2023 Financial Benchmarking Report: Xiaomi & Samsung

Competitive Financial Analysis

-A Comparative Analysis of Xiaomi and Samsung: Evaluating Financial Metrics, Market Position, and Strategic Growth in the Smartphone Industry

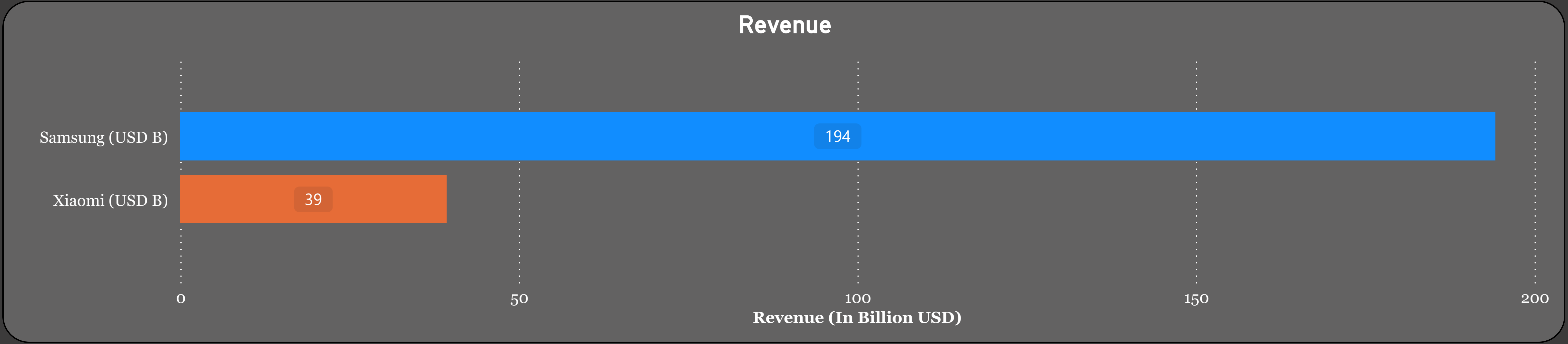

LEICA
xiaomi

Samsung

Revenue
USD 194.2 Billion

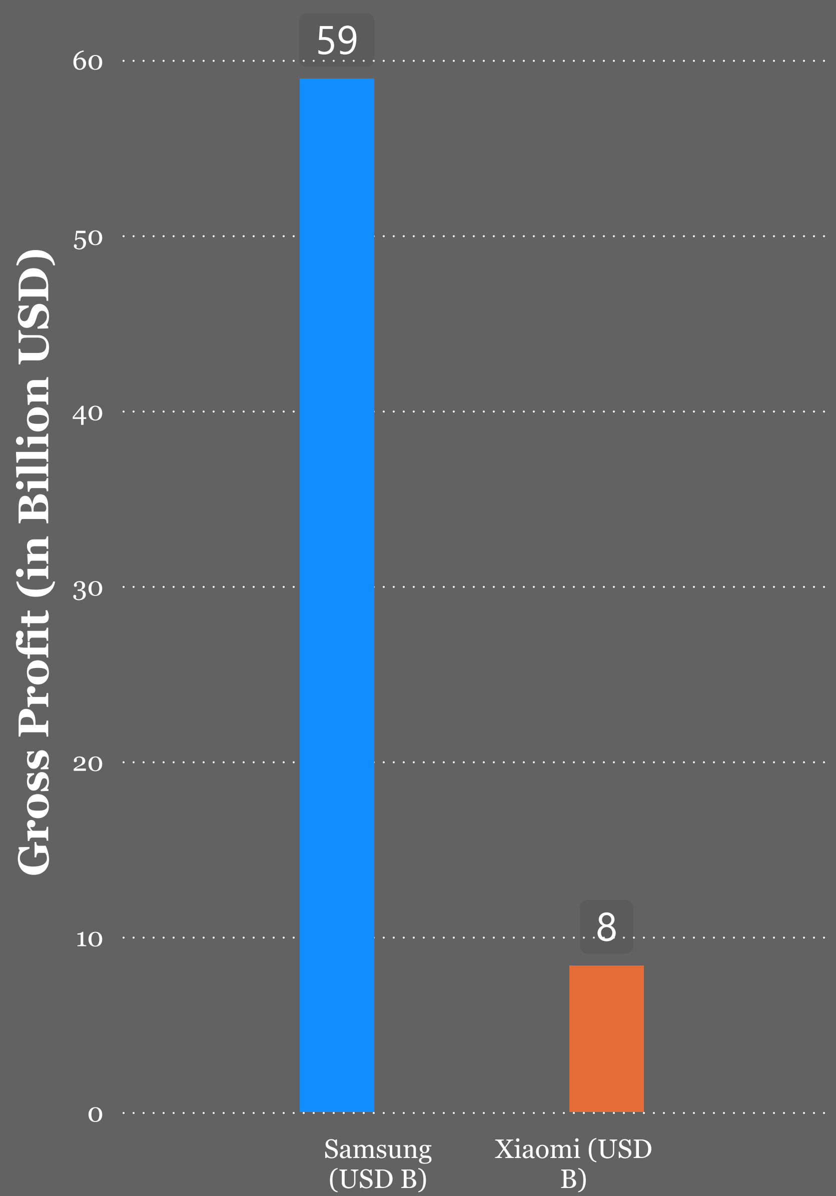
Xiaomi

Revenue
USD- 39.40 Billion



While Samsung—with over 85 years in business and a 16% global market share—continues to lead with higher revenues driven by its diversified portfolio and global reach, Xiaomi, despite being just over a decade old, is rapidly closing the gap with aggressive expansion, a growing market share, and bold projects in AI, EVs, and smart devices, signalling its emergence as a formidable global contender

Gross Profit



Net Income

Although Samsung’s gross profit is nearly 8 times that of Xiaomi, the net income gap is only about 4.6 times—with Samsung at $11.61 billion and Xiaomi at $2.5 billion. This suggests that **Xiaomi is more efficient** in managing its operating and non-operating expenses relative to its size.

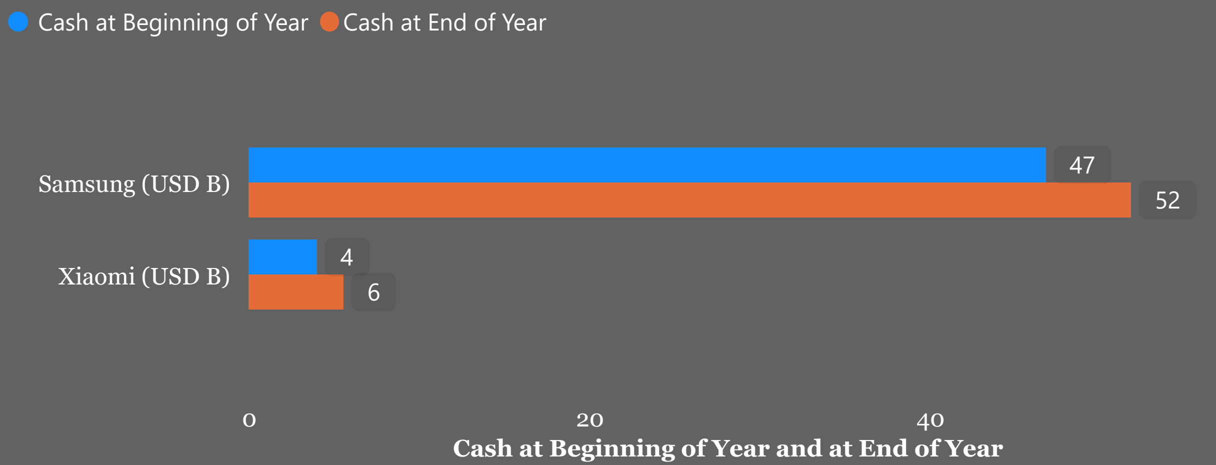
What does this mean for Xiaomi in Long Run:

- Scalability
- Profit Resilience
- Investor Confidence
- Margin Expansion Potential

What does this mean for Samsung in Long Run:

- Higher Operating Burden
- Lower Net Efficiency Despite High Revenue
- Pressure to Sustain Margins

Comparison of cash at the beginning of year and end



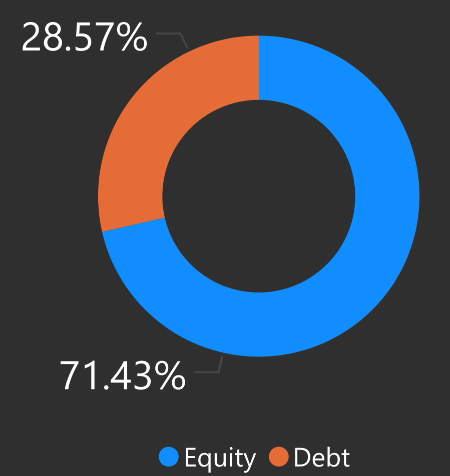
While Samsung leads with a significantly larger cash reserve in absolute terms, Xiaomi's cash position grew much faster proportionally(39.25% ad compared to Samsung's 10.68%), yet again signalling strong liquidity improvement and possibly tighter capital management or revenue growth.

Equity and Debt

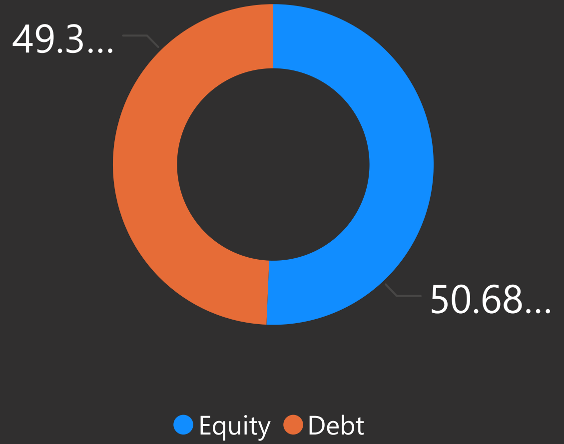
Debt | Equity

Samsung is predominantly equity-funded (71.4%), reflecting conservative financial management, while Xiaomi carries a higher leverage with a nearly equal split between debt and equity (49.3% debt).

Samsung Debt Vs. Equity



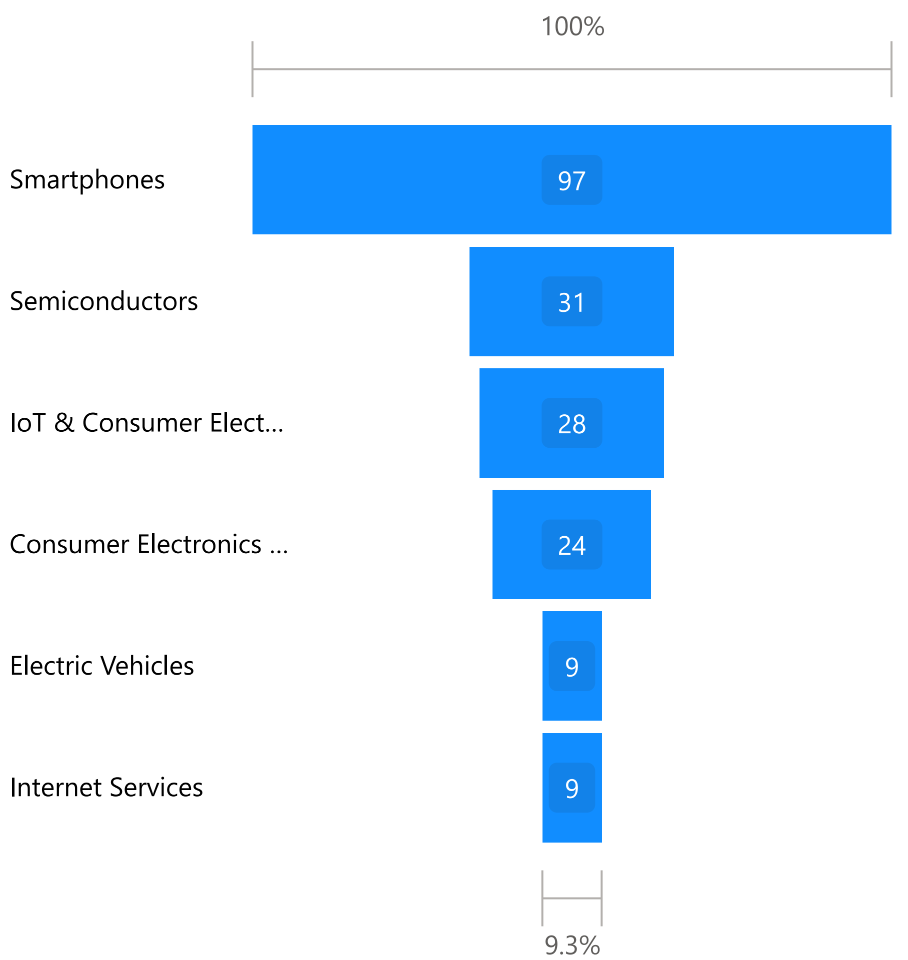
Xiaomi Debt Vs. Equity



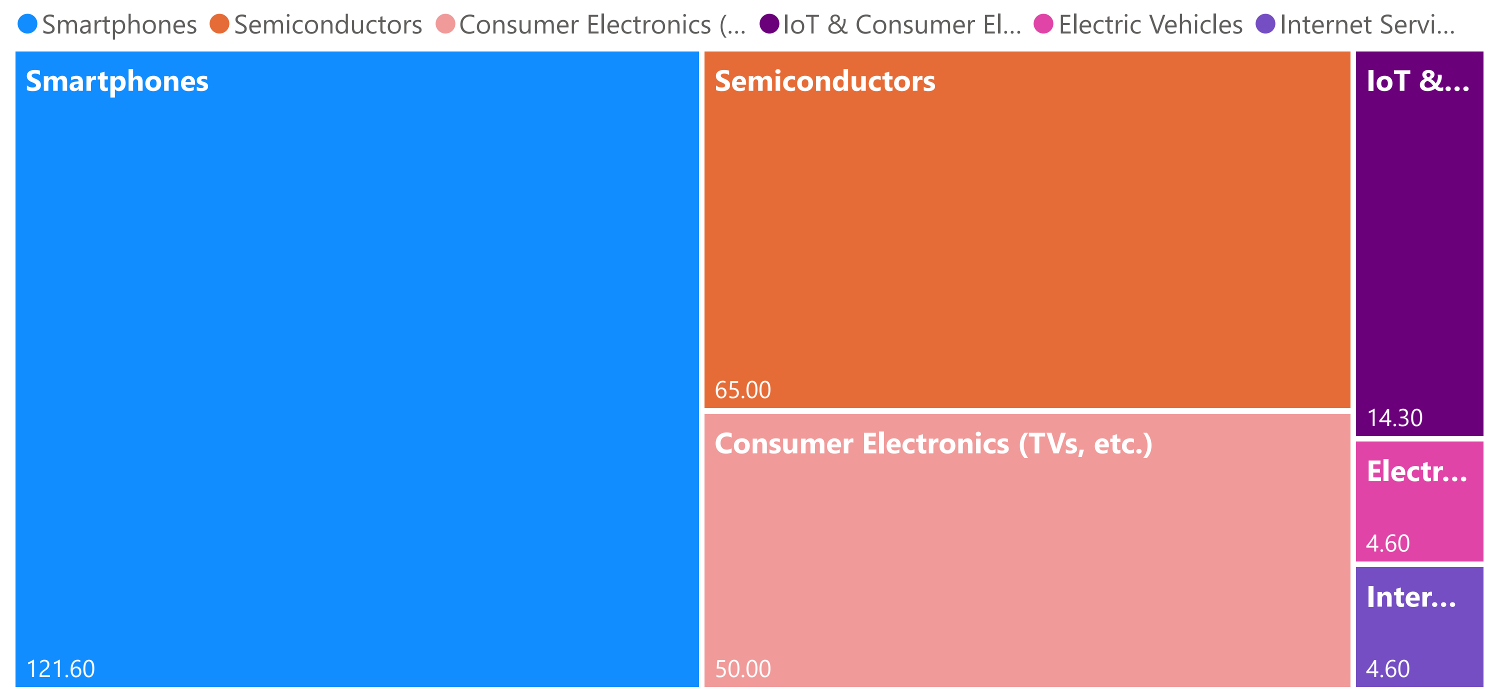
Market Analysis

Samsung | Xiaomi

Revenue Share (%) by Product Category



Revenue (USD Billion) by Product Category

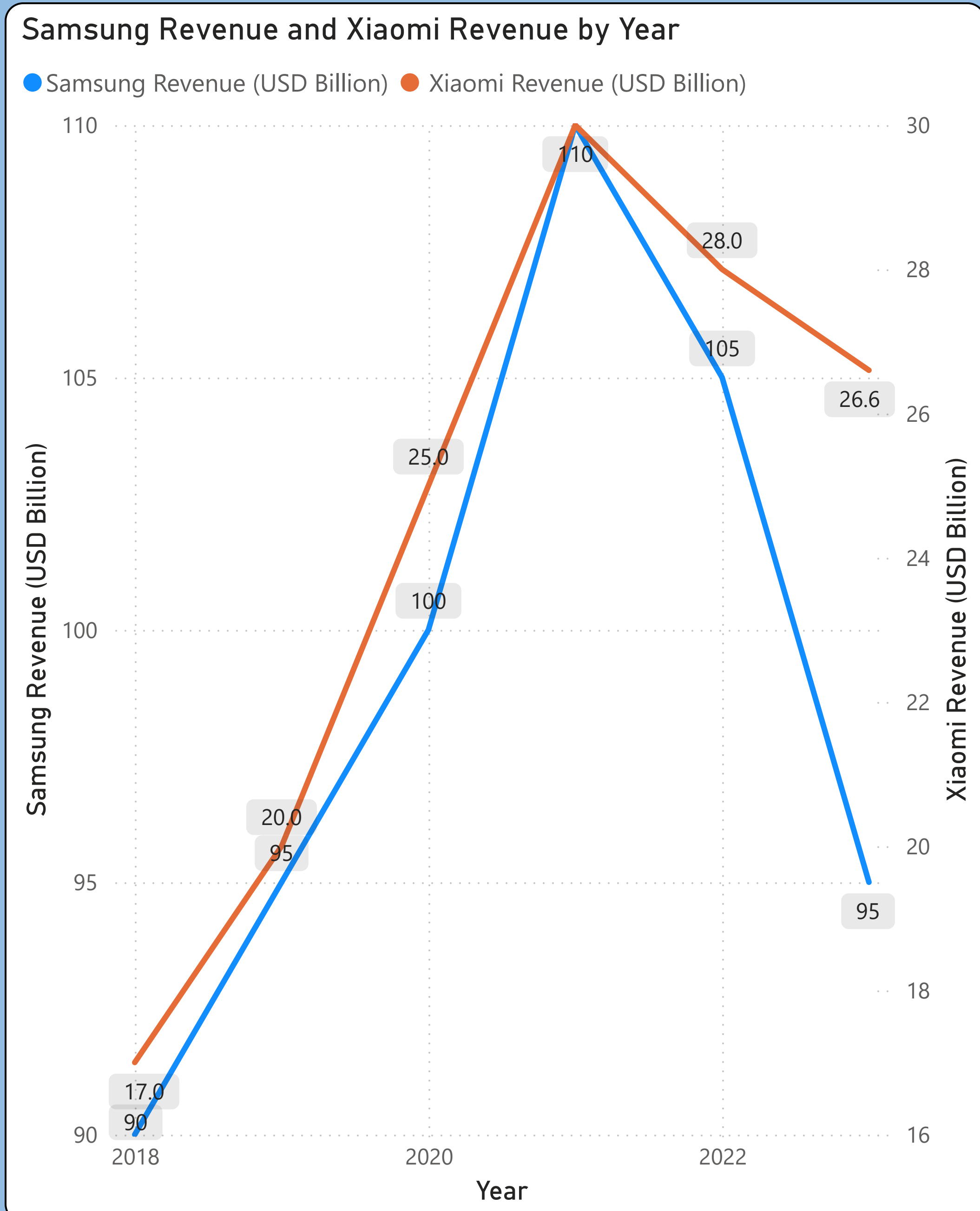


Xiaomi

- **Dominated by smartphones** (52%), followed by IoT & electronics (28%)
- Smartphones dominate the treemap. **IoT and EVs have room to grow.**

Samsung

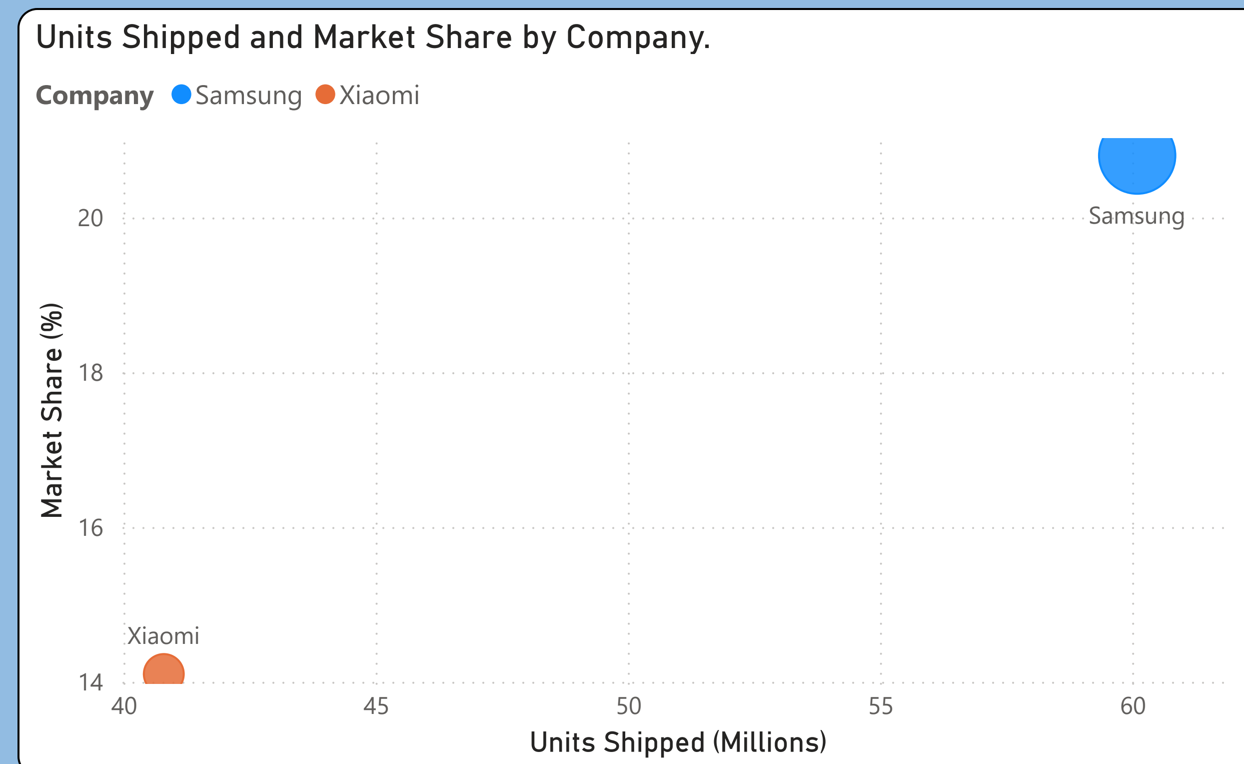
- **More balanced distribution**: smartphones (45%), semiconductors (31%), consumer electronics (24%).
- Semiconductors may occupy a large block, showing a **non-consumer revenue backbone.**

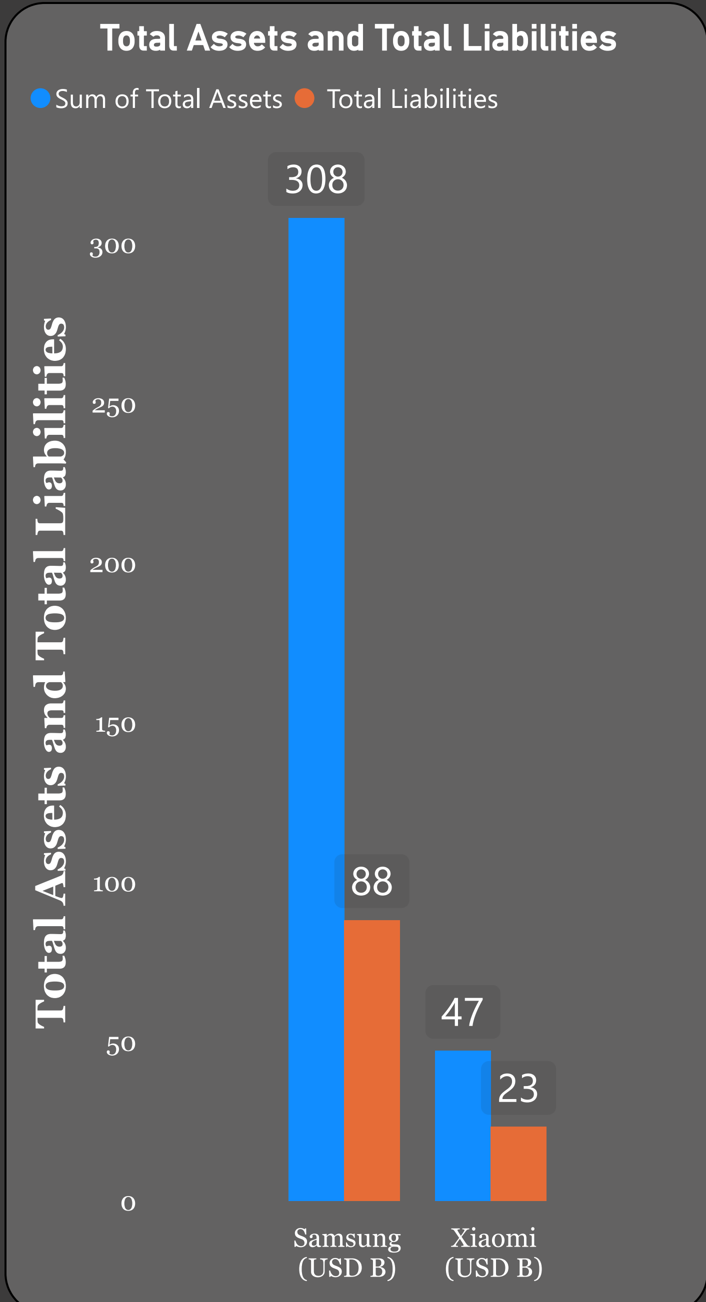


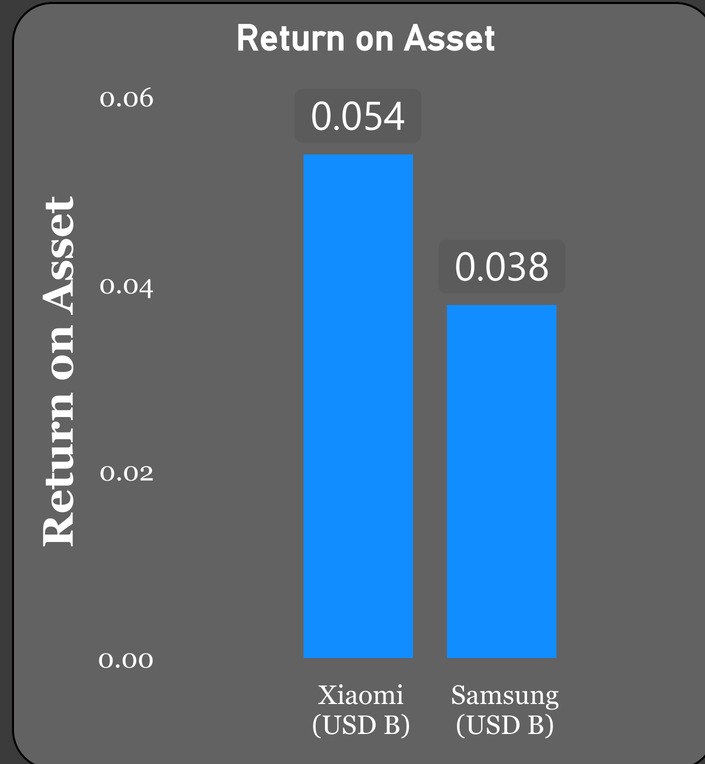
Xiaomi's revenue rapidly increased from 2018 to 2021, indicating **aggressive expansion.**

Samsung ships more units and leads in market share, indicating **scale efficiency.**

The dip in 2022–2023 for both hints at industry-wide stagnation or post-COVID correction.







Assets and Liabilities comparison visually reflects that **Samsung maintains a significantly larger asset base**

Return on Assets (ROA) comparison reflects higher operational efficiency – Samsung generates more profit per unit of asset, indicating better asset utilization.

Liquidity Ratio cards further support Samsung's position of strength. Higher liquidity ratios for Samsung indicate that it's better positioned to cover short-term obligations, with ample cash and equivalents.

Overall, Samsung leads in financial efficiency, liquidity, and balance sheet strength.

Liquidity Ratio

Samsung (USD B)

Current Ratio	Quick Ratio
1.62	1.16

Xiaomi (USD B)

Current Ratio	Quick Ratio
1.23	0.94

This financial comparison between **Xiaomi and Samsung** reveals that:

Samsung holds a dominant position in terms of efficiency, liquidity, market share, and revenue diversification.

Xiaomi, while still behind in scale and stability, demonstrates **strong growth potential with its aggressive expansion** and focus on affordability and innovation, especially in emerging markets.

- **Samsung is expected to retain its leadership** in the short to mid-term due to its financial strength and broad market presence.
- **Xiaomi, if it successfully diversifies and reduces risk**, has the potential to become a top-tier global brand not just in smartphones, but in smart ecosystems.
- The competition is set to intensify as both brands navigate **innovation, global demand shifts, and evolving consumer needs**.