fully covered by Shares held by Issuer or a trustee for and on behalf of the Issuer. The Issuer has appropriate risk management capabilities to manage the issue of the Warrants.

7. Copies of the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) at the office of Macquarie Capital Securities (Singapore) Pte. Limited at 9 Straits View, #21-07 Marina One West Tower, Singapore 018937, until the expiry of the Warrants:

   (a) the Constitution of the Issuer;

   (b) the annual reports for the financial years ended 31 March 2024 and 31 March 2025 of the Issuer;

(c) the Master Instrument;

(d) the Warrant Agent Agreement; and

(e) the Base Listing Document.

APPENDIX I

REPRODUCTION OF THE UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2025 OF XIAOMI CORPORATION AND ITS SUBSIDIARIES

The information set out below is a reproduction of the unaudited consolidated financial results of the Company and its subsidiaries for the three months ended 31 March 2025 and has been extracted and reproduced from the Company's announcement dated 27 May 2025.

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 MONTHS ENDED MARCH 31, 2025

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 months ended March 31, 2025. 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				
	March 31, 2025	March 31, 2024	Year-over-year change	December 31, 2024	Quarter-over-quarter change
	(Renminbi ("**RMB**") in millions, unless specified)				
Revenue	**111,293.3**	75,506.8	47.4%	109,005.2	2.1%
Gross profit	**25,405.9**	16,829.7	51.0%	22,454.9	13.1%
Operating profit	**13,125.4**	3,683.0	256.4%	8,889.9	47.6%
Profit before income tax	**13,168.0**	5,222.4	152.1%	9,407.7	40.0%
Profit for the period	**10,892.7**	4,173.2	161.0%	8,995.3	21.1%
Non-IFRS measure:					
Adjusted Net Profit[1]	**10,675.6**	6,490.9	64.5%	8,316.2	28.4%

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

BUSINESS REVIEW AND OUTLOOK

1. Overall Performance

In the first quarter of 2025, we continued to efficiently execute our operating strategy of "steadfastly forging ahead," and achieved another record highs in both revenue and profitability. Total revenue for the first quarter of 2025 reached a record high of RMB111.3 billion, representing an increase of 47.4% year-over-year. Segment-wise, in the first quarter of 2025, revenue of our smartphone × AIoT segment reached RMB92.7 billion, up 22.8% year-over-year; revenue of our smart Electric Vehicle ("**EV**"), AI and other new initiatives[2] segment reached RMB18.6 billion. In this quarter, our adjusted net profit hit a record high of RMB10.7 billion, up 64.5% year-over-year.

We continued to advance our corporate strategy of "Human × Car × Home". In the first quarter of 2025, our global smartphone shipments reached 41.8 million units, up 3.0% year-over-year, and achieved year-over-year growth for 7 consecutive quarters. According to Canalys[3], in the first quarter of 2025, we maintained Top 3 global smartphone shipment ranking for the nineteenth consecutive quarter, with a market share of 14.1%, up 0.3 percentage points year-over-year. Meanwhile, we continued to expand our user ecosystem. In March 2025, our global monthly active users ("**MAU**")[4] reached another record high of 718.8 million, up 9.2% year-over-year. As of March 31, 2025, the number of connected IoT devices on our AIoT platform (excluding smartphones, tablets and laptops) increased to 943.7 million, up 20.1% year-over-year. In the first quarter of 2025, deliveries of the *Xiaomi SU7 Series* reached 75,869 vehicles. In May 2025, we launched our high-performance luxury SUV *Xiaomi YU7 Series*.

We continued to execute our 2020–2030 goals to invest in foundational core technologies and to become a global leader in the evolving realm of cutting-edge technologies. In the first quarter of 2025, our research and development expenses increased by 30.1% year-over-year to RMB6.7 billion. As of March 31, 2025, our research and development personnel hit a record high of 21,731, accounting for 47.7% of our total employees. In addition, we continued to extend our intellectual property capabilities. As of March 31, 2025, we had obtained over 43,000 patents worldwide.

We remain committed to the principle "Technology as Foundation", and continue to invest in fundamental core technologies and build our competitive barriers. In May 2025, we officially unveiled our first self-developed flagship processor *Xiaomi XRING O1*. Building on the cutting-edge second-gen 3nm process, *Xiaomi XRING O1* integrates a 10-core CPU and 16-core GPU architecture, delivering flagship performance. Meanwhile, we unveiled *Xiaomi 15S Pro* and *Xiaomi Pad 7 Ultra*, both powered by *XRING O1*. Moreover, we unveiled *Xiaomi XRING T1*, our first 4G smartwatch chip with long battery life and it integrates our first self-developed 4G baseband. *XRING T1* is featured in the *Xiaomi Watch S4 eSIM 15th Anniversary Version*. Meanwhile, we have been making continuous progress on our foundational large language

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2 The operating segment of smart EV and other new initiatives has been updated to smart EV, AI and other new initiatives since the first quarter of 2025.

3 Canalys (now part of Omdia).

4 Including smartphones and tablets.

models. In April 2025, we introduced Xiaomi MiMo, our first open-sourced large language reasoning model. Powered by multi-dimensional innovations across data and algorithms during both pre-training and post-training states, Xiaomi MiMo has achieved a significant improvements in reasoning capability. Moreover, on public evaluation sets for mathematical reasoning and coding competitions[5], Xiaomi MiMo achieved outstanding results among large language models with 7 billion parameter size.

We achieved significant breakthroughs in our premiumization strategy, and continued to enhance our products' capabilities. According to third-party data, in the first quarter of 2025, our premium smartphone[6] units sold accounted for 25.0% of our total smartphone units sold in mainland China, representing an increase of 3.3 percentage points year-over-year. According to third-party data, in the first quarter of 2025, our smartphone units sold in the RMB4,000 and above segment in mainland China garnered a market share of 9.6%, a year-over-year increase of 2.9 percentage points. Moreover, we ranked No. 1 in terms of smartphone units sold in the RMB4,000–5,000 segment in mainland China, with a market share of 24.4%, a increase of 4.6 percentage points year-over-year. We launched *Xiaomi 15 Ultra* in February 2025, with shipments increasing over 90% compared with last year model, *Xiaomi 14 Ultra* in the first month of sales launch[7] in mainland China.

The year 2025 marks the balanced expansion of our new retail strategy in mainland China. During the first quarter of 2025, we opened over 1,000 new offline retail stores quarter-over-quarter in mainland China, and the total number of offline retail stores reached nearly 16,000. The number of offline retail stores in mainland China is expected to reach approximately 20,000 by the end of 2025. According to third-party data, in the first quarter of 2025, our market share of smartphone units sold through offline channels in mainland China was 12.1%, up 3.2 percentage points year-over-year. Meanwhile, we are actively promoting the global expansion of the Mi Home stores. We expect to open approximately 10,000 new Mi Home stores overseas in the next five years.

In the first quarter of 2025, our gross profit margin reached a record high of 22.8%, up 0.5 percentage points year-over-year. By segment, our gross profit margin reached 22.8% for our smartphone × AIoT segment and 23.2% for our smart EV, AI and other new initiatives segment. Owing to our relentless efforts in cost saving and efficiency enhancements, the Group's overall operating expense ratio reached 13.9% in the first quarter of 2025, a decrease of 2.2 percentage points year-over-year. The operating expense ratio of our smartphone × AIoT segment reached 11.4%, a decrease of 1.4 percentage points year-over-year. In this quarter, our adjusted net profit hit a record high of RMB10.7 billion, up 64.5% year-over-year.

2. Smartphone × AIoT

In the first quarter of 2025, revenue from our smartphone × AIoT segment reached RMB92.7 billion, up 22.8% year-over-year. The gross profit margin of our smartphone × AIoT segment was 22.8%, up 0.5 percentage points year-over-year. In the first quarter of 2025, the average selling price ("**ASP**") of our smartphones reached RMB1,211, up 5.8% year-over-year, hitting a record high.

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5 Refer to public evaluation sets for mathematical reasoning (AIME 24-25) and coding competitions (LiveCodeBench v5).

6 Premium smartphones in mainland China are models with retail prices at or above RMB3,000.

7 Based on internal source. Sales volume of *Xiaomi 15 Ultra* is based on sales data recorded from 20:00:00 February 27, 2025 to 23:59:59 April 2, 2025. Sales volume of *Xiaomi 14 Ultra* is based on sales data recorded from 21:00:00 February 22, 2024 to 23:59:59 March 28, 2024.

Smartphones

In the first quarter of 2025, our smartphone revenue reached RMB50.6 billion, up 8.9% year-over-year, with a gross profit margin of 12.4%. Our global smartphone shipments reached 41.8 million units, up 3.0% year-over-year, and achieved year-over-year growth for 7 consecutive quarters. According to Canalys, in the first quarter of 2025, we maintained Top 3 global smartphone shipments ranking for the nineteenth consecutive quarter with 14.1% market share. Our smartphone shipments ranked among the top three across 58 countries and regions globally and ranked among the top five across 68 countries and regions globally. In particular, we achieved exceptional results in mainland China. Our smartphone market share in mainland China increased by 4.7 percentage points year-over-year to 18.8%, marking the fifth consecutive quarter of year-over-year market share growth, and enabling us to reclaim the No. 1 smartphone shipment ranking after 10 years.

We continued to execute our dual-brand strategy. Under the Xiaomi brand, in May 2025, we launched our flagship smartphone *Xiaomi 15S Pro* in mainland China. *Xiaomi 15S Pro* is powered by our first self-developed flagship processor *Xiaomi XRING O1*, and features the wing-shaped loop liquid-cooling system Pro, delivering robust performance while maintaining energy efficiency. The *Xiaomi 15S Pro* is equipped with a triple Leica Summilux triple-lens system, and the *Xiaomi XRING O1* integrates Xiaomi's fourth-generation ISP, offering a significantly upgraded imaging experience.

Under the Redmi brand, in April 2025, we unveiled the *Redmi Turbo 4 Pro Series* in mainland China. Positioned as a high-performance quasi-flagship product, the *Redmi Turbo 4 Pro* globally debuted the Snapdragon 8s Gen 4, featuring the 7,660mAh Xiaomi Surge battery, which supports 90W fast charging[8], and 22.5W wired reverse charging[9]. The initial sales volume of *Redmi Turbo 4 Pro Series* reached a record high across all price ranges in 2025[10].

IoT and lifestyle products

In the first quarter of 2025, our IoT and lifestyle products hit record highs in both revenue and gross profit margin again. Revenue of our IoT and lifestyle products reached RMB32.3 billion, up 58.7% year-over-year, and gross profit margin reached 25.2%, up 5.4 percentage points year-over-year.

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8 90W refers to the charger's output power. Actual charging power may vary depending on environmental factors. Use with the Xiaomi 90W wired charger is required.

9 22.5W wired reverse charging is the maximum output power, and the actual performance may slightly vary depending on conditions. It supports reverse charging for devices that have passed testing by Xiaomi Internal Labs.

10 According to data provided by Xiaomi's data center and third-party industry reports. Sales volume is based on sales data recorded from 19:40:00 April 24, 2025 to 23:40:00 April 25, 2025. Data collected on sales figures within 28 hours of the launch of smartphone products released between January 1, 2025 and April 25, 2025. Data collected as of 23:40:00 April 25, 2025, according to data provided by third-party research institutions.

As of March 31, 2025, the number of connected IoT devices (excluding smartphones, tablets and laptops) on our AIoT platform increased to 943.7 million, up 20.1% year-over-year; the number of users with five or more devices connected to our AIoT platform (excluding smartphones, tablets and laptops) reached 19.3 million, up 26.5% year-over-year. In March 2025, the MAU of our Mi Home App grew to 106.4 million, up 19.5% year-over-year. The MAU of our AI Assistant ("小愛同學")[11] grew to 146.7 million, up 17.5% year-over-year.

In terms of smart large home appliances, we continued to invest in core technologies, redefining the standards of smart large home appliances. In the first quarter of 2025, our smart large home appliances revenue grew by 113.8% year-over-year. Meanwhile, our air conditioner shipments exceeded 1.1 million units, up over 65% year-over-year; our refrigerator shipments exceeded 880,000 units, up over 65% year-over-year; and our washing machine shipments exceeded 740,000 units, up over 100% year-over-year. In particular, the shipments of washing machines and refrigerators both reached record highs. In May 2025, we officially launched a series of smart large home appliances, including *Mijia Air Conditioner Pro Human-Perception SkyFlow 1.5HP Level1+ Energy Efficiency*, *Mijia Fresh Air Conditioner Pro Human-Perception Dual-Outlet Vertical 3HP Level1+ Energy Efficiency*, *Mijia Refrigerator Pro Dual-System French Door Built-In 508L*, and *Mijia Dual-Drum Washer Dryer Pro 10kg*.

We continued to enhance our tablet product line-up to better serve diverse user needs. According to Canalys, in the first quarter of 2025, our global tablet shipments grew by 56.1% year-over-year. We achieved first-ever entry into the Top 3 globally, and ranked No. 3 in mainland China in terms of shipment. In May 2025, we unveiled *Xiaomi Pad 7 Ultra*. Equipped with our self-developed processor *Xiaomi XRING O1*, and a 14-inch OLED display, the *Xiaomi Pad 7 Ultra* is designed to support professional productivity experience.

In the first quarter of 2025, we continued to maintain our leading edge in wearables. According to Canalys, in the first quarter of 2025, our wearable bands[12] shipments ranked No. 1 globally and No. 2 in mainland China. Our TWS earbud shipments ranked No. 2 globally and No. 1 in mainland China. In May 2025, we officially launched *Xiaomi Watch S4 15th Anniversary Version*. Powered by *Xiaomi XRING T1*, the *Xiaomi Watch S4 eSIM 15th Anniversary Version* supports independent eSIM connectivity.

Internet services

In the first quarter of 2025, our internet services revenue reached RMB9.1 billion, up 12.8% year-over-year. The gross profit margin of our internet services reached 76.9%, up 2.7 percentage points year-over-year.

Our internet user base continued to expand. The MAU globally and in mainland China both hit record highs. In March 2025, our global MAU reached 718.8 million, up 9.2% year-over-year, and our MAU in mainland China reached 181.1 million, up 12.9% year-over-year. In March 2025, the global MAU of our smart TV[13] reached 73.0 million, up 7.9% year-over-year.

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11 Including smart EV.

12 Including basic bands, basic watches and smart watches.

13 Including *Xiaomi Box* and *Xiaomi TV Stick*.

In the first quarter of 2025, our advertising revenue reached RMB6.6 billion, an increase of 19.7% year-over-year. In the first quarter of 2025, our gaming revenue reached RMB1.2 billion.

In the first quarter of 2025, internet services revenue in mainland China hit a record high of RMB6.4 billion, up 14.8% year-over-year.

3. Smart EV, AI and Other New Initiatives

The operating segment of smart EV and other new initiatives has been updated to smart EV, AI and other new initiatives since the first quarter of 2025. In the first quarter of 2025, revenue from our smart EV, AI and other new initiatives segment reached RMB18.6 billion, which consisted of RMB18.1 billion from smart EV and RMB0.5 billion from other related businesses. In the first quarter of 2025, the gross profit margin of our smart EV, AI and other new initiatives segment reached 23.2%. In the first quarter of 2025, the loss from operations[14] related to our smart EV, AI and other new initiatives segment was RMB0.5 billion.

In the first quarter of 2025, deliveries of the *Xiaomi SU7 Series* reached 75,869 vehicles. We will continue to ramp up production and ensure delivery, and the cumulative deliveries of the *Xiaomi SU7 Series* have reached over 258,000 vehicles[15].

In May 2025, we officially launched *Xiaomi YU7 Series*. Positioned as high-performance luxury SUV, *Xiaomi YU7 Series* retains the family design language of *Xiaomi SU7 Series*. From the technical perspective, *Xiaomi YU7 Series* features the armor-cage steel-aluminum hybrid framework, which is engineered on the Xiaomi Modena platform. It also introduces the application of 2,200 MPa Xiaomi ultra-high strength steel, significantly enhancing body rigidity and safety. In terms of performance, *Xiaomi YU7 Series* is powered by Xiaomi HyperEngine V6s Plus, which has a maximum horsepower of 690 PS[16], and is able to accelerate from 0 to 100km/h in just 3.23s[16]. Combined with the chassis configuration, *Xiaomi YU7 Series* offers a refined balance between sports and comfort. On the battery front, the *Xiaomi YU7 Series* offers long-range capability, and is equipped with an 800V silicon carbide high-voltage platform. Inside the cabin, the *Xiaomi YU7 Series* introduces Xiaomi HyperVision Panoramic Display, providing a tech-enhanced experience.

We continued to expand our sales and service network. As of March 31, 2025, we had opened 235 smart EV sales centers[17] across 65 cities in mainland China.

We are committed to building smart EV products and services with high quality and safety. In March 2025, *Xiaomi SU7*[18] received the top safety rating under the 2024 testing protocols of the China New Car Assessment Program (C-NCAP), achieving an overall score rate of 93.5% — the highest among all tested models, and fully demonstrating the outstanding safety performance of the *Xiaomi SU7 Series*. In addition to the driving safety design of products, we continue

14 Defined as gross profit minus operating expenses.

15 Based on internal source, as of May 21 23:59:59, 2025.

16 Data obtained from Xiaomi internal EV Lab, the configuration parameters may vary depending on the vehicle model.

17 The sales network of Xiaomi EV includes Xiaomi EV delivery centers, Xiaomi EV sales and service centers and Mi Home stores.

18 The safety rating evaluation results is based on *Xiaomi SU7 Max*.

to conduct driving training. In May 2025, we launched advance driving training to provide education from theoretical knowledge to practical applications for users, helping them enhance their safe driving capabilities.

4. Corporate Social Responsibility (CSR)

We actively fulfill our corporate social responsibility and are deeply committed to driving low-carbon development. In April 2025, we published our Xiaomi Corporation 2024 Environmental, Social and Governance (ESG) Report, which we have released for the seventh consecutive year. The report provides a comprehensive overview of our strategies and achievements in 2024 across key areas such as low-carbon transition, circular economy, sustainable supply chain, talent nurturing, and corporate governance. By the end of 2024, we had achieved 95.94% of our five years (2022–2026) target to recycle a total of 38,000 tons of electronic waste. Furthermore, we are motivating our supply chain partners toward a green transitions, thereby continuously reducing Scope 3 emissions. We require that: 1) By 2030, suppliers in the smartphone business achieve an annual average carbon reduction[19] of no less than 5% and a renewable electricity usage rate of no less than 25%. 2) By 2050, suppliers in the smartphone business reach 100% renewable electricity usage.

In January 2025, we received further authoritative recognition for our efforts in promoting the green transformation of the industrial supply chain and contributing to the achievement of "dual carbon" goals. We were recognized as a "Green Supply Chain Management Enterprise" in the Ministry of Industry and Information Technology's "2024 Green Manufacturing List".

[19] The base year for suppliers' carbon targets is 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

First Quarter of 2025 Compared with First Quarter of 2024

The following table sets forth the comparative figures for the first quarter of 2025 and the first quarter of 2024:

	Unaudited Three months ended March 31, 2025	March 31, 2024
	(RMB in millions)	
Revenue	**111,293.3**	75,506.8
Cost of sales	**(85,887.4)**	(58,677.1)
Gross profit	**25,405.9**	16,829.7
Research and development expenses	**(6,711.7)**	(5,159.4)
Selling and marketing expenses	**(7,199.8)**	(5,481.0)
Administrative expenses	**(1,530.1)**	(1,523.0)
Fair value changes on financial instruments measured at fair value through profit or loss	**2,827.0**	(1,226.6)
Share of net profits of investments accounted for using the equity method	**63.5**	155.4
Other income	**161.8**	157.4
Other gains/(losses), net	**108.8**	(69.5)
Operating profit	**13,125.4**	3,683.0
Finance income, net	**42.6**	1,539.4
Profit before income tax	**13,168.0**	5,222.4
Income tax expenses	**(2,275.3)**	(1,049.2)
Profit for the period	**10,892.7**	4,173.2
Non-IFRS measure: Adjusted Net Profit	**10,675.6**	6,490.9

Revenue

As we further increased our investments in the AI business, our operating segment of smart EV and other new initiatives has been updated to smart EV, AI and other new initiatives since the first quarter of 2025.

Revenue increased by 47.4% to RMB111.3 billion in the first quarter of 2025 from RMB75.5 billion in the first quarter of 2024. The following table sets forth our revenue by segment in the first quarter of 2025 and the first quarter of 2024:

	Unaudited Three months ended			
	March 31, 2025		March 31, 2024	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT	**92,713.2**	**83.3%**	75,480.8	100.0%
Smart EV, AI and other new initiatives	**18,580.1**	**16.7%**	26.0	0.0%
Total revenue	**111,293.3**	**100.0%**	75,506.8	100.0%

Smartphone × AIoT

Revenue from our smartphone × AIoT segment increased by 22.8% from RMB75.5 billion in the first quarter of 2024 to RMB92.7 billion in the first quarter of 2025. The following table sets forth our revenue by line of our smartphone × AIoT segment in the first quarter of 2025 and the first quarter of 2024:

	Unaudited Three months ended			
	March 31, 2025		March 31, 2024	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	**50,612.0**	**45.5%**	46,479.7	61.6%
IoT and lifestyle products	**32,339.2**	**29.1%**	20,373.5	27.0%
Internet services	**9,076.1**	**8.2%**	8,048.4	10.7%
Other related businesses	**685.9**	**0.5%**	579.2	0.7%
Total revenue of smartphone × AIoT segment	**92,713.2**	**83.3%**	75,480.8	100.0%

(i) Smartphones

Revenue from our smartphones increased by 8.9% from RMB46.5 billion in the first quarter of 2024 to RMB50.6 billion in the first quarter of 2025, primarily due to the increase in both our smartphone ASP and shipments. The ASP of our smartphones increased by 5.8% from RMB1,144.7 per unit in the first quarter of 2024 to RMB1,210.6 per unit in the first quarter of 2025, primarily due to the higher contribution of smartphone shipments in mainland China which carry higher ASP. Our smartphone shipments increased by 3.0% from 40.6 million units in the first quarter of 2024 to 41.8 million units in the first quarter of 2025, primarily due to the increased shipments in mainland China, partially offset by the decreased shipments of overseas markets such as India. In the first quarter of 2025, our market share in mainland China ranked No. 1, reaching 18.8% with an increase of 4.7 percentage points year-over-year, according to Canalys.

(ii) IoT and lifestyle products

Revenue from our IoT and lifestyle products increased by 58.7% from RMB20.4 billion in the first quarter of 2024 to RMB32.3 billion in the first quarter of 2025, primarily due to the increased revenue from smart large home appliances, wearables and certain lifestyle products in mainland China and tablets in the global market. The increased revenue from our IoT and lifestyle products in mainland China was driven by our enhanced industrial capabilities and brand image, expanded retail channels, as well as the national subsidies in mainland China.

Revenue from our smart large home appliances increased by 113.8% year-over-year, primarily due to the increased shipments and ASP in mainland China.

Revenue from our wearables increased by 56.5% year-over-year, primarily due to the increased shipments and ASP in mainland China.

Revenue from our tablets increased by 72.7% year-over-year, primarily due to the increased shipments of our newly launched *Xiaomi Pad 7 Series*. Our global tablet shipments achieved first-ever entry into the Top 3 globally in the first quarter of 2025, according to Canalys.

(iii) Internet services

Revenue from our internet services increased by 12.8% from RMB8.0 billion in the first quarter of 2024 to RMB9.1 billion in the first quarter of 2025, primarily due to the increased revenue of our advertising business.

(iv) Other related businesses

Revenue from our other related businesses increased by 18.4% from RMB0.6 billion in the first quarter of 2024 to RMB0.7 billion in the first quarter of 2025, primarily due to the increased 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 from RMB26.0 million in the first quarter of 2024 to RMB18.6 billion in the first quarter of 2025.

Revenue from our smart EV increased from RMB18.4 million in the first quarter of 2024 to RMB18.1 billion in the first quarter of 2025. In the first quarter of 2025, we have delivered 75,869 *Xiaomi SU7 Series* vehicles. The ASP of our smart EV was RMB238,301 per unit.

Revenue from our other related businesses increased from RMB7.6 million in the first quarter of 2024 to RMB0.5 billion in the first quarter of 2025.

Cost of Sales

Our cost of sales increased by 46.4% from RMB58.7 billion in the first quarter of 2024 to RMB85.9 billion in the first quarter of 2025. The following table sets forth our cost of sales by segment in the first quarter of 2025 and the first quarter of 2024:

	Unaudited Three months ended			
	March 31, 2025		March 31, 2024	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT	**71,612.7**	**64.4%**	58,654.3	77.7%
Smart EV, AI and other new initiatives	**14,274.7**	**12.8%**	22.8	0.0%
Total cost of sales	**85,887.4**	**77.2%**	58,677.1	77.7%

Smartphone × AIoT

Cost of sales related to our smartphone × AIoT segment increased by 22.1% from RMB58.7 billion in the first quarter of 2024 to RMB71.6 billion in the first quarter of 2025. The following table sets forth our cost of sales by line of our smartphone × AIoT segment in the first quarter of 2025 and the first quarter of 2024:

	Unaudited Three months ended			
	March 31, 2025		March 31, 2024	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	**44,329.3**	**39.8%**	39,600.5	52.4%
IoT and lifestyle products	**24,184.4**	**21.7%**	16,326.1	21.6%
Internet services	**2,094.3**	**1.9%**	2,073.0	2.8%
Other related businesses	**1,004.7**	**1.0%**	654.7	0.9%
Total cost of sales of smartphone × AIoT segment	**71,612.7**	**64.4%**	58,654.3	77.7%

(i) Smartphones

Cost of sales related to our smartphones increased by 11.9% from RMB39.6 billion in the first quarter of 2024 to RMB44.3 billion in the first quarter of 2025, primarily due to the increased sales of our smartphones.

(ii) IoT and lifestyle products

Cost of sales related to our IoT and lifestyle products increased by 48.1% from RMB16.3 billion in the first quarter of 2024 to RMB24.2 billion in the first quarter of 2025, primarily due to the increased sales of our IoT and lifestyle products.

(iii) Internet services

Cost of sales related to our internet services remained stable at RMB2.1 billion in the first quarter of 2025 compared to the first quarter of 2024, primarily due to the increased cost of advertising business, partially offset by the decreased cost of other value-added services.

(iv) Other related businesses

Cost of sales related to our other related businesses increased by 53.5% from RMB0.7 billion in the first quarter of 2024 to RMB1.0 billion in the first quarter of 2025, primarily due to the increased cost from sales of materials and the 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 from RMB22.8 million in the first quarter of 2024 to RMB14.3 billion in the first quarter of 2025.

Gross Profit and Margin

As a result of the foregoing, our gross profit increased by 51.0% from RMB16.8 billion in the first quarter of 2024 to RMB25.4 billion in the first quarter of 2025. Our gross profit margin increased from 22.3% in the first quarter of 2024 to 22.8% in the first quarter of 2025.

The following table sets forth our gross profit and margin by segment in the first quarter of 2025 and the first quarter of 2024:

	Unaudited Three months ended			
	March 31, 2025		March 31, 2024	
	Gross profit	**Gross margin %**	Gross profit	Gross margin %
	(RMB in millions, unless specified)			
Smartphone × AIoT	**21,100.5**	**22.8%**	16,826.5	22.3%
Smart EV, AI and other new initiatives	**4,305.4**	**23.2%**	3.2	12.6%
Total gross profit and gross margin	**25,405.9**	**22.8%**	16,829.7	22.3%

Smartphone × AIoT

The gross profit from our smartphone × AIoT segment increased by 25.4% from RMB16.8 billion in the first quarter of 2024 to RMB21.1 billion in the first quarter of 2025. The following table sets forth our gross profit and margin by line of our smartphone × AIoT segment in the first quarter of 2025 and the first quarter of 2024:

	Unaudited Three months ended			
	March 31, 2025		March 31, 2024	
	Gross profit	**Gross margin %**	Gross profit	Gross margin %
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	**6,282.7**	**12.4%**	6,879.2	14.8%
IoT and lifestyle products	**8,154.8**	**25.2%**	4,047.4	19.9%
Internet services	**6,981.8**	**76.9%**	5,975.4	74.2%
Other related businesses	**(318.8)**	**(46.5%)**	(75.5)	(13.1%)
Total gross profit and margin of smartphone × AIoT segment	**21,100.5**	**22.8%**	16,826.5	22.3%

The gross profit margin from our smartphones decreased from 14.8% in the first quarter of 2024 to 12.4% in the first quarter of 2025, mainly due to the increased price of key components.

The gross profit margin from our IoT and lifestyle products increased from 19.9% in the first quarter of 2024 to 25.2% in the first quarter of 2025, mainly due to the increased gross profit margin and higher revenue contribution of smart large home appliances and certain lifestyle products.

The gross profit margin from our internet services increased from 74.2% in the first quarter of 2024 to 76.9% in the first quarter of 2025, 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 increased from 12.6% in the first quarter of 2024 to 23.2% in the first quarter of 2025.

Operating Expenses

Our operating expenses comprised our research and development expenses, selling and marketing expenses and administrative expenses. Our operating expenses related to our smart EV, AI and other new initiatives segment was RMB4.8 billion in the first quarter of 2025[20].

[20] Including share-based compensation expenses of RMB0.3 billion related to our smart EV, AI and other new initiatives segment for the quarter.

Research and Development Expenses

Our research and development expenses increased by 30.1% from RMB5.2 billion in the first quarter of 2024 to RMB6.7 billion in the first quarter of 2025, primarily due to the increase in research and development expenses related to our smart EV, AI and other new initiatives.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 31.4% from RMB5.5 billion in the first quarter of 2024 to RMB7.2 billion in the first quarter of 2025, primarily due to the increase in the logistic expenses driven by the increased sales related to smartphone × AIoT and the compensation for selling and marketing personnel.

Administrative Expenses

Our administrative expenses remained stable at RMB1.5 billion in the first quarter of 2025 compared to the first quarter of 2024.

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 changed from a loss of RMB1.2 billion in the first quarter of 2024 to a gain of RMB2.8 billion in the first quarter of 2025, primarily due to the fair value gains of listed equity investments in the first quarter of 2025, compared to the fair value losses of listed equity investments in the first quarter of 2024.

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 RMB155.4 million in the first quarter of 2024 to RMB63.5 million in the first quarter of 2025.

Other Income

Our other income remained stable at RMB0.2 billion in the first quarter of 2025 compared to the first quarter of 2024.

Other Gains/(Losses), Net

Our net other gains/(losses) changed from a net loss of RMB69.5 million in the first quarter of 2024 to a net gain of RMB108.8 million in the first quarter of 2025.

Finance Income, Net

Our net finance income decreased from RMB1.5 billion in the first quarter of 2024 to RMB42.6 million in the first quarter of 2025, primarily due to the change of value of financial liabilities payable to fund investors.

Income Tax Expenses

Our income tax expenses increased by 116.9% from RMB1.0 billion in the first quarter of 2024 to RMB2.3 billion in the first quarter of 2025, primarily due to the increase of operating profit in the first quarter of 2025.

Profit for the Period

As a result of the foregoing, our profit for the period increased by 161.0% from RMB4.2 billion in the first quarter of 2024 to RMB10.9 billion in the first quarter of 2025.

Adjusted Net Profit

Our adjusted net profit increased by 64.5% from RMB6.5 billion in the first quarter of 2024 to RMB10.7 billion in the first quarter of 2025.

First Quarter of 2025 Compared with Fourth Quarter of 2024

The following table sets forth the comparative figures for the first quarter of 2025 and the fourth quarter of 2024:

	Unaudited Three months ended	
	March 31, 2025	December 31, 2024
	(RMB in millions)	
Revenue	**111,293.3**	109,005.2
Cost of sales	**(85,887.4)**	(86,550.3)
Gross profit	**25,405.9**	22,454.9
Research and development expenses	**(6,711.7)**	(7,436.6)
Selling and marketing expenses	**(7,199.8)**	(7,729.4)
Administrative expenses	**(1,530.1)**	(1,480.3)
Fair value changes on financial instruments measured at fair value through profit or loss	**2,827.0**	2,578.2
Share of net profits/(losses) of investments accounted for using the equity method	**63.5**	(2.7)
Other income	**161.8**	946.2
Other gains/(losses), net	**108.8**	(440.4)
Operating profit	**13,125.4**	8,889.9
Finance income, net	**42.6**	517.8
Profit before income tax	**13,168.0**	9,407.7
Income tax expenses	**(2,275.3)**	(412.4)
Profit for the period	**10,892.7**	8,995.3
Non-IFRS measure: Adjusted Net Profit	**10,675.6**	8,316.2

Revenue

Revenue increased by 2.1% from RMB109.0 billion in the fourth quarter of 2024 to RMB111.3 billion in the first quarter of 2025. The following table sets forth our revenue by segment in the first quarter of 2025 and the fourth quarter of 2024:

	Unaudited Three months ended			
	March 31, 2025		December 31, 2024	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT	**92,713.2**	**83.3%**	92,343.5	84.7%
Smart EV, AI and other new initiatives	**18,580.1**	**16.7%**	16,661.7	15.3%
Total revenue	**111,293.3**	**100.0%**	109,005.2	100.0%

Smartphone × AIoT

Revenue from our smartphone × AIoT segment increased by 0.4% from RMB92.3 billion in the fourth quarter of 2024 to RMB92.7 billion in the first quarter of 2025. The following table sets forth our revenue by line of our smartphone × AIoT segment in the first quarter of 2025 and the fourth quarter of 2024:

	Unaudited Three months ended			
	March 31, 2025		December 31, 2024	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	**50,612.0**	**45.5%**	51,310.8	47.1%
IoT and lifestyle products	**32,339.2**	**29.1%**	30,867.9	28.3%
Internet services	**9,076.1**	**8.2%**	9,338.6	8.6%
Others	**685.9**	**0.5%**	826.2	0.7%
Total revenue of smartphone × AIoT segment	**92,713.2**	**83.3%**	92,343.5	84.7%

(i) Smartphones

Revenue from our smartphones decreased by 1.4% from RMB51.3 billion in the fourth quarter of 2024 to RMB50.6 billion in the first quarter of 2025, primarily due to the decrease in our smartphone shipments, partially offset by the increase in our smartphone ASP. Our smartphone shipments decreased by 2.0% from 42.7 million units in the fourth quarter of 2024 to 41.8 million units in the first quarter of 2025, primarily due to the decreased shipments of overseas markets such as India resulting from the weakened demand, partially offset by the increased shipments in mainland China. In the first quarter of 2025, our market share in mainland China reached 18.8% with an increase of 3.0 percentage points quarter-over-quarter, according to Canalys. The ASP of our smartphones increased by 0.7% from RMB1,202.4 per unit in the fourth quarter of 2024 to RMB1,210.6 per unit in the first quarter of 2025, primarily due to the higher contribution of smartphone shipments in mainland China which carry higher ASP, and the increased ASP in the overseas markets driven by the successful launch of *Redmi Note 14 Series* with higher ASP.

(ii) IoT and lifestyle products

Revenue from our IoT and lifestyle products increased by 4.8% from RMB30.9 billion in the fourth quarter of 2024 to RMB32.3 billion in the first quarter of 2025, primarily due to the increased revenue from tablets in the global market and certain lifestyle products in the overseas market, partially offset by the decreased revenue from smart TVs and laptops in mainland China.

Revenue from tablets increased by 39.8% quarter-over-quarter, primarily due to the increased shipments of our newly launched *Xiaomi Pad 7 Series*.

Revenue from smart TVs and laptops decreased by 19.8% quarter-over-quarter, primarily due to the decreased shipments in mainland China.

(iii) Internet services

Revenue from our internet services decreased by 2.8% from RMB9.3 billion in the fourth quarter of 2024 to RMB9.1 billion in the first quarter of 2025, primarily due to the decreased revenue of our advertising business, partially offset by the increased revenue of our gaming business.

(iv) Other related businesses

Revenue from our other related businesses decreased by 17.0% from RMB0.8 billion in the fourth quarter of 2024 to RMB0.7 billion in the first quarter of 2025, primarily due to the decreased revenue from the sales of materials.

Smart EV, AI and Other New Initiatives

Revenue from our smart EV, AI and other new initiatives segment increased by 11.5% from RMB16.7 billion in the fourth quarter of 2024 to RMB18.6 billion in the first quarter of 2025.

Revenue from our smart EV increased by 10.7% from RMB16.3 billion in the fourth quarter of 2024 to RMB18.1 billion in the first quarter of 2025, primarily due to the increase in vehicle deliveries. Our vehicle deliveries increased by 8.9% from 69,697 units in the fourth quarter of 2024 to 75,869 units in the first quarter of 2025, primarily due to the continuous increase of our production capacity. The ASP of our smart EV increased slightly by 1.7% from RMB234,322 per unit in the fourth quarter of 2024 to RMB238,301 per unit in the first quarter of 2025, primarily due to the launch of *Xiaomi SU7 Ultra* with higher ASP in February 2025 and the different product mix of other *Xiaomi SU7* models delivered in this quarter.

Revenue from our other related businesses increased by 51.6% from RMB0.3 billion in the fourth quarter of 2024 to RMB0.5 billion in the first quarter of 2025, primarily due to the increased services and sales of accessories.

Cost of Sales

Our cost of sales decreased by 0.8% from RMB86.6 billion in the fourth quarter of 2024 to RMB85.9 billion in the first quarter of 2025. The following table sets forth our cost of sales by segment in the first quarter of 2025 and the fourth quarter of 2024:

	Unaudited			
	Three months ended			
	March 31, 2025		December 31, 2024	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT	**71,612.7**	**64.4%**	73,295.5	67.2%
Smart EV, AI and other new initiatives	**14,274.7**	**12.8%**	13,254.8	12.2%
Total cost of sales	**85,887.4**	**77.2%**	86,550.3	79.4%

Smartphone × AIoT

Cost of sales related to our smartphone × AIoT segment decreased by 2.3% from RMB73.3 billion in the fourth quarter of 2024 to RMB71.6 billion in the first quarter of 2025. The following table sets forth our cost of sales by line of our smartphone × AIoT segment in the fourth quarter of 2024 and the first quarter of 2025:

	Unaudited Three months ended			
	March 31, 2025		December 31, 2024	
	Amount	**% of total revenue**	Amount	% of total revenue
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	**44,329.3**	**39.8%**	45,133.2	41.4%
IoT and lifestyle products	**24,184.4**	**21.7%**	24,525.0	22.5%
Internet services	**2,094.3**	**1.9%**	2,194.4	2.0%
Other related businesses	**1,004.7**	**1.0%**	1,442.9	1.3%
Total cost of sales of smartphone × AIoT segment	**71,612.7**	**64.4%**	73,295.5	67.2%

(i) Smartphones

Cost of sales related to our smartphones decreased by 1.8% from RMB45.1 billion in the fourth quarter of 2024 to RMB44.3 billion in the first quarter of 2025, primarily due to the decreased sales of our smartphones.

(ii) IoT and lifestyle products

Cost of sales related to our IoT and lifestyle products decreased by 1.4% from RMB24.5 billion in the fourth quarter of 2024 to RMB24.2 billion in the first quarter of 2025, primarily due to the decreased sales of our smart TVs and laptops, partially offset by the increased sales of our tablets.

(iii) Internet services

Cost of sales related to our internet services decreased by 4.6% from RMB2.2 billion in the fourth quarter of 2024 to RMB2.1 billion in the first quarter of 2025, primarily due to the decreased cost of our advertising business and other value-added services.

(iv) Other related businesses

Cost of sales related to our other related businesses decreased by 30.4% from RMB1.4 billion in the fourth quarter of 2024 to RMB1.0 billion in the first quarter of 2025, primarily due to the decreased cost from 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 7.7% from RMB13.3 billion in the fourth quarter of 2024 to RMB14.3 billion in the first quarter of 2025, primarily due to the increased sales of our smart EV.

Gross Profit and Margin

As a result of the foregoing, our gross profit increased by 13.1% from RMB22.5 billion in the fourth quarter of 2024 to RMB25.4 billion in the first quarter of 2025. Our gross profit margin increased from 20.6% in the fourth quarter of 2024 to 22.8% in the first quarter of 2025.

The following table sets forth our gross profit and margin by segment in the first quarter of 2025 and the fourth quarter of 2024:

	Unaudited Three months ended			
	March 31, 2025		December 31, 2024	
	Gross profit	**Gross margin %**	Gross profit	Gross margin %
	(RMB in millions, unless specified)			
Smartphone × AIoT	**21,100.5**	**22.8%**	19,048.0	20.6%
Smart EV, AI and other new initiatives	**4,305.4**	**23.2%**	3,406.9	20.4%
Total gross profit and gross margin	**25,405.9**	**22.8%**	22,454.9	20.6%

Smartphone × AIoT

The gross profit from our smartphone × AIoT segment increased by 10.8% from RMB19.0 billion in the fourth quarter of 2024 to RMB21.1 billion in the first quarter of 2025. The following table sets forth our gross profit and margin by line of our smartphone × AIoT segment in the first quarter of 2025 and the fourth quarter of 2024:

	Unaudited			
	Three months ended			
	March 31, 2025		December 31, 2024	
	Gross profit	**Gross margin %**	Gross profit	Gross margin %
	(RMB in millions, unless specified)			
Smartphone × AIoT				
Smartphones	**6,282.7**	**12.4%**	6,177.6	12.0%
IoT and lifestyle products	**8,154.8**	**25.2%**	6,342.9	20.5%
Internet services	**6,981.8**	**76.9%**	7,144.2	76.5%
Other related businesses	**(318.8)**	**(46.5%)**	(616.7)	(74.6%)
Total gross profit and margin of smartphone × AIoT segment	**21,100.5**	**22.8%**	19,048.0	20.6%

The gross profit margin from our smartphones increased from 12.0% in the fourth quarter of 2024 to 12.4% in the first quarter of 2025, mainly due to the improved product mix in the overseas markets.

The gross profit margin from our IoT and lifestyle products increased from 20.5% in the fourth quarter of 2024 to 25.2% in the first quarter of 2025, mainly due to the increased gross profit margin and higher revenue contribution of wearables and certain lifestyle products.

The gross profit margin from our internet services increased from 76.5% in the fourth quarter of 2024 to 76.9% in the first quarter of 2025, mainly due to the increased gross profit margin of our gaming business, partially offset by the lower revenue contribution from advertising business with higher gross profit margin.

Smart EV, AI and Other New Initiatives

The gross profit margin from our smart EV, AI and other new initiatives segment increased from 20.4% in the fourth quarter of 2024 to 23.2% in the first quarter of 2025, primarily due to the different product mix of *Xiaomi SU7 Series* delivered in this quarter and the increased gross profit margin of other related businesses.

Operating Expenses

Our operating expenses comprised our research and development expenses, selling and marketing expenses and administrative expenses. Our operating expenses related to our smart EV, AI and other new initiatives segment was RMB4.8 billion in the first quarter of 2025[21].

[21] Including share-based compensation expenses of RMB0.3 billion related to smart EV, AI and other new initiatives for the quarter.

Research and Development Expenses

Our research and development expenses decreased by 9.7% from RMB7.4 billion in the fourth quarter of 2024 to RMB6.7 billion in the first quarter of 2025, primarily due to the pace of our research projects related to smartphone × AIoT, partially offset by the increase of our research and development expenses related to smart EV, AI and other new initiatives.

Selling and Marketing Expenses

Our selling and marketing expenses decreased by 6.9% from RMB7.7 billion in the fourth quarter of 2024 to RMB7.2 billion in the first quarter of 2025, primarily due to the decrease in promotion and advertising expenses.

Promotion and advertising expenses decreased by 16.5% from RMB2.4 billion in the fourth quarter of 2024 to RMB2.0 billion in the first quarter of 2025, primarily due to less promotional events of our products and brand marketing during this quarter.

Administrative Expenses

Our administrative expenses remained stable at RMB1.5 billion in the first quarter of 2025 compared to the fourth quarter of 2024.

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 by 9.7% from a gain of RMB2.6 billion in the fourth quarter of 2024 to a gain of RMB2.8 billion in the first quarter of 2025, primarily due to the higher fair value gains of listed equity investments in the first quarter of 2025 compared to the fourth quarter of 2024.

Share of Net Profits/(Losses) of Investments Accounted for Using the Equity Method

Our share of net profits/(losses) of investments accounted for using the equity method changed from net losses of RMB2.7 million in the fourth quarter of 2024 to net profits of RMB63.5 million in the first quarter of 2025.

Other Income

Our other income decreased by 82.9% from RMB0.9 billion in the fourth quarter of 2024 to RMB0.2 billion in the first quarter of 2025, primarily due to the decrease of government grants.

Other Gains/(Losses), Net

Our net other gains/(losses) changed from a net loss of RMB0.4 billion in the fourth quarter of 2024 to a net gain of RMB0.1 billion in the first quarter of 2025, mainly due to the change from foreign exchange losses to gains, as well as less impairment of investments accounted for using the equity method.

Finance Income, Net

Our net finance income decreased from RMB517.8 million in the fourth quarter of 2024 to RMB42.6 million in the first quarter of 2025, primarily due to the change of value of financial liabilities payable to fund investors.

Income Tax Expenses

Our income tax expenses increased from RMB0.4 billion in the fourth quarter of 2024 to RMB2.3 billion in the first quarter of 2025, primarily due to the increase of taxable profit in the first quarter of 2025.

Profit for the Period

As a result of the foregoing, our profit for the period increased by 21.1% from RMB9.0 billion in the fourth quarter of 2024 to RMB10.9 billion in the first quarter of 2025.

Adjusted Net Profit

Our adjusted net profit increased by 28.4% from RMB8.3 billion in the fourth quarter of 2024 to RMB10.7 billion in the first quarter of 2025.

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 adding back (i) share-based compensation, (ii) net fair value changes on investments, (iii) amortization of intangible assets resulting from acquisitions, (iv) changes of value of financial liabilities to investors, and (v) income tax effects of non-IFRS adjustments.

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

The following tables set forth reconciliations of the Group's non-IFRS measures for the first quarters of 2025 and 2024, respectively, and the fourth quarter of 2024 to the nearest measures prepared in accordance with IFRS Accounting Standards.

	Unaudited Three Months Ended March 31, 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	**10,892,746**	**1,094,120**	**(2,002,137)**	**36,002**	**567,333**	**87,561**	**10,675,625**
Net margin	**9.8%**						**9.6%**

	Unaudited Three Months Ended March 31, 2024						
		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	4,173,212	950,246	2,223,661	36,002	(764,513)	(127,677)	6,490,931
Net margin	5.5%						8.6%

	Unaudited Three Months Ended December 31, 2024						
		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	8,995,276	993,303	(1,835,533)	36,002	19,999	107,164	8,316,211
Net margin	8.3%						7.6%

Notes:

(1) Represents the expenses related to share-based payments granted to employees of the Group.

(2) Primarily includes fair value changes on equity investments and preferred shares investments deducting the cumulative 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 investee companies, the impairment provision for investments, re-measurement of loss of significant influence in an associate and re-measurement of 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 RMB86.2 billion and cash resources[22] of RMB216.8 billion as of March 31, 2025.

[22] 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.

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 at March 31, 2025, no 2027 Bonds had been converted into new shares.

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.

Consolidated Statement of Cash Flows

	Unaudited Three months ended	
	March 31, 2025	December 31, 2024
	(in millions of RMB)	
Net cash generated from operating activities[1]	**4,509.5**	23,906.8
Net cash generated from/(used in) investing activities	**9,920.8**	(29,067.1)
Net cash generated from/(used in) financing activities[1]	**38,077.4**	(899.9)
Net increase/(decrease) in cash and cash equivalents	**52,507.7**	(6,060.2)
Cash and cash equivalents at the beginning of the period	**33,661.4**	39,655.4
Effects of exchange rate changes on cash and cash equivalents	**2.8**	66.2
Cash and cash equivalents at the end of the period	**86,171.9**	33,661.4

Note:

(1) Excluding (1) the change of trade payables related to the finance factoring business; (2) the change of loan and interest receivables and impairment provision for loan receivables mainly resulting from the fintech business; (3) the change of restricted cash resulting from the fintech business; and (4) the change of deposits from customers resulting from the Airstar bank, the net cash generated from operating activities was RMB2.2 billion and RMB26.1 billion in the first quarter of 2025 and in the fourth quarter of 2024, respectively. Excluding the change of borrowings for the finance factoring business, the net cash generated from financing activities was RMB38.1 billion in the first quarter of 2025 and the net cash used in financing activities was RMB3.0 billion in fourth quarter of 2024, 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.

(2) The cash resources which the Group considered in cash management include but not limited to cash and cash equivalents, restricted cash, term bank deposits, short-term investments measured at fair value through profit or loss, short-term investments measured at amortized cost, long-term investments measured at amortized cost and treasury investments included in long-term investments measured at fair value through profit or loss. As of March 31, 2025, the aggregate amount of cash resources of the Group was RMB216.8 billion.

Net Cash Generated From Operating Activities

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

In the first quarter of 2025, net cash generated from our operating activities amounted to RMB4.5 billion, representing cash generated from operations of RMB6.7 billion minus income tax paid of RMB2.2 billion. Cash generated from operations was primarily due to our profit before income tax of RMB13.2 billion, mainly adjusted by a decrease in trade payables of RMB4.7 billion and an increase of trade and notes receivables of RMB3.9 billion.

Net Cash Generated From Investing Activities

For the first quarter of 2025, our net cash generated from investing activities was RMB9.9 billion, which was primarily due to the net decrease of term bank deposits of RMB4.6 billion, the net decrease of long-term investments measured at fair value through profit or loss of RMB3.1 billion and the net decrease of short-term investments measured at fair value through profit or loss of RMB2.8 billion.

Net Cash Generated From Financing Activities

For the first quarter of 2025, our net cash generated from financing activities was RMB38.1 billion, which was primarily due to the proceeds from issuance of shares upon placement of RMB39.2 billion, partially offset by the distribution to fund investors of RMB0.9 billion.

Borrowings

As of March 31, 2025, we had total borrowings of RMB30.9 billion.

Capital Expenditure

	Three months ended	
	March 31, 2025	December 31, 2024
	(in millions of RMB)	
Capital expenditures		
Smartphone × AIoT	**1,617.3**	2,160.9
Smart EV, AI and other new initiatives	**1,111.7**	1,368.0
Total	**2,729.0**	3,528.9

Off-Balance Sheet Commitments and Arrangements

As of March 31, 2025, we had not entered into any significant off-balance sheet commitments or arrangements.

Investments Held

As of March 31, 2025, we had invested in about 420 companies with an aggregate book value of RMB67.8 billion. In the first quarter of 2025, we recorded a net gain on disposal of investments (after tax) of RMB0.5 billion. The total amount of these investments (including (i) fair value of our stakes in listed investee companies accounted for using the equity method based on the stock price on March 31, 2025, (ii) book value of our stakes in unlisted investee companies accounted for using the equity method and (iii) book value of long term investments measured at fair value through profit or loss) reached RMB71.7 billion as of March 31, 2025.

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 March 31, 2025) during the three months ended March 31, 2025.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

In the first quarter of 2025, we did not conduct any material acquisitions or disposals of subsidiaries, associates or joint ventures.

Employee and Remuneration Policy

As of March 31, 2025, we had 45,527 full-time employees, 43,229 of whom were based in mainland China, primarily at our headquarters in Beijing. As of March 31, 2025, our research and development personnel, totaling 21,731 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 March 31, 2025, 14,201 employees held share-based awards. The total remuneration expenses, including share-based compensation expenses, in the first quarter of 2025 were RMB6.5 billion, representing a decrease of 2.2% from the fourth quarter of 2024.

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 March 31, 2025, we had a restricted deposit of RMB5.3 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 March 31, 2025. Further details of the contingencies are set out in Note 12 to the financial information.

FINANCIAL INFORMATION

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months ended March 31, 2025
*(Expressed in Renminbi ("**RMB**"))*

	Note	Unaudited Three months ended March 31, 2025 RMB'000	2024 RMB'000
Revenue	2	**111,293,337**	75,506,822
Cost of sales	2, 3	**(85,887,427)**	(58,677,105)
Gross profit		**25,405,910**	16,829,717
Research and development expenses	3	**(6,711,708)**	(5,159,387)
Selling and marketing expenses	3	**(7,199,817)**	(5,481,047)
Administrative expenses	3	**(1,530,094)**	(1,523,007)
Fair value changes on financial instruments measured at fair value through profit or loss		**2,827,022**	(1,226,492)
Share of net profits of investments accounted for using the equity method		**63,531**	155,391
Other income		**161,766**	157,407
Other gains/(losses), net		**108,797**	(69,544)
Operating profit		**13,125,407**	3,683,038
Finance income		**1,003,965**	1,019,435
Finance costs		**(961,404)**	519,905
Profit before income tax		**13,167,968**	5,222,378
Income tax expenses	4	**(2,275,222)**	(1,049,166)
Profit for the period		**10,892,746**	4,173,212
Attributable to:			
— Owners of the Company		**10,924,321**	4,182,061
— Non-controlling interests		**(31,575)**	(8,849)
		10,892,746	4,173,212
Earnings per share (expressed in RMB per share):	5		
Basic		**0.44**	0.17
Diluted		**0.42**	0.16

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended March 31, 2025
(Expressed in RMB)

	Note	Unaudited Three months ended March 31, 2025 RMB'000	2024 RMB'000
Profit for the period		**10,892,746**	4,173,212
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Share of other comprehensive income/(loss) of investments accounted for using the equity method		**8,729**	(13,265)
Net gains/(losses) from changes in fair value of financial assets at fair value through other comprehensive income		**32,502**	(4,928)
Currency translation differences		**41,854**	33,240
Item that will not be reclassified subsequently to profit or loss			
Currency translation differences		**(63,588)**	74,189
Other comprehensive income for the period, net of tax		**19,497**	89,236
Total comprehensive income for the period		**10,912,243**	4,262,448
Attributable to:			
— Owners of the Company		**10,946,363**	4,271,146
— Non-controlling interests		**(34,120)**	(8,698)
		10,912,243	4,262,448

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

As of March 31, 2025

(Expressed in RMB)

	Note	**Unaudited As of March 31, 2025 RMB'000**	Audited As of December 31, 2024 RMB'000
Assets			
Non-current assets			
Property, plant and equipment		**19,585,867**	18,087,583
Intangible assets		**8,138,204**	8,152,721
Investments accounted for using the equity method		**6,222,997**	6,151,055
Long-term investments measured at fair value through profit or loss	6	**61,563,538**	62,112,188
Deferred income tax assets		**3,037,605**	2,781,982
Term bank deposits		**73,265,512**	58,520,305
Long-term investments measured at amortized cost	6	**3,477,489**	3,219,462
Other non-current assets		**18,927,984**	18,421,227
		194,219,196	177,446,523
Current assets			
Inventories	8	**61,416,913**	62,509,682
Trade and notes receivables	7	**17,285,786**	14,588,579
Loan receivables		**9,989,781**	12,261,490
Prepayments and other receivables		**29,280,684**	29,100,116
Bills receivables measured at fair value through other comprehensive income		**2,371,833**	1,255,767
Short-term investments measured at fair value through other comprehensive income	6	**1,631,382**	1,681,062
Short-term investments measured at amortized cost	6	**403,430**	700,163
Short-term investments measured at fair value through profit or loss	6	**25,312,478**	28,123,777
Term bank deposits		**16,717,922**	36,350,271
Restricted cash		**5,315,030**	5,476,417
Cash and cash equivalents		**86,171,927**	33,661,442
		255,897,166	225,708,766
Total assets		**450,116,362**	403,155,289

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

As of March 31, 2025
(Expressed in RMB)

	Note	**Unaudited As of March 31, 2025 RMB'000**	Audited As of December 31, 2024 RMB'000
Equity and liabilities			
Equity attributable to owners of the Company			
Share capital		**424**	407
Reserves		**239,498,135**	188,737,370
		239,498,559	188,737,777
Non-controlling interests		**433,222**	467,342
Total equity		**239,931,781**	189,205,119
Liabilities			
Non-current liabilities			
Borrowings	9	**18,230,916**	17,275,721
Deferred income tax liabilities		**1,644,527**	1,282,196
Provisions		**1,811,678**	1,695,063
Other non-current liabilities		**18,300,716**	18,312,200
		39,987,837	38,565,180
Current liabilities			
Trade payables	10	**93,753,960**	98,280,585
Other payables and accruals		**35,975,107**	36,372,035
Advance from customers		**16,260,249**	16,581,252
Borrowings	9	**12,713,769**	13,327,297
Income tax liabilities		**3,816,651**	3,822,134
Provisions		**7,677,008**	7,001,687
		170,196,744	175,384,990
Total liabilities		**210,184,581**	213,950,170
Total equity and liabilities		**450,116,362**	403,155,289

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended March 31, 2025
(Expressed in RMB)

	Unaudited Three months ended March 31, 2025 RMB'000	2024 RMB'000
Net cash generated from/(used in) operating activities	**4,509,497**	(9,287,058)
Net cash generated from investing activities	**9,920,811**	10,710,999
Net cash generated from/(used in) financing activities	**38,077,395**	(111,044)
Net increase in cash and cash equivalents	**52,507,703**	1,312,897
Cash and cash equivalents at the beginning of the period	**33,661,442**	33,631,313
Effects of exchange rate changes on cash and cash equivalents	**2,782**	(47,999)
Cash and cash equivalents at the end of the period	**86,171,927**	34,896,211

1 Basis of preparation

The condensed consolidated interim financial information comprises the interim condensed consolidated balance sheet as of March 31, 2025, the interim condensed consolidated income statement, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the three-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, 2024 which have been prepared in accordance with all applicable IFRS Accounting Standards ("**IFRS Accounting Standards**") issued by the IASB as set out in the 2024 annual report of the Company dated March 18, 2025 (the "**2024 Financial Statements**"), and any public announcement made by the Company during the three months ended March 31, 2025 (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 2024 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 March 31, 2025.

2 Segment information

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 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 ended March 31, 2025 and 2024. The revenues from external customers reported to the CODM are measured in a manner consistent with that applied in the interim condensed consolidated income statement.

The segment results for the three months ended March 31, 2025 and 2024 are as follows:

	Three months ended March 31, 2025						
	Smartphones × AIoT					**Smart EV, AI and other new initiatives**	
	Smartphones RMB'000	**IoT and lifestyle products RMB'000**	**Internet services RMB'000**	**Others RMB'000**	**Subtotal RMB'000**	**RMB'000**	**Total RMB'000**
(Unaudited)							
Segment revenues	**50,611,952**	**32,339,234**	**9,076,097**	**685,989**	**92,713,272**	**18,580,065**	**111,293,337**
Cost of sales	**(44,329,301)**	**(24,184,366)**	**(2,094,257)**	**(1,004,771)**	**(71,612,695)**	**(14,274,732)**	**(85,887,427)**
Gross profit/(loss)	**6,282,651**	**8,154,868**	**6,981,840**	**(318,782)**	**21,100,577**	**4,305,333**	**25,405,910**

	Three months ended March 31, 2024						
	Smartphones × AIoT					Smart EV, AI and other new initiatives	
	Smartphones RMB'000	IoT and lifestyle products RMB'000	Internet services RMB'000	Others RMB'000	Subtotal RMB'000	RMB'000	Total RMB'000
(Unaudited)							
Segment revenues	46,479,748	20,373,489	8,048,383	579,170	75,480,790	26,032	75,506,822
Cost of sales	(39,600,525)	(16,326,052)	(2,073,018)	(654,753)	(58,654,348)	(22,757)	(58,677,105)
Gross profit/(loss)	6,879,223	4,047,437	5,975,365	(75,583)	16,826,442	3,275	16,829,717

For the three months ended March 31, 2025 and 2024, the geographical information on the total revenues is as follows:

	Three months ended March 31,			
	2025		2024	
	RMB'000 (Unaudited)	**%**	RMB'000 (Unaudited)	%
Mainland China	**73,068,671**	**65.7**	37,634,073	49.8
Rest of the world (Note(a))	**38,224,666**	**34.3**	37,872,749	50.2
	111,293,337		75,506,822	

Note:

(a) Revenues outside mainland China are mainly from Europe and India.

The following table shows inventory information by reportable segment as of March 31, 2025 and December 31, 2024.

	As of March 31, 2025 RMB'000	As of December 31, 2024 RMB'000
Smartphone × AIoT	**59,832,004**	60,905,907
Smart EV, AI and other new initiatives	**1,584,909**	1,603,775
	61,416,913	62,509,682

3 Expenses by nature

	Three months ended March 31,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories sold and royalty fees	**79,719,068**	53,763,945
Provision for impairment of inventories	**1,329,972**	1,241,490
Employee benefit expenses	**6,529,713**	5,190,377
Depreciation of property, plant and equipment, right-of-use assets and investment properties	**1,059,920**	803,713
Amortization of intangible assets	**722,942**	590,610
Promotion and advertising expenses	**1,999,872**	2,109,809
Warranty expenses	**1,436,440**	1,037,167

4 Income tax expenses

The income tax expenses of the Group during the three months ended March 31, 2025 and 2024 are analyzed as follows:

	Three months ended March 31,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax	**2,168,514**	1,396,964
Deferred income tax	**106,708**	(347,798)
Income tax expenses	**2,275,222**	1,049,166

5 Earnings per share

(a) Basic

Basic earnings per share for the three months ended March 31, 2025 and 2024 are calculated by dividing the profit attributable to the Company's owners by the weighted average number of ordinary shares in issue during the periods and excluding treasury shares.

	Three months ended March 31,	
	2025	2024
	(Unaudited)	(Unaudited)
Net profit attributable to the owners of the Company (RMB'000)	**10,924,321**	4,182,061
Weighted average number of ordinary shares in issue (thousand shares)	**24,962,488**	25,037,673
Basic earnings per share (expressed in RMB per share)	**0.44**	0.17

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

	Three months ended March 31,	
	2025	2024
	(Unaudited)	(Unaudited)
Net profit attributable to the owners of the Company (RMB'000)	**10,924,321**	4,182,061
Add: Interest expenses on convertible bonds (RMB'000)	**62,211**	—
Net profit attributable to the owners of the Company for calculation of diluted earnings per share (RMB'000)	**10,986,532**	4,182,061
Weighted average number of ordinary shares in issue (thousand shares)	**24,962,488**	25,037,673
Adjustments for restricted shares units and share options granted (thousand shares)	**866,211**	443,382
Adjustments for convertible bonds (thousand shares)	**180,447**	—
Weighted average number of ordinary shares for calculation of diluted earnings per share (thousand shares)	**26,009,146**	25,481,055
Diluted earnings per share (expressed in RMB per share)	**0.42**	0.16

6 Investments

	As of March 31, 2025	As of December 31, 2024
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Current assets		
Short-term investments measured at		
— Amortized cost	**403,430**	700,163
— Fair value through other comprehensive income	**1,631,382**	1,681,062
— Fair value through profit or loss	**25,312,478**	28,123,777
	27,347,290	30,505,002
Non-current assets		
Long-term investments measured at amortized cost	**3,477,489**	3,219,462
Long-term investments measured at fair value through profit or loss		
— Ordinary shares investments	**14,435,620**	14,401,979
— Preferred shares investments	**33,303,675**	33,537,891
— Treasury investments	**9,935,185**	10,339,549
— Other investments	**3,889,058**	3,832,769
	65,041,027	65,331,650

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

	Three months ended March 31,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Long-term investments measured at fair value through profit or loss		
— Ordinary shares investments	**2,481,305**	(1,591,554)
— Preferred shares investments	**(17,743)**	198,087
— Treasury and other investments	**175,751**	90,190
Short-term investments measured at fair value through profit or loss	**140,160**	122,384
	2,779,473	(1,180,893)

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 March 31, 2025	As of December 31, 2024
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Trade and notes receivables		
Up to 3 months	**14,746,136**	12,652,651
3 to 6 months	**1,380,031**	851,454
6 months to 1 year	**522,958**	526,725
1 to 2 years	**262,326**	224,018
Over 2 years	**917,605**	875,784
	17,829,056	15,130,632
Less: credit loss allowance	**(543,270)**	(542,053)
	17,285,786	14,588,579

8 Inventories

	As of March 31, 2025 RMB'000 (Unaudited)	As of December 31, 2024 RMB'000 (Audited)
Raw materials	**14,062,725**	14,321,504
Finished goods	**41,221,937**	40,837,606
Work in progress	**4,557,061**	5,446,620
Spare parts	**3,965,924**	3,800,223
Others	**515,600**	579,858
	64,323,247	64,985,811
Less: provision for impairment (Note (a))	**(2,906,334)**	(2,476,129)
	61,416,913	62,509,682

Note:

(a) During three months ended March 31, 2025, the Group incurred inventory impairment provision approximately RMB1,329,972,000 (RMB1,241,490,000 for the three months ended March 31, 2024) and transferred out of such provision upon the sales of inventories approximately RMB899,767,000 (RMB952,959,000 for the three months ended March 31, 2024).

9 Borrowings

	As of March 31, 2025 RMB'000 (Unaudited)	As of December 31, 2024 RMB'000 (Audited)
Included in non-current liabilities		
Secured borrowings	**1,790,817**	1,827,365
Unsecured borrowings	**16,440,099**	15,448,356
	18,230,916	17,275,721
Included in current liabilities		
Secured borrowings	**73,094**	73,094
Unsecured borrowings	**7,225,690**	7,893,845
Convertible bonds	**5,414,985**	5,360,358
	12,713,769	13,327,297

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 March 31, 2025 RMB'000 (Unaudited)	As of December 31, 2024 RMB'000 (Audited)
Up to 3 months	**78,723,836**	68,064,824
3 to 6 months	**7,477,010**	18,694,125
6 months to 1 year	**4,966,010**	9,035,928
1 to 2 years	**1,414,917**	1,626,560
Over 2 years	**1,172,187**	859,148
	93,753,960	98,280,585

11 Dividends

No dividends have been paid or declared by the Company during the three months ended March 31, 2025 and 2024.

12 Contingencies

The Group, in the ordinary course of its business, is involved in various claims, suits, and legal proceedings that arise from time to time. Since December 2021, Xiaomi Technology India Private Limited ("**Xiaomi India**") 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 India Rupees ("**INR**") 47,468,934,000 (equivalent to RMB4,031,537,000) has been considered as restrictive as of March 31, 2025. The cases are currently in the hearing stages and not yet concluded.

Management assessed the aforesaid matters related to Xiaomi India, after taking into considerations 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 March 31, 2025 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 three months ended March 31, 2025 and up to the date of this announcement, the Company repurchased a total of 6,829,800 Class B ordinary shares of the Company (the "**Class B Shares**") on the Stock Exchange at an aggregate consideration of approximately HK$224,943,300 (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	Lowest	Aggregate Consideration (approximately)
		(HK$)	*(HK$)*	*(HK$)*
January	6,829,800	33.65	32.60	224,943,300
Total	6,829,800			224,943,300

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.

As at the date of this announcement, the number of Class B Shares in issue (excluding treasury shares) was reduced by 6,829,800 shares as a result of the repurchase of 6,829,800 Class B Shares in January 2025, which were subsequently cancelled on March 6, 2025. A total of 1,228,325 Class A Shares were converted into Class B Shares on a one-to-one ratio on March 6, 2025, of which Mr. Lei Jun, through Smart Mobile Holdings Limited, converted 1,106,241 Class A Shares and Mr. Lin Bin, through Apex Star LLC, converted 122,084 Class A Shares.

In March 2025, the Company conducted the 2025 Placing and Subscription. For further details, please refer to the section headed "Liquidity and Financial Resources" above and the announcements of the Company dated March 25, 2025 and March 31, 2025.

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 three months ended March 31, 2025 and up to the date of this announcement.

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 three months ended March 31, 2025.

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 months ended March 31, 2025. 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

As of March 31, 2025, the Company was not involved in any material litigation or arbitration, nor were the Directors aware of any material litigation or claims that were pending or threatened against the Company.

Events after March 31, 2025

Save as disclosed in this announcement, there have been no other significant events that might affect the Group after March 31, 2025 and up to the date of this announcement.

By order of the Board
Xiaomi Corporation
Lei Jun
Chairman

Hong Kong, May 27, 2025

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.

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