



VESTIGIA EXTRACTION BRIEF

Xiaomi Corporation

01810.HK

Fiscal Year	FY2025
Source	HKEX Disclosure
Volume Parsed	Full Filing
Auditor	PricewaterhouseCoopers (Big 4)
VIE Structure	Yes
Processing Time	7.6 min

Vestigia Labs

This brief is an automated extraction and synthesis of publicly available filings generated by the Vestigia Labs architecture. It does not constitute an audit, a verification of fact, or investment advice. All figures should be cross-referenced against source filings before use in any investment decision.

CRITICAL DISCLOSURE

Confidence: HIGH

The company reported significant profit and revenue growth, though operating cash flows declined year-over-year. Inventory accumulation outpaced revenue expansion, and a substantial portion of cash is restricted due to ongoing regulatory investigations in India involving attached bank accounts. The corporate structure relies on Contractual Arrangements (VIEs) secured by equity pledges, and executive governance features CEO-Chairman duality. TEMPORAL NOTE: This company uses a December fiscal year. The figure reported as 'FY2024' covers January 2024 to December 2024.

Key Observations

- Active regulatory investigation by Indian authorities restricting RMB 4,016,462,000 in bank accounts [Page 362].
- Divergence between reported profit growth (+34.9%) and operating cash flow decline (-4.85%) [Page 228, 237].
- Inventory growth (+40.72%) outpaced revenue growth (+35.00%) [Page 228, 232].
- CEO-Chairman duality with Lei Jun holding both roles [Page 88].

QUANTITATIVE INDICES

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INDEX / METRIC	EXTRACTED VALUE	CLASSIFICATION
Beneish M-Score	-2.31	BASELINE DATA
Sloan Accrual Ratio	-3.9%	BASELINE DATA
Tick & Tie Integrity	BASELINE DATA	—
Independent Auditor	PricewaterhouseCoopers	BASELINE ALIGNED
Bilingual Discrepancies	0	BASELINE ALIGNED

DEBT CONSOLIDATION & LEVERAGE

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- Total liabilities increased to RMB 213,950,170,000 in 2024 from RMB 159,985,671,000 in 2023 [Page 231].
 - Total borrowings increased to RMB 30,603,018,000 in 2024 from RMB 27,857,345,000 in 2023, with current borrowings rising to RMB 13,327,297,000 [Page 231, 329].
 - The ratio of total liabilities to total assets increased to 0.53 in 2024 from 0.49 in 2023 [Calculated from Page 230, 233].

OFF-BALANCE SHEET & RELATED PARTY

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- The Group operates through Contractual Arrangements (VIE structure) for businesses subject to foreign investment restrictions in mainland China [Page 72, 239].
 - Registered Shareholders have pledged all their equity interests in Onshore Holdcos to WFOEs as a security interest to guarantee the performance of contractual obligations [Page 75].
 - The Group pledged certain buildings and land use rights for borrowings amounting to approximately RMB 2,619,484,000 as of December 31, 2024 [Page 354].

LIQUIDITY VARIANCE

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- Net cash generated from operating activities decreased to RMB 39,295,499,000 in 2024 from RMB 41,300,495,000 in 2023 [Page 235].
 - Restricted cash amounted to RMB 5,476,417,000 in 2024, of which RMB 4,016,462,000 (INR 47,042,193,000) was restricted by Indian authorities due to an in-progress investigation [Page 337, 364].
 - Cash and cash equivalents remained relatively flat at RMB 33,661,442,000 in 2024 compared to RMB 33,631,313,000 in 2023 [Page 230].

EARNINGS QUALITY & GOVERNANCE

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- Profit for the year increased by 34.9% to RMB 23,578,449,000 in 2024, diverging from the 4.85% decrease in operating cash flow [Page 228, 237].
 - Inventory increased by 40.72% to RMB 62,509,682,000 in 2024, outpacing the revenue growth of 35.00% [Calculated from Page 228, 232].
 - Other income increased to RMB 1,666,779,000 in 2024 from RMB 740,091,000 in 2023, primarily due to an increase in government grants [Page 228, 298].

- Fair value changes on financial instruments measured at fair value through profit or loss decreased by 70.0% to a gain of RMB 1,050,772,000 in 2024 [Page 24, 230].
- Audit services remuneration was RMB 54,674,000 in 2024, representing approximately 0.015% of total revenue [Page 228, 299].

CAPITAL STRUCTURE & SHAREHOLDER

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WVR Structure	Yes (1:10 (Class A:Class B))
Dividend Per Share	Not Disclosed
Buyback Amount	HK\$3,880,990,000

- CEO-Chairman Duality: Lei Jun holds both the Chairman of the Board and Chief Executive Officer roles, which deviates from CG Code provision C.2.1 [Page 88, 92].
- Significant Restricted Cash: RMB4,016,462,000 of cash is restricted by Indian authorities due to an in-progress investigation [Page 337].
- Substantial Shareholder Concentration: Lei Jun controls 90.06% of Class A Shares and 9.65% of Class B Shares, indicating high voting control [Page 66].
- No Dividends Declared: No dividends were paid or declared for the year ended December 31, 2024 (FY2025) [Page 344].
- High Share-based Compensation Expense: Total share-based compensation expense for FY2025 was RMB3,761,843,000 [Page 350].

REGULATORY & GEOPOLITICAL EXPOSURE

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VIE Structure	Yes
Active Proceedings	1
Regulatory Bodies	Income Tax Department (India), Directorate of Revenue Intelligence (India), Directorate of Enforcement (India)

- The company operates several business segments through Variable Interest Entities (VIEs), including online culture, internet audio-visual, internet publication, internet news information, e-commerce marketplace, cloud storage service, and mobile communication product resales, due to foreign investment restrictions in mainland China. Total assets attributable to VIEs amounted to RMB81.7 billion. [Page 76]

- Xiaomi India is currently undergoing active investigations by Indian authorities (Income Tax Department, Directorate of Revenue Intelligence, Directorate of Enforcement) regarding compliance with tax, customs, and foreign exchange regulations. Bank accounts with INR47,042,193,000 (RMB4,016,462,000) were restricted as of December 31, 2024. [Page 360]
- The company acknowledges geopolitical risks, including supply chain disruptions and tariff impacts, which could affect market competitiveness and operations. It is actively diversifying its supply chain and expanding into emerging markets to mitigate these factors. [Page 101]
- The company discloses a robust data privacy and cybersecurity framework, adhering to global standards (PIPL, GDPR, ISO 27001, ISO 27701) and reporting no confirmed data breaches or cybersecurity incidents in 2024. [Page 133]
- The company's cash and cash equivalents, term bank deposits, and restricted cash, totaling RMB79,962,917,000, were held in mainland China as of December 31, 2024, and are subject to local exchange control and other financial and treasury regulations. [Page 308]

Tick-and-Tie Reconciliation

Status	BASELINE DATA
P&L Net Income	RMB 23,578,449 thousand [Page 228]
CF Opening	RMB 28,126,653 thousand [Page 357]
Variance	19.29%

P&L uses 'Profit for the year' vs CF uses 'Profit before income tax' – expected difference between line items.

Temporal Period Alignment

Status	BASELINE DATA
Detail	No temporal issues detected

No footnote flags extracted from this filing.

0 discrepancies extracted from 01810.HK FY2025 HKEX Disclosure.

EN AND ZH FILINGS STRICTLY ALIGNED

No semantic translations anomalies or numeric variances detected.