Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Bilibili Inc.

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

(Stock Code: 9626)

OVERSEAS REGULATORY ANNOUNCEMENT

We are making this announcement pursuant to Rule 13.10B of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

We filed our annual report on Form 20-F for the fiscal year ended December 31, 2025 (the "**Form 20-F**") with the Securities and Exchange Commission of the United States on April 16, 2026 (U.S. Eastern Time). The Form 20-F is attached and is available for viewing on our investor relations website at http://ir.bilibili.com.

By Order of the Board
Bilibili Inc.
Rui Chen
Chairman

Hong Kong, April 16, 2026

As of the date of this announcement, the board of directors of the Company comprises Mr. Rui Chen as the chairman, Ms. Ni Li and Mr. Yi Xu as directors, Mr. JP Gan, Mr. Eric He, Mr. Feng Li and Mr. Guoqi Ding as independent directors.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report

For the transition period from_____to_____

Commission file number: 001-38429

Bilibili Inc.
(Exact Name of Registrant as Specified in Its Charter)

N/A
(Translation of Registrant's Name into English)

Cayman Islands
(Jurisdiction of Incorporation or Organization)

Building 3, Guozheng Center, No. 485 Zhengli Road, Yangpu District
Shanghai, 200433
People's Republic of China
(Address of Principal Executive Offices)

Xin Fan, Chief Financial Officer
Building 3, Guozheng Center, No. 485 Zhengli Road, Yangpu District
Shanghai, 200433
People's Republic of China
Phone: +86 21 25099255
Email: sam@bilibili.com
(Name, Telephone, E-mail and/or Facsimile Number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
American depositary shares, each representing one Class Z ordinary share	BILI	Nasdaq Global Select Market
Class Z ordinary shares, par value US$0.0001 per share	9626	The Stock Exchange of Hong Kong Limited

Securities registered or to be registered pursuant to Section 12(g) of the act: None

Securities for which there is a reporting obligation pursuant to section 15(d) of the act: None

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Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

As of December 31, 2025, there were 414,718,112 ordinary shares outstanding, par value $0.0001 per share, being the sum of 79,700,010 Class Y ordinary shares and 335,018,102 Class Z ordinary shares (excluding 6,115,998 Class Z ordinary shares issued and reserved for future issuance upon the exercising or vesting of awards granted under our share incentive plans).

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes ☐ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. ☐ Yes ☒ No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Emerging growth company	☐

If an emerging growth company that prepare its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act., ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☒ International Financial Reporting Standards as issued by the International Accounting Standards Board ☐ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. ☐ Item 17 ☐ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS) Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities

Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. ☐ Yes ☐ No

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INTRODUCTION

Unless otherwise indicated and except where the context otherwise requires, all discrepancies in any table between the amounts identified as total amounts and the sum of the amounts listed herein are due to rounding, and references in this annual report on Form 20-F to:

- "ADRs" are to the American depositary receipts that evidence the ADSs;
- "ADSs" are to the American depositary shares, each of which represents one Class Z ordinary share;
- "average daily time spent per active user on our mobile apps" for a period is calculated by dividing the total time spent on our mobile apps (including smart TV and other smart devices) during the specified period (excluding time spent on Bilibili operating games, Bilibili Comic and Maoer) by the average number of active users per day during such period, further divided by the number of days during the specified period;
- "average monthly interactions" for a period is calculated by dividing the total number of interactions based on our interaction features such as bullet chats, commentaries, following, favorites, sharing, bilibili moment posts, likes, messaging, coin casting and virtual gifting, during the specified period by the number of months in such period;
- "Bilibili" are to Bilibili Inc., our holding company incorporated in the Cayman Islands as an exempted company with limited liability; "we," "us," "our company" and "our" are to Bilibili Inc. and its subsidiaries, and, in the context of describing our operations and consolidated financial information, the variable interest entities, or the VIEs, in China and their subsidiaries (which are collectively referred to as the Consolidated Affiliated Entities), including, but not limited to, Shanghai Hode Information Technology Co., Ltd., or Hode Information Technology, Shanghai Kuanyu Digital Technology Co., Ltd., or Shanghai Kuanyu, Shanghai Chaodian Culture Communication Co., Ltd., or Chaodian Culture, and their subsidiaries;
- "bullet chat" or "bullet chatting" are to a commenting function that enables content viewers to send comments that fly across the screen like bullets, which we refer to as bullet chats herein. Bullet chats are context-based and can be viewed by the audiences who watch the same content, and therefore can intrigue interactive commenting among content viewers. Only official members can send bullet chats on our platform;
- "China" or the "PRC" are to the People's Republic of China;
- "Class Y ordinary shares" are to our Class Y ordinary shares, par value US$0.0001 per share;
- "Class Z ordinary shares" are to our Class Z ordinary shares, par value US$0.0001 per share;
- "CSRC" are to the China Securities Regulatory Commission;
- "daily active users" or "DAU" are to the sum of active users on our mobile apps and on PC during a given period. Active users on mobile apps refer to total number of mobile devices (including smart TV and other smart devices) that have launched our mobile apps during a given period. Active users on PC refer to the sum of valid logged-in users who visit our website at www.bilibili.com on PC and who engage in PC application during a given period, after eliminating duplicates;
- "Generation Z+," "Gen Z+" or "younger generations" are to, for the purposes of this annual report only, the demographic cohort of individuals in China born between 1985 and 2009;
- "HK$" or "Hong Kong dollars" are to Hong Kong dollars, the lawful currency of Hong Kong;
- "Hong Kong" or "HK" are to the Hong Kong Special Administrative Region of the PRC;

- "Hong Kong Listing Rules" are to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time;
- "Hong Kong Stock Exchange" are to The Stock Exchange of Hong Kong Limited;
- "Main Board" are to the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Hong Kong Stock Exchange;
- "monthly active users" or "MAU" are to the sum of active users on our mobile apps and on PC during a given period. Active users on mobile apps refer to total number of mobile devices (including smart TV and other smart devices) that have launched our mobile apps during a given period. Active users on PC refer to the sum of valid logged-in users who visit our website at www.bilibili.com on PC and who engage in PC application during a given period, after eliminating duplicates;
- "occupationally generated videos" or "OGV" are to Bilibili-produced or jointly produced content and licensed content procured from third-party production companies;
- "official members" are to users who pass our multiple-choice membership exam consisting of 100 questions, after which additional interactive and community features, such as bullet chatting and commenting, will become available to them;
- "our platform" are to "Bilibili" mobile apps, websites, smart TV, Bilibili Comic, Maoer and a variety of related features, functionalities, tools and services that we provide to users and content creators;
- "paying users" on our platform are to users who make payments for various products and services on our platform, including purchases in mobile games offered on our platform and payments for VAS (excluding purchases on our e-commerce platform). A user who makes payments across different products and services offered on our platform using the same registered account is counted as one paying user and we add the number of paying users of Maoer and the number of paying users of smart TVs towards our total paying users without eliminating duplicates. "Average monthly paying users" for a period is calculated by dividing the sum of monthly paying users during the specified period by the number of months in such period;
- "premium members" are to members who have subscribed to our premium membership, which allows these members to enjoy exclusive or advance access to our premium OGV content. We calculate premium members based on the number of members whose premium package is still valid by the last day of a given month;
- "professional user generated videos" or "PUGV" are to videos generated by users with a certain level of professional production and editing capabilities, substantially all of which are creative in nature;
- "retention rate," as applied to any cohort of users who visit our platform in a given period, are to the percentage of these users who make at least one repeat visit after a certain duration, and the "12th-month retention rate" for any cohort of users in a given month is the retention rate in the twelfth month after the applicable month;
- "RMB" and "Renminbi" are to the legal currency of China;
- "shares" or "ordinary shares" are to our Class Y and Class Z ordinary shares, par value US$0.0001 per share;
- "total user time spent" are to the total time users spent on our mobile apps during a given period, which is the result of average daily time spent per active user on our mobile apps multiplied by DAUs and further multiplied by the number of days in such period;
- "US$," "U.S. dollars," "$," and "dollars" are to the legal currency of the United States;

- "VAS" are to value-added services, including premium membership, live broadcasting, Bilibili Comics, Maoer, and other PUGV and community related VASs, such as fan charging program, Bilibili premium courses and avatar decoration; and
- "video-based content" are to, for the purposes of this annual report only, video content on video-centric platforms and non-video-centric platforms as well as mobile games. Non-video-centric platforms include social media, instant messaging, e-commerce, browser, and other kind of platforms.

Our reporting currency is the Renminbi because our business is mainly conducted in mainland China and a substantial majority of our revenues is denominated in Renminbi. This annual report contains translations of Renminbi amounts into U.S. dollars at specific rates solely for the convenience of the reader. The conversion of Renminbi into U.S. dollars in this annual report is based on the exchange rate set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. Unless otherwise noted, all translations from Renminbi to U.S. dollars and from U.S. dollars to Renminbi in this annual report were made at a rate of RMB6.9931 to US$1.00, the exchange rate on December 31, 2025 set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. We make no representation that any Renminbi or U.S. dollars amounts could have been, or could be, converted into U.S. dollars or Renminbi, as the case may be, at any particular rate, or at all. The PRC government imposes control over its foreign currency reserves in part through direct regulation of the conversion of Renminbi into foreign exchange and through restrictions on foreign trade.

FORWARD-LOOKING STATEMENTS

This annual report on Form 20-F contains forward-looking statements that reflect our current expectations and views of future events. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995.

You can identify some of these forward-looking statements by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "is/are likely to," "potential," "continue" or other similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements include statements relating to:

- our goals and strategies;
- our future business development, financial conditions and results of operations;
- the expected growth of the online entertainment industries in mainland China;
- our expectations regarding demand for and market acceptance of our products and services;
- our expectations regarding our relationships with users, content providers, game developers and publishers, advertisers and other partners;
- competition in our industry;
- relevant government policies and regulations relating to our industry;
- the outcome of any current and future litigation or legal or administrative proceedings; and
- other factors described under "Item 3. Key Information—D. Risk Factors."

You should read this annual report and the documents that we refer to in this annual report and have filed as exhibits to this annual report completely and with the understanding that our actual future results may be materially different from what we expect. Other sections of this annual report discuss factors which could adversely impact our business and financial performance. Moreover, we operate in an evolving environment. New risk factors emerge from time to time and it is not possible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We qualify all of our forward-looking statements by these cautionary statements.

You should not rely upon forward-looking statements as predictions of future events. The forward-looking statements made in this annual report relate only to events or information as of the date on which the statements are made in this annual report. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

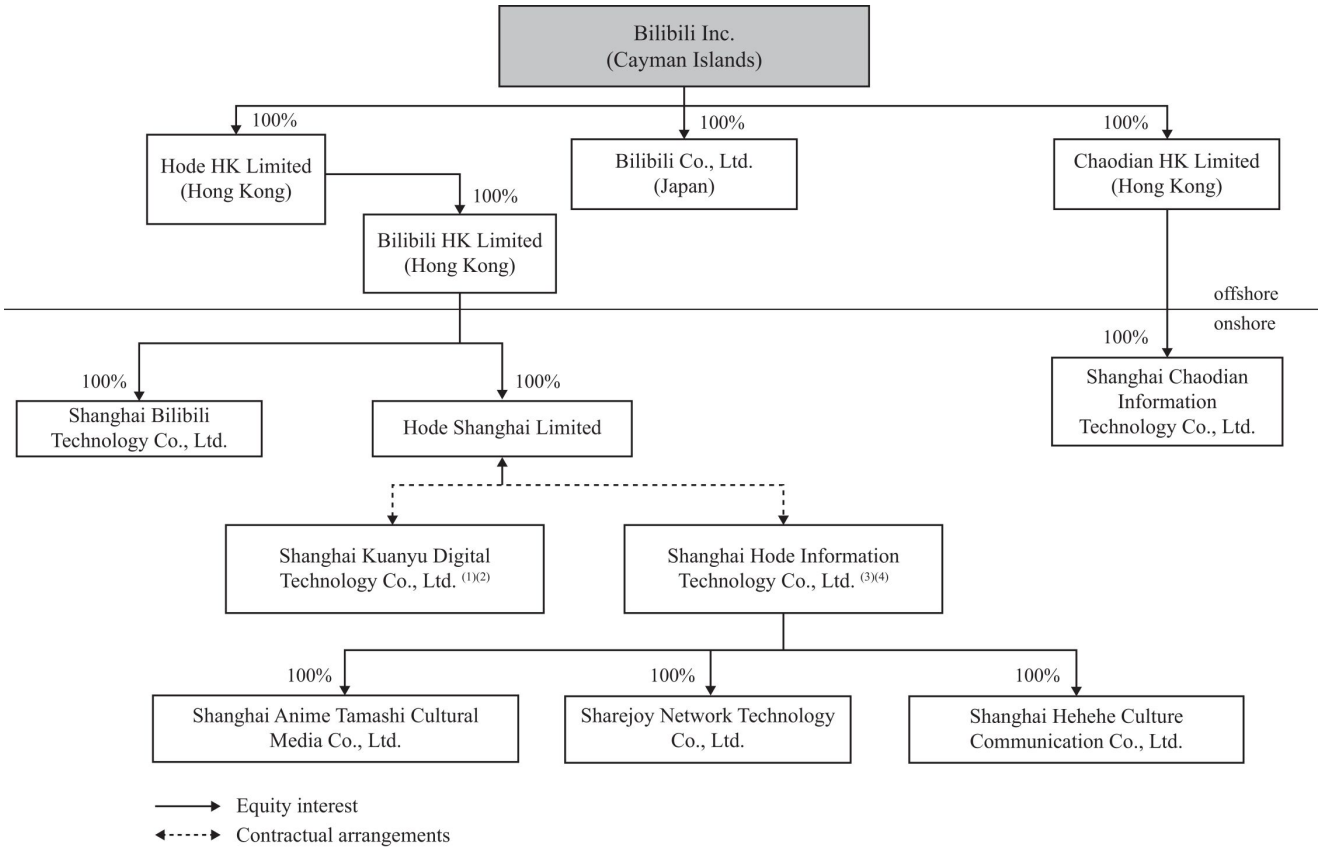
Not applicable.

ITEM 3. KEY INFORMATION

Our Holding Company Structure and Contractual Arrangements with the VIEs

Bilibili Inc. is not a Chinese operating company but a Cayman Islands holding company with no equity ownership in its VIEs. We conduct our operations primarily through our PRC subsidiaries, the VIEs and their subsidiaries in mainland China. PRC laws and regulations prohibit foreign investment in internet cultural business (except for music), the internet audio-visual program business, the radio and television program production and operation business, and the production of audio-visual products and/or electronic publications. Accordingly, we operate these businesses in mainland China through the VIEs, and rely on contractual arrangements among our PRC subsidiaries, the VIEs and their shareholders, as applicable, to control the business operations of the VIEs. Revenues contributed by the VIEs accounted for 69.4%, 68.2% and 64.8% of our total revenues for the years of 2023, 2024 and 2025, respectively. As used in this annual report, "Bilibili" refers to Bilibili Inc., our Cayman Islands holding company; "we," "us," "our company" and "our" refers to Bilibili and its subsidiaries, and, in the context of describing our operations and consolidated financial information, the VIEs and their subsidiaries in mainland China (which are collectively referred to as the Consolidated Affiliated Entities), including, but not limited to, Hode Information Technology, which was established in May 2013 to expand our operations; Shanghai Kuanyu, whose control we obtained in July 2014 to further expand our operations; and Chaodian Culture, whose control we obtained in July 2019 to enrich our offerings, and their subsidiaries.

The following chart illustrates our company's organizational structure, including our principal subsidiaries and principal Consolidated Affiliated Entities as of the date of this annual report:



Notes:

(1) Mr. Rui Chen holds 100% equity interests in Shanghai Kuanyu. He is also the chairman of our board of directors and our chief executive officer.

(2) Shanghai Kuanyu has three subsidiaries.

(3) Mr. Rui Chen, Ms. Ni Li and Mr. Yi Xu hold 52.3%, 3.4% and 44.3% equity interests in Hode Information Technology, respectively, as of the date of this annual report. Mr. Chen is our controlling shareholder, the chairman of our board of directors and our chief executive officer. Ms. Li is the vice chairwoman of our board of directors and chief operating officer. Mr. Xu is our founder, director and president.

(4) Hode Information Technology has 29 subsidiaries.

Holders of our Class Z ordinary shares or the ADSs hold equity interest in Bilibili Inc., our Cayman Islands holding company, and do not have direct or indirect equity interests in the VIEs and their subsidiaries. A series of contractual agreements, including powers of attorney, equity pledge agreements, letter of undertakings, exclusive business cooperation agreements, and exclusive option agreements, have been entered into by and among our subsidiaries, the VIEs and their respective shareholders, as applicable. Terms contained in each set of contractual arrangements with the VIEs and their respective shareholders are substantially similar. As a result of the contractual arrangements, we have effective control over and are considered the primary beneficiary of these companies, and we have consolidated the financial results of these companies in our consolidated financial statements. For more details of these contractual arrangements, see "Item 4. Information on the Company—C. Organizational Structure—Agreements that provide us effective control over the relevant VIEs."

However, the contractual arrangements may not be as effective as direct ownership in providing us with control over the VIEs and we may incur substantial costs to enforce the terms of the arrangements. In addition, these agreements have not been tested in PRC courts. See "Item 3. Key Information—D. Risk Factors—Risks Related to Our Corporate Structure—We rely on contractual arrangements with the VIEs and their shareholders for our operations in mainland China, which may not be as effective in providing operational control as direct ownership" and "Item 3. Key Information—D. Risk Factors—Risks Related to Our Corporate Structure—The shareholders of the VIEs may have potential conflicts of interest with us, which may materially and adversely affect our business."

There are also substantial uncertainties regarding the interpretation and application of current and future PRC laws, regulations and rules regarding the status of the rights of Bilibili, a Cayman Islands holding company, with respect to its contractual arrangements with the VIEs and their individual shareholders. It is uncertain whether any new PRC laws or regulations relating to VIE structures will be adopted or if adopted, what they would provide. If we or any of the existing or past VIEs is found to be in violation of any existing or future PRC laws or regulations, or fail to obtain or maintain any of the required permits or approvals, the relevant PRC regulatory authorities would have broad discretion to take action in dealing with such violations or failures. See "Item 3. Key Information—D. Risk Factors—Risks Related to Our Corporate Structure—If the PRC government finds that the agreements that establish the structure for operating our businesses in mainland China do not comply with PRC regulations on foreign investment in internet and other related businesses, or if these regulations or their interpretations change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations" and "Item 3. Key Information—D. Risk Factors—Risks Related to Our Corporate Structure—Substantial uncertainties exist with respect to how the Foreign Investment Law may impact the viability of our current corporate structure and operations."

Our corporate structure is subject to risks associated with our contractual arrangements with the VIEs. If the PRC government deems that our contractual arrangements with the VIEs do not comply with PRC regulatory restrictions on foreign investment in the relevant industries, or if these regulations or their interpretations change or are interpreted differently in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations. Bilibili, its PRC subsidiaries and the VIEs, and investors of Bilibili face uncertainty about potential future actions by the PRC government that could affect the enforceability of the contractual arrangements with the VIEs and, consequently, significantly affect the financial performance of the VIEs and our company as a whole. For a detailed description of the risks associated with our corporate structure, please refer to risks disclosed under "Item 3. Key Information—D. Risk Factors—Risks Related to Our Corporate Structure."

PRC government's significant authority in regulating our operations and its oversight and control over offerings conducted overseas by, and foreign investment in, China-based issuers could significantly limit or completely hinder our ability to offer or continue to offer securities to investors. Implementation of industry-wide regulations, including data security or anti-monopoly related regulations, in this nature may cause the value of such securities to significantly decline or be of little or no value. For more details, see "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—The PRC government's significant oversight over our business operation could result in a material adverse change in our operations and the value of our Class Z ordinary shares and the ADSs."

Risks and uncertainties arising from the legal system in mainland China, including risks and uncertainties regarding the enforcement of laws and quickly evolving rules and regulations in mainland China, could result in a material adverse change in our operations and the value of our securities. For more details, see "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—Uncertainties in the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us."

Permissions Required from the PRC Authorities for Our Operations

We conduct our business primarily through our subsidiaries, the VIEs and their subsidiaries in mainland China. Our operations in mainland China are governed by PRC laws and regulations. As of the date of this annual report, our PRC subsidiaries, the VIEs and their subsidiaries have obtained the requisite licenses and permits from the PRC government authorities that are material for the business operations of Bilibili, its PRC subsidiaries, the VIEs and their subsidiaries in mainland China, including, among others, Value-added Telecommunication Business Licenses, a License for Online Transmission of Audio-Visual Programs, Online Culture Operating Permits and Licenses for Production and Operation of Radio and Television Program. Given the uncertainties of interpretation and implementation of relevant laws and regulations and the enforcement practice by relevant government authorities, we may be required to obtain additional licenses, permits, filings or approvals for the functions and services of our platform in the future. For more detailed information, see "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—If we fail to obtain and maintain the licenses and approvals required within the complex regulatory environment applicable to our businesses in mainland China, or if we are required to take compliance actions that are time-consuming or costly, our business, financial condition and results of operations may be materially and adversely affected."

Furthermore, the PRC government has indicated an intent to exert more oversight and control over offerings that are conducted overseas and/or foreign investment in China-based issuers. On February 17, 2023, the CSRC released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and five supporting guidelines, effective March 31, 2023. On May 26, 2023, the CSRC promulgated another supporting guideline, which came into effect on the same date. According to these measures, mainland China companies that directly or indirectly offer or list their securities in an overseas market are required to file with the CSRC. An overseas listed company must also submit the filing with respect to its follow-on offerings, issuance of convertible corporate bonds and exchangeable bonds, and other equivalent offering activities, within a specific time frame requested under these measures. Therefore, we will be required to file with the CSRC for our overseas offering of equity and equity linked securities in the future within the applicable scope of these measures. For more detailed information, see "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—The approval of, or report and filings with the CSRC or other PRC government authorities may be required in connection with our offshore offerings under PRC law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval or complete such filing and report process."

The Holding Foreign Companies Accountable Act

Pursuant to the Holding Foreign Companies Accountable Act, or the HFCAA, if the SEC determines that we have filed audit reports issued by a registered public accounting firm that has not been subject to inspection by the PCAOB for two consecutive years, the SEC will prohibit our shares or ADSs from being traded on a national securities exchange or in the over-the-counter trading market in the United States. On December 16, 2021, the PCAOB issued a report to notify the SEC of its determination that the PCAOB was unable to inspect or investigate completely registered public accounting firms headquartered in mainland China and Hong Kong, and our auditor was subject to that determination.

In May 2022, the SEC conclusively listed us as a Commission-Identified Issuer under the HFCAA following the filing of our annual report on Form 20-F for the fiscal year ended December 31, 2021. On December 15, 2022, the PCAOB issued a report that vacated its December 16, 2021 determination and removed mainland China and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. As of the date of this annual report, the PCAOB has not issued any new determination that it is unable to inspect or investigate completely registered public accounting firms headquartered in any jurisdiction. For this reason, we do not expect to be identified as a Commission-Identified Issuer under the HFCAA after we file this annual report on Form 20-F.

Each year, the PCAOB will determine whether it can inspect and investigate completely audit firms in mainland China and Hong Kong, among other jurisdictions. If the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in mainland China and Hong Kong and we continue to use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we would be identified as a Commission-Identified Issuer following the filing of the annual report on Form 20-F for the relevant fiscal year. In accordance with the HFCAA, our securities would be prohibited from being traded on a national securities exchange or in the over-the-counter trading market in the United States if we are identified as a Commission-Identified Issuer for two consecutive years in the future. Although our Class Z ordinary shares have been listed on the Hong Kong Stock Exchange and the ADSs and the Class Z ordinary shares are fully fungible, we cannot assure you that an active trading market for our Class Z ordinary shares on the Hong Kong Stock Exchange will be sustained or that the ADSs can be converted and traded with sufficient market recognition and liquidity, if our shares and ADSs are prohibited from trading in the United States. A prohibition of being able to trade in the United States would substantially impair your ability to sell or purchase our ADSs when you wish to do so, and the risk and uncertainty associated with delisting would have a negative impact on the price of our ADSs. Also, such a prohibition would significantly affect our ability to raise capital on terms acceptable to us, or at all, which would have a material adverse impact on our business, financial condition, and prospects. See also "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—The PCAOB had historically been unable to inspect our auditor in relation to their audit work and the inability of the PCAOB to conduct inspections of the auditor in the past had deprived our investors of the benefits of such inspections" and "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—Our ADSs may be prohibited from trading in the United States under the Holding Foreign Companies Accountable Act, or the HFCAA, in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment."

Cash and Asset Flows Through Our Organization

Bilibili Inc. transfers cash to its wholly owned Hong Kong subsidiaries, by making capital contributions or providing loans, and the Hong Kong subsidiaries transfer cash to the subsidiaries in mainland China by making capital contributions or providing loans to them. Because Bilibili Inc. and its subsidiaries control the VIEs through contractual arrangements, they are not able to make direct capital contribution to the VIEs and their subsidiaries. However, they may transfer cash to the VIEs by loans or by making payments to the VIEs for inter-group transactions.

For the years ended December 31, 2023, 2024 and 2025, Bilibili Inc. did not provide any capital contributions or loans to its subsidiaries in mainland China.

For the years ended December 31, 2023, 2024 and 2025, the VIEs did not receive any debt financings from our offshore subsidiaries or our WFOEs. For the years ended December 31, 2023, 2024 and 2025, the VIEs repaid debt financings of RMB0.7 billion, RMB1.7 billion and RMB1.8 billion (US$263.9 million), respectively, to our offshore subsidiaries and our WFOEs.

The VIEs may transfer cash to our WFOEs by paying consulting and services charges according to the exclusive business cooperation agreement, and the VIEs may receive cash from our WFOEs under business agreements. For the years ended December 31, 2023, 2024 and 2025, the VIEs received cash of RMB1.1 billion, nil and nil from WFOEs, respectively, pursuant to these agreements.

For the years ended December 31, 2023, 2024 and 2025, no dividends or distributions were made to Bilibili Inc. by our subsidiaries. Under PRC laws and regulations, our PRC subsidiaries and the VIEs are subject to certain restrictions with respect to paying dividends or otherwise transferring any of their net assets to us. Remittance of dividends by a wholly foreign-owned enterprise out of mainland China is also subject to examination by the banks designated by SAFE. The amounts restricted include the paid-up capital and the statutory reserve funds of our PRC subsidiaries and the net assets of the VIEs in which we have no legal ownership, totaling RMB6.5 billion, RMB6.2 billion and RMB9.5 billion (US$1.4 billion) as of December 31, 2023, 2024 and 2025, respectively. Furthermore, cash transfers from our PRC subsidiaries to entities outside of mainland China are subject to PRC government control of currency conversion. Shortages in the availability of foreign currency may temporarily delay the ability of our PRC subsidiaries and the VIEs to remit sufficient foreign currency to pay dividends or other payments to us, or otherwise satisfy their foreign currency denominated obligations. For risks related to the fund flows of our operations in mainland China, see “Item 3. Key Information—Risk Factors—Risks Related to Our Corporate Structure—We may rely on dividends paid by our PRC subsidiaries to fund cash and financing requirements. Any limitation on the ability of our PRC subsidiaries to pay dividends to us could have a material adverse effect on our ability to conduct our business and to pay dividends to our shareholders and ADS holders.”

In the years ended December 31, 2023, 2024 and 2025, no assets other than cash were transferred through our organization.

Bilibili Inc. has not declared or paid any cash dividends, nor does it have any present plan to pay any cash dividends on its ordinary shares in the foreseeable future. We currently intend to retain most, if not all, of our available funds and any future earnings to operate and expand our business. See “Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Dividend Policy.” For the Cayman Islands, PRC and U.S. federal income tax considerations applicable to an investment in our Class Z ordinary shares or the ADSs, see “Item 10. Additional Information—E. Taxation.” For purposes of illustration, the following discussion reflects the hypothetical taxes that might be required to be paid within mainland China and Hong Kong, assuming that: (i) we have taxable earnings, and (ii) we determine to pay a dividend in the future:

	Taxation Calculation[1]
Hypothetical pre-tax earnings[2]	100.0%
Tax on earnings at statutory rate of 25%[3]	(25.0)%
Net earnings available for distribution	75.0%
Withholding tax at standard rate of 10%[4]	(7.5)%
Net distribution to Parent/Shareholders	67.5%

Notes:

(1) For purposes of this example, the tax calculation has been simplified. The hypothetical book pre-tax earnings amount, not considering timing differences, is assumed to equal Chinese taxable income.

(2) Under the terms of VIE agreements, our PRC subsidiaries may charge the VIEs for services provided to VIEs. These fees shall be recognized as expenses of the VIEs, with a corresponding amount as service income by our PRC subsidiaries and eliminate in consolidation. For income tax purposes, our PRC subsidiaries and the VIEs file income tax returns on a separate company basis. The fees paid are recognized as a tax deduction by the VIEs and as income by our PRC subsidiaries and are tax neutral.

(3) Certain of our subsidiaries and the VIEs qualify for a 15% preferential income tax rate in mainland China. However, such rate is subject to qualification, temporary in nature, and may not be available in a future period when distributions are paid. For purposes of this hypothetical example, the table above reflects a maximum tax scenario under which the full statutory rate would be effective.

(4) The PRC Enterprise Income Tax Law imposes a withholding income tax of 10% on dividends distributed by a company in mainland China to its immediate holding company outside of mainland China. A lower withholding income tax rate of 5% is applied if the immediate holding company is registered in Hong Kong or other jurisdictions that have a tax treaty arrangement with mainland China, subject to specific qualification requirements at the time of the distribution. For purposes of this hypothetical example, the table above assumes a maximum tax scenario under which the full withholding tax would be applied even though we have Hong Kong subsidiaries and would likely make any dividends through them.

The table above has been prepared under the assumption that all profits of the VIEs will be distributed as fees to our PRC subsidiaries under tax neutral contractual arrangements. If in the future, the accumulated earnings of the VIEs exceed the fees paid to our PRC subsidiaries (or if the current and contemplated fee structure between the intercompany entities is determined to be non-substantive and disallowed by Chinese tax authorities), the VIEs could, as a matter of last resort, make a non-deductible transfer to our PRC subsidiaries for the amounts of the stranded cash in the VIEs. This would result in such transfer being non-deductible expenses for the VIEs but still taxable income for the PRC subsidiaries. Such a transfer and the related tax burdens would reduce our after-tax income to approximately 50.6% of the pre-tax income. Our management believes that there is only a remote possibility that this scenario would happen.

Financial Information Related to the Consolidated Affiliated Entities

The following table presents the condensed consolidating schedule of financial information of Bilibili Inc., its wholly owned subsidiaries that are the primary beneficiaries of the VIEs, and our other subsidiaries, the VIEs and the VIEs' subsidiaries as of the dates presented.

Selected Condensed Consolidating Statements of Operations and Comprehensive Income/(Loss) Data

	For the Year Ended December 31, 2025					
	Bilibili Inc.	Other Subsidiaries	Primary Beneficiaries of VIEs	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(RMB, in thousands)					
Third-party revenues	—	361,996	10,961,316	19,024,454	—	30,347,766
Inter-company consulting and services revenues[1]	—	1,787,349	—	—	(1,787,349)	—
Other inter-company revenues[2]	—	5,023,653	113,519	655,135	(5,792,307)	—
Total revenues	**—**	**7,172,998**	**11,074,835**	**19,679,589**	**(7,579,656)**	**30,347,766**
Third-party costs and expenses	(16,408)	(7,566,226)	(4,849,939)	(16,790,742)	—	(29,223,315)
Inter-company consulting and services costs and expenses[1]	—	—	—	(1,787,349)	1,787,349	—
Other inter-company costs and expenses[2]	—	(435,883)	(5,275,512)	(80,912)	5,792,307	—
Total costs and expenses	**(16,408)**	**(8,002,109)**	**(10,125,451)**	**(18,659,003)**	**7,579,656**	**(29,223,315)**
Net profit from subsidiaries and net profit of VIEs and VIEs' subsidiaries[3]	1,446,123	1,888,796	835,747	—	(4,170,666)	—
(Loss)/Profit from non-operations	(236,184)	395,176	112,626	(187,983)	—	83,635
Profit before income tax expenses	**1,193,531**	**1,454,861**	**1,897,757**	**832,603**	**(4,170,666)**	**1,208,086**
Income tax (expense)/benefit	—	(10,130)	(8,961)	1,946	—	(17,145)
Net profit	**1,193,531**	**1,444,731**	**1,888,796**	**834,549**	**(4,170,666)**	**1,190,941**
Net loss attributable to noncontrolling interests	—	1,392	—	1,198	—	2,590
Net profit attributable to Bilibili Inc.'s shareholders	**1,193,531**	**1,446,123**	**1,888,796**	**835,747**	**(4,170,666)**	**1,193,531**

	For the Year Ended December 31, 2024					
	Bilibili Inc.	Other Subsidiaries	Primary Beneficiaries of VIEs	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(RMB, in thousands)					
Third-party revenues	—	381,268	9,056,379	17,393,878	—	26,831,525
Inter-company consulting and services revenues[1]	—	1,282,159	—	—	(1,282,159)	—
Other inter-company revenues[2]	—	4,976,987	231,852	916,759	(6,125,598)	—
Total revenues	**—**	**6,640,414**	**9,288,231**	**18,310,637**	**(7,407,757)**	**26,831,525**
Third-party costs and expenses	(24,139)	(7,241,756)	(4,370,475)	(16,539,124)	—	(28,175,494)
Inter-company consulting and services costs and expenses[1]	—	—	—	(1,282,159)	1,282,159	—
Other inter-company costs and expenses[2]	—	(823,046)	(5,148,159)	(154,393)	6,125,598	—
Total costs and expenses	**(24,139)**	**(8,064,802)**	**(9,518,634)**	**(17,975,676)**	**7,407,757**	**(28,175,494)**
Net (loss)/profit from subsidiaries and net loss of VIEs and VIEs' subsidiaries[3]	(1,009,762)	458,253	640,661	—	(89,152)	—
(Loss)/Profit from non-operations	(312,899)	(38,965)	52,220	243,418	—	(56,226)
(Loss)/Profit before income tax expenses	**(1,346,800)**	**(1,005,100)**	**462,478**	**578,379**	**(89,152)**	**(1,400,195)**
Income tax (expense)/benefit	—	(4,378)	(4,225)	45,147	—	36,544
Net (loss)/profit	(1,346,800)	(1,009,478)	458,253	623,526	(89,152)	(1,363,651)
Net (profit)/loss attributable to noncontrolling interests	—	(284)	—	17,135	—	16,851
Net (loss)/profit attributable to Bilibili Inc.'s shareholders	**(1,346,800)**	**(1,009,762)**	**458,253**	**640,661**	**(89,152)**	**(1,346,800)**

	For the Year Ended December 31, 2023					
	Bilibili Inc.	Other Subsidiaries	Primary Beneficiaries of VIEs	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(RMB, in thousands)					
Third-party revenues	—	324,311	7,561,315	14,642,361	—	22,527,987
Inter-company consulting and services revenues[1]	—	574,016	7,583	—	(581,599)	—
Other inter-company revenues[2]	—	4,396,102	263,216	990,698	(5,650,016)	—
Total revenues	**—**	**5,294,429**	**7,832,114**	**15,633,059**	**(6,231,615)**	**22,527,987**
Third-party costs and expenses	(43,924)	(7,832,837)	(4,123,477)	(15,591,936)	—	(27,592,174)
Inter-company consulting and services costs and expenses[1]	—	—	—	(581,599)	581,599	—
Other inter-company costs and expenses[2]	—	(774,232)	(4,593,059)	(282,725)	5,650,016	—
Total costs and expenses	**(43,924)**	**(8,607,069)**	**(8,716,536)**	**(16,456,260)**	**6,231,615**	**(27,592,174)**
Net loss from subsidiaries and net loss of VIEs and VIEs' subsidiaries[3]	(4,745,316)	(1,799,844)	(1,127,131)	—	7,672,291	—
(Loss)/Profit from non-operations	(33,081)	376,362	250,920	(263,022)	—	331,179
Loss before income tax expenses	**(4,822,321)**	**(4,736,122)**	**(1,760,633)**	**(1,086,223)**	**7,672,291**	**(4,733,008)**
Income tax	—	(8,173)	(39,211)	(31,321)	—	(78,705)
Net loss	(4,822,321)	(4,744,295)	(1,799,844)	(1,117,544)	7,672,291	(4,811,713)
Net profit attributable to noncontrolling interests	—	(1,021)	—	(9,587)	—	(10,608)
Net loss attributable to Bilibili Inc.'s shareholders	**(4,822,321)**	**(4,745,316)**	**(1,799,844)**	**(1,127,131)**	**7,672,291**	**(4,822,321)**

Selected Condensed Consolidating Balance Sheets Data

	As of December 31, 2025					
	Bilibili Inc.	Other Subsidiaries	Primary Beneficiaries of VIEs	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(RMB, in thousands)					
Cash and cash equivalents	4,173	7,184,648	2,795,536	2,199,181	—	12,183,538
Time deposits	210,864	5,290,448	—	21,015	—	5,522,327
Restricted cash	—	—	—	50,800	—	50,800
Accounts receivable, net	—	249,876	300,161	718,182	—	1,268,219
Amounts due from Group companies[4]	19,066,168	31,551	6,753,924	647,082	(26,498,725)	—
Amount due from related parties	—	819,266	—	55,696	—	874,962
Prepayments and other current assets	132,955	207,321	370,572	492,189	—	1,203,037
Short-term investments	345,823	1,855,420	3,159,755	1,086,199	—	6,447,197
Long-term investments, net	1,091,207	704,208	1,548,781	1,417,457	—	4,761,653
Investment in subsidiaries and net assets of VIEs and VIEs' subsidiaries[3]	2,686,268	781,755	—	—	(3,468,023)	—
Other non-current assets	—	3,328,139	787,402	4,740,489	—	8,856,030
Total assets	**23,537,458**	**20,452,632**	**15,716,131**	**11,428,290**	**(29,966,748)**	**41,167,763**
Accounts payable	—	221,065	1,272,804	4,003,546	—	5,497,415
Salary and welfare payables	—	1,313,103	50,828	346,391	—	1,710,322
Taxes payable	—	231,627	66,711	107,549	—	405,887
Short-term loan and current portion of long-term debt	3,162,384	601,004	750,000	347,458	—	4,860,846
Deferred revenue	1,508	584,759	964,314	3,111,282	—	4,661,863
Accrued liabilities and other payables	24,413	996,004	1,014,638	1,139,511	—	3,174,566
Amounts due to Group companies[4]	—	13,768,664	3,076,406	9,653,655	(26,498,725)	—
Amounts due to related parties	—	396	86	15,631	—	16,113
Long-term debt and others	4,775,871	64,327	2,502	449,488	—	5,292,188
Deficit in subsidiaries and net loss of VIEs and VIEs' subsidiaries[3]	—	—	7,736,087	—	(7,736,087)	—
Total liabilities	**7,964,176**	**17,780,949**	**14,934,376**	**19,174,511**	**(34,234,812)**	**25,619,200**
Total Bilibili Inc's Shareholders' equity/(deficit)[3]	15,573,282	2,686,268	781,755	(7,736,087)	4,268,064	15,573,282
Noncontrolling interests	—	(14,585)	—	(10,134)	—	(24,719)
Total shareholders' equity/(deficit)	**15,573,282**	**2,671,683**	**781,755**	**(7,746,221)**	**4,268,064**	**15,548,563**
Total liabilities and shareholders' equity/(deficit)	**23,537,458**	**20,452,632**	**15,716,131**	**11,428,290**	**(29,966,748)**	**41,167,763**

	As of December 31, 2024					
	Bilibili Inc.	Other Subsidiaries	Primary Beneficiaries of VIEs	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(RMB, in thousands)					
Cash and cash equivalents	10,721	3,347,603	4,782,112	2,108,946	—	10,249,382
Time deposits	—	3,566,915	—	21,560	—	3,588,475
Restricted cash	—	—	—	50,000	—	50,000
Accounts receivable, net	—	467,481	135,930	623,464	—	1,226,875
Amounts due from Group companies[4]	15,688,455	—	4,493,861	532,700	(20,715,016)	—
Amount due from related parties	—	762,084	7,360	17,233	—	786,677
Prepayments and other current assets	132,745	248,605	384,375	382,386	—	1,148,111
Short-term investments	445,470	308,194	1,415,439	537,432	—	2,706,535
Long-term investments, net	758,348	252,278	1,186,319	1,714,647	—	3,911,592
Investment in subsidiaries and net assets of VIEs and VIEs' subsidiaries	345,248	—	—	—	(345,248)	—
Other non-current assets	—	3,408,147	975,530	4,647,176	—	9,030,853
Total assets	**17,380,987**	**12,361,307**	**13,380,926**	**10,635,544**	**(21,060,264)**	**32,698,500**
Accounts payable	—	67,077	1,083,965	3,650,374	—	4,801,416
Salary and welfare payables	—	1,122,428	50,486	426,568	—	1,599,482
Taxes payable	—	232,740	60,957	135,235	—	428,932
Short-term loan and current portion of long-term debt	31,657	740,179	200,000	600,000	—	1,571,836
Deferred revenue	9,836	214,029	851,268	2,727,174	—	3,802,307
Accrued liabilities and other payables	64,151	826,309	768,151	895,670	—	2,554,281
Amounts due to Group companies[4]	—	7,464,775	2,887,517	10,362,724	(20,715,016)	—
Amounts due to related parties	—	—	86	4,463	—	4,549
Other long-term payable	3,166,946	259,419	4,789	400,630	—	3,831,784
Deficit in subsidiaries and net loss of VIEs and VIEs' subsidiaries[3]	—	1,102,255	8,575,962	—	(9,678,217)	—
Total liabilities	**3,272,590**	**12,029,211**	**14,483,181**	**19,202,838**	**(30,393,233)**	**18,594,587**
Total Bilibili Inc's Shareholders' equity/(deficit)[3]	14,108,397	345,248	(1,102,255)	(8,575,962)	9,332,969	14,108,397
Noncontrolling interests	—	(13,152)	—	8,668	—	(4,484)
Total shareholders' equity/(deficit)	**14,108,397**	**332,096**	**(1,102,255)**	**(8,567,294)**	**9,332,969**	**14,103,913**
Total liabilities and shareholders' equity/(deficit)	**17,380,987**	**12,361,307**	**13,380,926**	**10,635,544**	**(21,060,264)**	**32,698,500**

	As of December 31, 2023					
	Bilibili Inc.	Other Subsidiaries	Primary Beneficiaries of VIEs	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(RMB, in thousands)					
Cash and cash equivalents	106,498	2,144,794	3,047,247	1,893,282	—	7,191,821
Time deposits	—	5,190,632	—	4,259	—	5,194,891
Restricted cash	—	—	—	50,000	—	50,000
Accounts receivable, net	—	75,644	698,098	800,158	—	1,573,900
Amounts due from Group companies[4]	19,213,415	—	6,019,746	484,413	(25,717,574)	—
Amount due from related parties	—	781,483	5,679	3,412	—	790,574
Prepayments and other current assets	39,941	486,479	268,938	477,430	—	1,272,788
Short-term investments	625,474	798,607	1,022,173	206,811	—	2,653,065
Long-term investments, net	772,559	1,235,311	724,830	1,633,932	—	4,366,632
Other non-current assets	—	3,675,322	1,173,300	5,216,774	—	10,065,396
Total assets	**20,757,887**	**14,388,272**	**12,960,011**	**10,770,471**	**(25,717,574)**	**33,159,067**
Accounts payable	—	166,053	847,556	3,320,121	—	4,333,730
Salary and welfare payables	—	862,084	47,209	310,062	—	1,219,355
Taxes payable	—	231,634	(10,112)	123,728	—	345,250
Short-term loan and current portion of long-term debt	6,053,767	801,986	—	600,000	—	7,455,753
Deferred revenue	9,284	92,949	735,392	2,116,463	—	2,954,088
Accrued liabilities and other payables	93,713	796,044	271,310	619,556	—	1,780,623
Amounts due to Group companies[4]	—	9,671,373	3,414,526	12,631,675	(25,717,574)	—
Amounts due to related parties	—	40	11	14,845	—	14,896
Other long-term payable	15,931	325,063	7,908	302,203	—	651,105
Deficit in subsidiaries and net loss of VIEs and VIEs' subsidiaries[3]	193,292	1,633,173	9,279,384	—	(11,105,849)	—
Total liabilities	**6,365,987**	**14,580,399**	**14,593,184**	**20,038,653**	**(36,823,423)**	**18,754,800**
Total Bilibili Inc's Shareholders' equity/(deficit)[3]	14,391,900	(193,292)	(1,633,173)	(9,279,384)	11,105,849	14,391,900
Noncontrolling interests	—	1,165	—	11,202	—	12,367
Total shareholders' equity/(deficit)	**14,391,900**	**(192,127)**	**(1,633,173)**	**(9,268,182)**	**11,105,849**	**14,404,267**
Total liabilities and shareholders' equity/(deficit)	**20,757,887**	**14,388,272**	**12,960,011**	**10,770,471**	**(25,717,574)**	**33,159,067**

Selected Condensed Consolidating Cash Flows Data

	For the Year Ended December 31, 2025					
	Bilibili Inc.	Other Subsidiaries	Primary Beneficiaries of VIEs	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(RMB, in thousands)					
Consulting and services charges from/(to) Group companies	—	502,146	—	(502,146)	—	—
Other operating cashflow from/(to) Group companies	—	4,511,901	(4,812,157)	300,256	—	—
Operating cashflow (to)/from third-parties	(120,821)	(3,385,651)	6,622,940	4,030,640	—	7,147,108
Net cash (used in)/provided by operating activities	**(120,821)**	**1,628,396**	**1,810,783**	**3,828,750**	**—**	**7,147,108**
Investments in and loans to subsidiaries, VIEs and VIEs' subsidiaries[3][4]	(3,506,156)	4,013,456	(240,820)	—	(266,480)	—
Purchase of short-term investments	(427,465)	(17,983,033)	(38,298,874)	(28,929,559)	—	(85,638,931)
Maturities of short-term investments	422,568	15,377,263	37,632,875	28,382,380	—	81,815,086
Placements of time deposits	(211,779)	(10,253,247)	—	(25,768)	—	(10,490,794)
Maturities of time deposits	—	8,386,112	—	25,768	—	8,411,880
Other investing activities	(352,608)	(1,463,853)	(753,249)	(868,145)	—	(3,437,855)
Net cash used in investing activities	**(4,075,440)**	**(1,923,302)**	**(1,660,068)**	**(1,415,324)**	**(266,480)**	**(9,340,614)**
Investments and loans from subsidiaries, VIEs and VIEs' subsidiaries[3][4]	—	3,506,156	(1,927,215)	(1,845,421)	266,480	—
Proceeds from issuance of convertible notes	4,886,978	—	—	—	—	4,886,978
Repurchase of convertible senior notes	(474)	—	—	—	—	(474)
Repurchase of shares	(822,713)	—	—	—	—	(822,713)
Other financing activities	(24,441)	728,933	(200,000)	(481,000)	—	23,492
Net cash provided by/(used in) financing activities	**4,039,350**	**4,235,089**	**(2,127,215)**	**(2,326,421)**	**266,480**	**4,087,283**

	For the Year Ended December 31, 2024					
	Bilibili Inc.	Other Subsidiaries	Primary Beneficiaries of VIEs	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(RMB, in thousands)					
Consulting and services charges from/(to) Group companies	(51,772)	630,822	61,267	(640,317)	—	—
Other operating cashflow from/(to) Group companies	—	4,144,133	(3,624,993)	(129,306)	—	389,834
Operating cashflow (to)/from third-parties	(67,062)	(5,141,515)	6,018,150	4,815,447	—	5,625,020
Net cash (used in)/provided by operating activities	**(118,834)**	**(366,560)**	**2,454,424**	**4,045,824**	**—**	**6,014,854**
Investments in and loans to subsidiaries, VIEs and VIEs' subsidiaries[3][4]	3,180,316	1,751,638	3,000,448	—	(7,932,402)	—
Purchase of short-term investments	(70)	(8,696,352)	(20,068,208)	(8,204,894)	—	(36,969,524)
Maturities of short-term investments	175,717	9,284,689	19,673,728	7,873,769	—	37,007,903
Placements of time deposits	—	(5,805,446)	—	(28,500)	—	(5,833,946)
Maturities of time deposits	—	7,475,308	—	11,424	—	7,486,732
Other investing activities	(147,691)	(306,815)	(283,168)	(1,091,578)	—	(1,829,252)
Net cash provided by/(used in) investing activities	**3,208,272**	**3,703,022**	**2,322,800**	**(1,439,779)**	**(7,932,402)**	**(138,087)**
Investments and loans from subsidiaries, VIEs and VIEs' subsidiaries[3][4]	—	(3,180,316)	(3,051,577)	(1,700,509)	7,932,402	—
Repurchase of convertible senior notes	(6,058,432)	—	—	—	—	(6,058,432)
Proceeds from issuance of convertible senior notes, net of issuance costs	—	100,000	—	—	—	100,000
Repurchase of shares	(117,523)	—	—	—	—	(117,523)
Other financing activities	3,110,268	788,304	50,000	(698,000)	—	3,250,572
Net cash used in financing activities	**(3,065,687)**	**(2,292,012)**	**(3,001,577)**	**(2,398,509)**	**7,932,402**	**(2,825,383)**

	For the Year Ended December 31, 2023					
	Bilibili Inc.	Other Subsidiaries	Primary Beneficiaries of VIEs	VIEs and VIEs' Subsidiaries	Eliminating adjustments	Consolidated Totals
	(RMB, in thousands)					
Consulting and services charges from/(to) Group companies	—	751,786	8,930	(760,716)	—	—
Other operating cashflow from/(to) Group companies	—	6,285,694	(8,108,004)	1,822,310	—	—
Operating cashflow (to)/from third-parties	(111,392)	(5,052,732)	4,601,959	828,787	—	266,622
Net cash (used in)/provided by operating activities	**(111,392)**	**1,984,748**	**(3,497,115)**	**1,890,381**	**—**	**266,622**
Investments in and loans to subsidiaries, VIEs and VIEs' subsidiaries[3][4]	383,391	(4,302,588)	4,481,061	—	(561,864)	—
Purchase of short-term investments	(3,863)	(12,389,787)	(28,000)	(1,126,000)	—	(13,547,650)
Maturities of short-term investments	982,151	14,191,604	28,000	1,126,500	—	16,328,255
Placements of time deposits	—	(9,956,224)	—	(5,701)	—	(9,961,925)
Maturities of time deposits	4,083,893	5,601,212	—	5,701	—	9,690,806
Other investing activities	(76,697)	390,027	(115,698)	(944,970)	—	(747,338)
Net cash provided by/(used in) investing activities	**5,368,875**	**(6,465,756)**	**4,365,363**	**(944,470)**	**(561,864)**	**1,762,148**
Investments and loans from subsidiaries, VIEs and VIEs' subsidiaries[3][4]	—	(383,391)	517,397	(695,870)	561,864	—
Repurchase of convertible senior notes	(7,675,227)	—	—	—	—	(7,675,227)
Proceeds from issuance of ordinary shares, net of issuance costs	2,689,380	—	—	—	—	2,689,380
Other financing activities	(7,025)	25,953	(200,031)	92,265	—	(88,838)
Net cash (used in)/provided by financing activities	**(4,992,872)**	**(357,438)**	**317,366**	**(603,605)**	**561,864**	**(5,074,685)**

(1) It represents the elimination of the intercompany consulting and services charges at the consolidation level.

(2) It mainly includes technical support services provided by other subsidiaries and VIEs to the primary beneficiaries of VIEs.

(3) It represents the elimination of the investment among Bilibili Inc., other subsidiaries, primary beneficiaries of VIEs, and VIEs and VIEs' subsidiaries.

(4) It represents the elimination of intercompany balances among Bilibili Inc., other subsidiaries, primary beneficiaries of VIEs, and VIEs and VIEs' subsidiaries.

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Summary of Risk Factors

Our business is subject to a number of risks, including risks that may prevent us from achieving our business objectives or may adversely affect our business, financial condition, results of operations, cash flows, and prospects. With respect to the legal risks associated with being based in and having operations in mainland China as discussed in relevant risk factors under "—Risks Related to Our Corporate Structure" and "—Risks Related to Doing Business in China," the laws, regulations and the discretion of mainland China governmental authorities discussed in this annual report are expected to apply to mainland China entities and businesses, rather than entities or businesses in Hong Kong which operate under a different set of laws from mainland China. These risks are discussed more fully under "Item 3. Key Information—D. Risk Factors."

Risks Related to Our Business and Industry

- We operate in a fast-evolving industry. We cannot guarantee that we will successfully implement our commercialization strategies or develop new ones, or generate sustainable revenues and profit.
- We incurred net losses in the past and we may not be able to maintain profitability in the future.
- If we fail to anticipate user preferences and provide products and services to attract and retain users, or if we fail to keep up with rapid changes in technologies and their impact on user behavior, we may not be able to attract sufficient user traffic to remain competitive, and our business and prospects may be materially and adversely affected.
- Our business depends on our ability to provide users with interesting and useful content, which in turn depends on the content contributed by the content creators on our platform.
- Our business generates and processes a large amount of data, and we are required to comply with PRC and other applicable laws relating to privacy and cybersecurity. The improper use or disclosure of data could have a material and adverse effect on our business and prospects.
- Any compromise of the cybersecurity of our platform could materially and adversely affect our business, operations and reputation.
- Any increases in the content costs on our platform may have an adverse effect on our business, financial condition and results of operations.
- If the content contained within videos, live broadcasting, games, audios and other content formats on our platform is deemed to violate any PRC laws or regulations, our business, financial condition and results of operations may be materially and adversely affected.
- If the content contained within videos, live broadcasting, games, audios and other content formats on our platform is considered inappropriate or offensive, our business, financial condition and results of operations may be materially and adversely affected.

Risks Related to Our Corporate Structure

- Bilibili Inc. is a Cayman Islands holding company conducting our operations primarily through its PRC subsidiaries, the VIEs and their subsidiaries in mainland China; we have no equity ownership in the VIEs and their subsidiaries. Holders of our Class Z ordinary shares or the ADSs hold equity interest in Bilibili Inc., our Cayman Islands holding company, and do not have direct or indirect equity interests in the VIEs and their subsidiaries. If the PRC government finds that the agreements that establish the structure for operating our business in mainland China do not comply with PRC laws and regulations, or if these regulations or their interpretations change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations. Bilibili, its PRC subsidiaries and the VIEs, and investors of Bilibili face uncertainty about potential future actions by the PRC government that could affect the enforceability of the contractual arrangements with the VIEs and, consequently, significantly affect the financial performance of the VIEs and our company as a whole.

Risks Related to Doing Business in China

- The PRC government's significant authority in regulating our operations and its oversight and control over offerings conducted overseas by, and foreign investment in, China-based issuers could significantly limit or completely hinder our ability to offer or continue to offer securities to investors. Implementation of industry-wide regulations in this nature may cause the value of such securities to significantly decline. Uncertainties in the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us. See "—Risks Related to Doing Business in China—The PRC government's significant oversight over our business operation could result in a material adverse change in our operations and the value of our Class Z ordinary shares and the ADSs."

- We face uncertainties with respect to the interpretation and implementation of the Anti-Monopoly Guidelines for the Internet Platform Economy Sector and other anti-monopoly and competition laws and how it may impact our business operations. See "—Risks Related to Doing Business in China—We face uncertainties with respect to the interpretation and implementation of the Anti-Monopoly Guidelines for the Internet Platform Economy Sector and other anti-monopoly and competition laws and how it may impact our business operations."

- The PCAOB had historically been unable to inspect our auditor in relation to their audit work and the inability of the PCAOB to conduct inspections of the auditor in the past had deprived our investors of the benefits of such inspections. See "—Risks Related to Doing Business in China—The PCAOB had historically been unable to inspect our auditor in relation to their audit work and the inability of the PCAOB to conduct inspections of the auditor in the past had deprived our investors of the benefits of such inspections."

- Our ADSs may be prohibited from trading in the United States under the Holding Foreign Companies Accountable Act, or the HFCAA, in the future if the PCAOB is unable to inspect and investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment. See "—Risks Related to Doing Business in China—Our ADSs may be prohibited from trading in the United States under the Holding Foreign Companies Accountable Act, or the HFCAA, in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment."

- The approval of, or report and filings with the CSRC or other PRC government authorities may be required in connection with our offshore offerings under PRC law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval or complete such filing and report process. See "—Risks Related to Doing Business in China—The approval of, or report and filings with the CSRC or other PRC government authorities may be required in connection with our offshore offerings under PRC law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval or complete such filing and report process."

- Regulation and censorship of information disseminated over the mobile and internet in mainland China may adversely affect our business and subject us to liability for content posted on our platform. See "—Risks Related to Doing Business in China—Regulation and censorship of information disseminated over the mobile and internet in mainland China may adversely affect our business and subject us to liability for content posted on our platform."

Risks Related to Our Listed Securities

- The trading prices of our listed securities have been and are likely to continue to be volatile, regardless of our operating performance, which could result in substantial losses to our investors.

Risks Related to Our Business and Industry

We operate in a fast-evolving industry. We cannot guarantee that we will successfully implement our commercialization strategies or develop new ones, or generate sustainable revenues and profit.

We operate in a fast-evolving industry, and our commercialization model is evolving. We generate revenues primarily by providing our users with valuable content, such as videos, mobile games and live broadcasting. We also generate revenues from advertising, IP derivatives and other services. We cannot assure you that we can successfully implement the existing commercialization strategies to sustainably generate growing revenues, or that we will be able to develop new commercialization strategies to grow our revenues. For example, we may not be successful in adopting, implementing or incorporating new technologies, such as artificial intelligence, or AI, which has recently attracted prominent attention and undergone rapid development, into our product offerings or commercialization strategies. If our strategic initiatives do not enhance our ability to commercialize or enable us to develop new commercialization approaches, we may not be able to maintain or increase our revenues or recover any associated costs. In addition, we may introduce new products and services to expand our revenue streams, including products and services with which we have little or no prior development or operating experience. If these new or enhanced products or services fail to engage users, content creators or business partners, we may fail to diversify our revenue streams or generate sufficient revenues to justify our investments and costs, and our business and operating results may suffer as a result.

We incurred net losses in the past and we may not be able to maintain profitability in the future.

We incurred net losses in the past and only started to record net profit in the fourth quarter of 2024. In 2023 and 2024, we had net losses of RMB4.8 billion and RMB1.4 billion, respectively. We recorded net profits of RMB1.2 billion (US$170.3 million) in 2025. Our path to sustainable profitability depends in part on our ability to generate sustainable revenue and in part on our ability to manage our costs and expenses, many of which are beyond our control. We believe that our future revenue growth will depend on, among other factors, the popularity of our platform, as well as our ability to attract and retain users, increase user engagement, establish effective monetization strategies, compete effectively and successfully, develop new products and services, and keep pace with the rapid revolution of new technologies. We are disciplined about our costs and operating expenses and we will continue to undertake cost control measures, but there can be no assurance that we will realize cost savings of these actions. We may experience losses in the future due to our continued investments in technology, talent, content, brand recognition, expanding user base, improving user experience and other initiatives. In addition, our ability to achieve and sustain profitability is affected by various factors, some of which are beyond our control, such as changes in macroeconomic and regulatory environment or competitive dynamics in the industry. Therefore, although we had net profits in 2025, if we are unable to continuously generate adequate revenues and manage our costs and expenses, we may not be able to maintain profitability and may again incur significant losses in the future. Accordingly, you should not rely on our financial results of any prior quarterly or annual period as an indication of our future performance.

If we fail to anticipate user preferences and provide products and services to attract and retain users, or if we fail to keep up with rapid changes in technologies and their impact on user behavior, we may not be able to attract sufficient user traffic to remain competitive, and our business and prospects may be materially and adversely affected.

Our ability to retain, grow and engage our user base depends heavily on our ability to provide a superior user experience. We must offer quality content covering a wide range of interests and formats, introduce successful new products and services, develop user-friendly platform features, and provide effective content discovery and recommendation capabilities. In particular, we must encourage content creators to upload more appealing professional user generated content and we must source more popular licensed content. We must also keep providing our users with features and functions that could enable superior content viewing and social interaction experience. If we are unable to provide a superior user experience, our user base and user engagement may decline, which may materially and adversely affect our business and growth prospects.

We maintain a large content library primarily consisting of professional user generated video, or PUGV, and occupationally generated video, or OGV. We are constantly developing new features to attract and retain our users. In order to expand our content library, we must continue to work with our content creators and incentivize them to produce content that reflects cultural trends and maintain good business relationships with licensors of premium copyrighted content to renew our licenses and source new professionally produced content. Our content creators and licensors may choose to work with other large online video platforms to distribute their content if such platforms can offer better products, services or terms than we do. We cannot assure you that we will be able to attract our content creators to upload their content to our platform or renew or enter into license agreements on commercially reasonable terms with our licensors or at all.

The industry in which we operate is characterized by rapidly changing technologies and changing user expectations. To remain competitive, we must adapt our products and services to evolving industry standards and improve the performance and reliability of our products and services to be able to adapt to these changes and innovate in response to evolving user expectations. Developing and integrating new content, products, services and technologies into our existing platform could be expensive and time-consuming, and these efforts may not yield the benefits we expect. If we fail to develop new products, services or innovative technologies on a timely basis, or our new products, services or technologies are not accepted by our users, our business, financial performance and prospects could be materially and adversely affected. We cannot assure you that we can anticipate user preferences and industry changes and respond to such changes in a timely and effective manner.

In addition, as we leverage AI in content discovery and distribution, advertising targeting and delivery, as well as content creation and translation tools, we face risks and challenges relating to AI technology. For example, the use of AI in our video content offerings could expose us to risks if the technology does not perform as anticipated, leading to inaccuracies in content curation, personalization or distribution. This could affect the quality of service we provide, potentially damaging our brand and reputation. Our AI initiatives may not deliver the benefits we expect, may take longer than planned to roll out, or may cost more than expected. AI initiatives also increase our exposure to cybersecurity, data privacy and regulatory risks, including risks arising from unauthorized access, data leakage, model manipulation, misuse, or failure to comply with evolving laws, regulations and industry standards relating to algorithm governance, data use, and automated decision making. While we strive to comply with current legal standards, future regulatory changes could impose additional compliance burdens, and failure to adhere to these regulations may result in penalties. Offering AI-driven features or content that provokes public or regulatory scrutiny over these issues could lead to reputational damage or legal liabilities. Furthermore, the automation of content discovery and distribution could inadvertently propagate biased or inappropriate content, risking regulatory penalties, reputational damage, and potential loss of user trust. These risks are compounded by the rapid pace of AI technology evolution, making it challenging to consistently ensure our content's compliance and appropriateness.

Our business depends on our ability to provide users with interesting and useful content, which in turn depends on the content contributed by the content creators on our platform.

The quality of the content offered on our platform and our users' level of engagement are critical to our success. In order to attract and retain users and compete effectively, we must offer interesting and useful content and enhance our users' viewing experience. It is vital to our operations that we remain sensitive to and responsive to evolving user preferences and offer content that appeals to our users. Thus far, we have been generally able to encourage our content creators to create and upload PUGV that are appealing to our users. We have also been providing our content creators with support and guidance in various forms, including tools and products to help realize their commercial values and technical support for content distribution, editing and uploading. However, we cannot assure you that our content creators will continue to create popular PUGV for our platform. If our content creators cease to contribute content, or their uploaded content fails to attract or retain our users, we may experience a decline in user traffic and user engagement. If the number of users or the level of user engagement declines, we may suffer a reduction in revenue.

Our business generates and processes a large amount of data, and we are required to comply with PRC and other applicable laws relating to privacy and cybersecurity. The improper use or disclosure of data could have a material and adverse effect on our business and prospects.

Our business generates and processes a large quantity of data. We face risks inherent in handling and protecting large volume of data. In particular, we face a number of challenges relating to data from transactions and other activities on our platforms, including:

- protecting the data in and hosted on our system, including against attacks on our system by outside parties or fraudulent behavior or improper use by our employees;
- addressing concerns related to privacy and sharing, safety, security and other factors; and
- complying with applicable laws, rules and regulations relating to the collection, use, storage, transfer, disclosure and security of personal information, including any requests from regulatory and government authorities relating to these data.

In general, we expect that data security and data protection compliance will receive greater attention and focus from regulators, both domestically and globally, as well as attract continued or greater public scrutiny and attention going forward, which could increase our compliance costs and subject us to heightened risks and challenges associated with data security and protection. If we are unable to manage these risks, we could become subject to penalties, including fines, suspension of business and revocation of required licenses, and our reputation and results of operations could be materially and adversely affected.

The PRC regulatory and enforcement regime with regard to data security and data protection is evolving and may be subject to different interpretations or significant changes. Moreover, different PRC regulatory bodies, including the Standing Committee of the National People's Congress, the Ministry of Industry and Information Technology, the Cyberspace Administration of China, the Ministry of Public Security, and the State Administration for Market Regulation, or the SAMR, have enforced data privacy and protections laws and regulations with varying standards and applications. See "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Internet Information Security and Privacy Protection." The following are examples of certain recent PRC regulatory activities in this area:

Data Security

- In December 2021, the Cyberspace Administration of China, together with other authorities, jointly promulgated the Cybersecurity Review Measures, which became effective on February 15, 2022. Pursuant to the Cybersecurity Review Measures, critical information infrastructure operators that procure internet products and services and the network platform operators that conduct data processing activities must be subject to the cybersecurity review if their activities affect or may affect national security. Under these measures, network platform operators that hold personal information of over one million users shall apply with the Cybersecurity Review Office for a cybersecurity review before any public listing in a foreign country. As of the date of this annual report, no detailed rules or implementation rules have been issued by any authority. Furthermore, the exact scopes of "critical information infrastructure operators" and "network platform operators" under the current regulatory regime remain unclear, and the PRC government authorities may have wide discretion in the interpretation and enforcement of the applicable laws. Critical information infrastructure operators or network platform operators may be subject to obligations in addition to what we have already fulfilled under the PRC cybersecurity laws and regulations. For instance, the obligations of a critical information infrastructure operator include setting up a special security management organization, organizing regular cybersecurity education and training, formulating emergency plans for cyber security incidents, and conducting regular emergency drills. Moreover, we may need to follow cybersecurity review procedure and apply with Cybersecurity Review Office before making certain purchases of network products and services. During cybersecurity review, we may be required to undertake certain business adjustments, which may cause disruptions to our business and operations. The cybersecurity review could lead to a diversion of time and attention of our management and our other resources. It could be costly and time-consuming for us to prepare application materials and make the applications. Furthermore, we cannot assure you that we will obtain the clearance or approval for these applications from the Cybersecurity Review Office and the government authorities in a timely manner, or at all. If we are found to be in violation of cybersecurity requirements in China, the government authorities may, at their discretion, conduct investigations, levy fines, request app stores to take down our apps, and cease to provide viewing and downloading services related to our apps, prohibit the registration of new users on our platform, or require us to change our business practices in a manner materially adverse to our business. Any of these actions may disrupt our operations and materially and adversely affect our business, financial condition, and results of operations.

- In March 2024, the Cyberspace Administration of China issued the Provisions on Promoting and Regulating Cross-border Data Flows, which required security assessment for the following types of cross-border data transfers, (i) for critical information infrastructure operators, the outbound transfer of personal information or important data, and (ii) for data processors that are not critical information infrastructure operators, the outbound transfer of important data or the cumulative outbound transfer within one calendar year of the personal information of over one million people or the sensitive personal information of over 10,000 people. These provisions also stipulated that, when data processors that are not critical information infrastructure operators engage in the cumulative outbound transfer within one calendar year of the personal information of over 10,000 people but less than one million people or the sensitive personal information of less than 10,000 people, the data processors must enter into a standard contract for cross-border transfer of personal information with the data recipient or obtain a certification for the protection of personal information. Furthermore, these provisions clarified that data processors do not need to treat any data as "important data" the outbound transfer of which requires security assessments, if government authorities have not declared or notified them that the data are "important data.

- In September 2024, the Cyberspace Administration of China promulgated the Regulations of Internet Data Security Management which took effect on January 1, 2025. These regulations provide that internet data processors refer to individuals or organizations that independently decide processing purposes and methods in internet data processing activities. Under these regulations, internet data processors shall apply for a national security review for certain activities, including any data processing activity that affects or may affect national security. However, there have been no clarifications from the relevant authorities as of the date of this annual report as to the standards for determining whether an activity is one that "affects or may affect national security." In addition, these regulations require that internet data processors that process "important data" must conduct an annual risk assessment of their internet data processing activities, and submit a risk assessment report to authorities at or above the provincial level.

- On October 28, 2025, the Standing Committee of the National People's Congress promulgated the revised Cybersecurity Law of the PRC, which took effect on January 1, 2026. The revised Cybersecurity Law refines and strengthens the penalty mechanism for network operators who fail to fulfill their obligations to protect network operation security in accordance with the law.

Personal Information and Privacy

- In August 2021, the Standing Committee of the National People's Congress promulgated the Personal Information Protection Law, which integrates the scattered rules with respect to personal information rights and privacy protection and took effect on November 1, 2021. We update our privacy policies from time to time to meet the latest regulatory requirements of PRC government authorities and adopt technical measures to protect data and ensure cybersecurity in a systematic way. Nonetheless, the Personal Information Protection Law elevates the protection requirements for personal information processing, and many specific requirements of this law remain to be clarified by the regulatory authorities, and courts in practice. We may be required to make further adjustments to our business practices to comply with the personal information protection laws and regulations.

- In June 2022, the Cyberspace Administration of China issued the Provisions on the Administration of Internet Users' Account Information, which became effective on August 1, 2022 and stipulated that internet information service providers must, among other things, equip themselves with professional and technical capabilities appropriate to the scale of their services, and establish, improve and strictly implement systems for identity authentication, account verification, information safekeeping, ecological governance, emergency response, personal information protection, among others. The provisions also require that the internet information service providers should handle and protect internet users' account information in accordance with law, and take measures to prevent unauthorized access, as well as leakage, tampering, or loss of personal information. The internet information service providers must set up convenient portals for complaints and whistleblowing at an easily seen location, provide channels for complaints and whistleblowing, improve the acceptance, screening, disposal and feedback mechanisms, specify the handling process and feedback time limit and timely handle the complaints and whistleblowing of users and the public.
- The revised Cybersecurity Law of the PRC requires network operators to comply with the provisions of that law, the Civil Code, the Personal Information Protection Law, and other relevant laws and regulations when processing personal information.
- On January 10, 2026, the Cyberspace Administration of China released the Provisions on the Collection and Use of Personal Information by Internet Applications (Draft for Comments) for public consultation, which propose to extend compliance obligations to all entities facilitating personal information collection within the PRC, including software development kits (SDKs), distribution platforms, and smart terminals. This draft proposes to require any large internet application, defined as an internet application with more than 50 million registered users or more than 10 million monthly active users and involving complex business types, to solicit public comments for at least seven working days when revising its rules for the collection and use of personal information, and to prohibit the use of contacts, call log, or text message permissions to access third party personal information unless strictly necessary in limited circumstances where data collection or use is necessary, such as contacting individuals in the users' address books, adding friends or data backup. As of the date of this annual report, the draft has not been formally adopted.

Many of the data-related legislations are relatively new and certain concepts thereunder remain subject to interpretation by the regulators. If any data that we possess belongs to data categories that are subject to heightened scrutiny, we may be required to adopt stricter measures for protection and management of such data. The Cybersecurity Review Measures and the Regulations of Internet Data Security Management remain unclear on whether the relevant requirements will be applicable to companies that are already listed in the United States, such as us. We cannot predict the impact of the Cybersecurity Review Measures and the Regulations of Internet Data Security Management, if any, at this stage, and we will closely monitor and assess any development in the rule-making process. If the Cybersecurity Review Measures and the Regulations of Internet Data Security Management mandate clearance of cybersecurity review and other specific actions to be taken by issuers like us, we face uncertainties as to whether we can complete these additional procedures timely, or at all, which may subject us to government enforcement actions and investigations, fines, penalties, suspension of our non-compliant operations, or removal of our app from the relevant application stores, and materially and adversely affect our business and results of operations. As of the date of this annual report, we have not been involved in any formal investigations on cybersecurity review made by the Cyberspace Administration of China on such basis.

In general, compliance with the existing PRC laws and regulations, as well as additional laws and regulations that PRC regulatory bodies may enact in the future, related to data security and personal information protection, may be costly and result in additional expenses to us, and subject us to negative publicity, which could harm our reputation and business operations. There are also uncertainties with respect to how such laws and regulations will be implemented and interpreted in practice.

In addition, regulatory authorities around the world have adopted or are considering a number of legislative and regulatory proposals concerning data protection. These legislative and regulatory proposals, if adopted, and the uncertain interpretations and application thereof could, in addition to the possibility of fines, result in an order requiring that we change our data practices and policies, which could have an adverse effect on our business and results of operations. For example, the European Union General Data Protection Regulation, which came into effect on May 25, 2018, includes operational requirements for companies that receive or process personal data of residents of the European Economic Area. These regulations establish new requirements applicable to the processing of personal data, affords new data protection rights to individuals and impose penalties for serious data breaches. Individuals also have a right to compensation under these regulations for financial or non-financial losses. Although we do not conduct any business in the European Economic Area, in the event that residents of the European Economic Area access our website or our mobile platform and input protected information, we may become subject to the provisions of the General Data Protection Regulation.

Any compromise of the cybersecurity of our platform could materially and adversely affect our business, operations and reputation.

Our products and services involve the storage and transmission of users' and other customers' information, and security breaches expose us to a risk of loss of this information, litigation and potential liability. We experience cyber-attacks of varying degrees from time to time, and we have been able to rectify attacks without significant impact to our operations in the past. Our security measures may also be breached due to employee error, malfeasance or otherwise. Additionally, outside parties may attempt to fraudulently induce employees, users or other customers to disclose sensitive information in order to gain access to our data or our users' or other customers' data or accounts, or may otherwise obtain access to such data or accounts. Because the techniques used to obtain unauthorized access, disable or degrade service or sabotage systems change frequently and often are not recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. If an actual or perceived breach of our security occurs, the market perception of the effectiveness of our security measures could be harmed, we could lose users and other customers, and may be exposed to significant legal and financial risks, including legal claims and regulatory fines and penalties. Any of these actions could have a material and adverse effect on our business, reputation and results of operations.

Any increases in the content costs on our platform may have an adverse effect on our business, financial condition and results of operations.

We need to acquire or produce popular content to provide our users with an engaging and satisfying viewing experience. The acquisition of such content depends on our ability to retain our content creators, OGV partners and hosts of our live broadcasting programs. We have undertaken measures to prudently manage our content costs by focusing on the acquisition of high-quality content. We recorded content costs in our cost of revenue of RMB3.2 billion, RMB2.7 billion and RMB2.4 billion (US$349.1 million) in 2023, 2024 and 2025, respectively. While we have successfully optimized our spending in recent periods, we may face upward pressure on content costs in the future. The market prices for licensing fees and royalties for licensed content depend on various factors beyond our control, including, the aggressive competition among online video broadcasting programs for popular content titles and events, and the demand of higher licensing fees from copyright owners, distributors and other industry participants as the market grows. Furthermore, we need to acquire more high-quality content to expand our content library. Accordingly, we may not be able to maintain the effective control of our content costs in the future. If we are unable to generate sufficient revenues to outpace potential increases in content costs, or effectively control our content costs, we may incur losses and our business, financial condition and results of operations may be adversely affected.

If the content contained within videos, live broadcasting, games, audios and other content formats on our platform is deemed to violate any PRC laws or regulations, our business, financial condition and results of operations may be materially and adversely affected.

The PRC government and regulatory authorities have adopted regulations governing content contained within videos, live broadcasting, games, audios and other information over the internet. Under these regulations, internet content providers are prohibited from posting or displaying content that, among other things, violates PRC laws and regulations, impairs the national dignity of China or the public interest, or is obscene, superstitious, fraudulent, violent or defamatory on the internet. Internet content providers are also prohibited from displaying content that may be deemed by relevant government authorities as "socially destabilizing" or leaking "state secrets" of China. The PRC government and regulatory authorities strengthen the regulations on internet content, including live broadcasting, from time to time. For more information, see "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Online Transmission of Audio-Visual Programs" and "Item 4. Information on the Company —B. Business Overview—Regulations—Regulations Related to Online Live Broadcasting Services."

In addition to licensed content provided by copyright owners, we allow our users to upload content to our platform. Our users can upload all types of content including professionally produced content and certain graphical files for the purpose of updating user biographies and content covers.

Furthermore, with the rapid development of AI, content creators on our platform may use AI, especially generative AI, in their content creation, which may subject us to risks related to harmful or illegal content, accuracy, misinformation and deepfakes (including related to elections), bias, discrimination, toxicity, consumer protection, intellectual property infringement or misappropriation, defamation, data privacy, cybersecurity, and sanctions and export controls, among others. It is also uncertain how various laws related to online services, intermediary liability, and other issues will apply to content generated by AI. In addition, we are subject to the risks of new or enhanced governmental or regulatory scrutiny, litigation, or other legal liability, ethical concerns, negative consumer perceptions as to automation and AI, activities that threaten people's safety or well-being online or offline, or other complications that could adversely affect our business, reputation, or financial results. The PRC government authorities have gradually accelerated the pace of legislation for generative AI related technologies including algorithm recommendation and deep synthesis in recent years. Since the end of 2021, PRC government authorities have released a series of regulations on generative AI. See "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Generative AI." As a result of the complexity and rapid development of AI, it is also the subject of evolving review by various governmental and regulatory agencies in jurisdictions around the world, which are applying, or are considering applying, platform moderation, intellectual property, cybersecurity, export controls, and data protection laws to AI and/or are considering general legal frameworks on AI. We may not always be able to anticipate how courts and regulators will apply existing laws to AI, predict how new legal frameworks will develop to address AI, or otherwise respond to these frameworks as they are still rapidly evolving. We may also have to expend resources to adapt to new legal frameworks, and adjust our offerings in certain jurisdictions if the legal frameworks on AI are not consistent across jurisdictions.

We maintain two levels of content management and review procedures to monitor the content uploaded to our platform to ensure that no content that may be deemed to be prohibited by government rules and regulations is posted and to promptly remove any infringing content. Our content screening team screens and monitors the content uploaded on our platform on a 24-hour, seven-day basis. For more details relating to our content monitoring procedures, see "Item 4. Information on the Company—B. Business Overview—Content Management and Review." However, there can be no assurance that we can identify all the videos or other content that may violate relevant laws and regulations due to the large amount of content uploaded to our platform every day.

If the content contained within videos, live broadcasting, games, audios and other content formats on our platform is considered inappropriate or offensive, our business, financial condition and results of operations may be materially and adversely affected.

Failure to identify and prevent illegal or inappropriate content from being uploaded and/or streamed on our platform may subject us to liability. To the extent that PRC regulatory authorities find any content on our platform objectionable, they may require us to limit or eliminate the dissemination of such content on our platform in the form of take-down orders, cause our app to be temporarily removed from app stores, or temporarily disable certain functions on our platform, or otherwise. If we fail to immediately stop the transmission of inappropriate content, take measures such as removing the content to prevent dissemination, keep relevant records, and report to the competent authority, we may be subject to sanctions and penalties, including warning and suspension or termination of services or products. Our app was temporarily removed from app stores in the past. Although we implemented the required measures promptly and reinstated the mobile app downloads from those app stores, conducted a self-inspection by taking a comprehensive review of the content on our platform thereafter and hired more content monitoring personnel, there can be no assurance that our app will not be removed from app stores again in the future, and such removal could materially and adversely affect our business operations. Local government authorities made inquiries with us in response to allegedly inappropriate content on our platform in the past and we completed the required rectification.

PRC laws and regulations are subject to interpretation by the relevant authorities, and it may not be possible to determine in all cases the types of content that could result in our liability as a platform operator. We may also face liability for copyright or trademark infringement, fraud and other claims based on the nature and content of the materials that are delivered, shared or otherwise accessed through or displayed on our platform.

Reports or publicity of violence and crimes related to the content on our platform, including, but not limited to, our PUGV, OGV, online games and live broadcasting programs, or any claims that content on our platform is obscene, superstitious, fraudulent, defamatory, inappropriate, offensive or impairing the public interest, may result in negative publicity and harm to our brand. Any claim that we have failed to identify any content a viewer may find objectionable may result in negative publicity, harm to our brand or regulatory actions, which in turn might have a material and adverse impact on our business and results of operations. These reports, claims or allegations, even if unproven or meritless, may lead to inquiries, investigations, other forms of regulatory response, or even legal actions against us by regulatory or government authorities as well as private parties.

Any regulatory actions against us, perceptions of inappropriate business conduct by us or perceived wrongdoing by any member of our management team, among other things, could substantially damage our reputation, and cause us to incur significant costs to defend ourselves. Government authorities may require us to discontinue or restrict the relevant services, functions or products. As a result, our business could suffer and our user base and results of operations may be materially and adversely affected. Furthermore, our advertising revenues might be materially and adversely affected by any decision by advertisers to reduce their advertising as a result of adverse media reports, user complaints or other negative publicity involving us or, content on our platform. Reductions of advertising by advertisers due to allegedly objectionable content made available on our platform by content creators, licensors, or other third parties, concerns about our content management practices, concerns about brand reputation or potential liability, or uncertainty regarding their own legal and compliance obligations, may also materially and adversely affect our advertising revenues.

We may not be able to effectively manage our growth and the increased complexity of our business, which could negatively impact our brand and financial performance.

Our financial performance has been and will continue to be influenced by our ability to add, retain and engage active users of our products. Our user acquisition and engagement may fluctuate depending on factors beyond our control. Starting from 2022, we have shifted our user growth focus from MAU growth to DAU growth, as we believe DAU is not only a better measure of the quality and sustainability of our community, but also better reflects the powerful influence of our platform and is directly linked to our commercial prospects. We anticipate that our user growth rate will slow over time as the size of our user base increases and as we achieve higher market penetration in China's internet population. To the extent our user growth rate slows or the number of our users declines, our success will become increasingly dependent on our ability to retain existing users and enhance user activities and stickiness on the platform. If people do not perceive content and other products and services on our platform to be interesting and useful, we may not be able to retain and attract users or increase their engagement.

As we grow our user base and increase the level of user engagement, we may incur increasing costs, such as licensing fees and royalties for licensed content and hosts' compensation to further expand our content library to meet the growing and diversified demands of our users. If such expansion is not properly managed, it may adversely affect our financial and operating resources without achieving the desired effects. If we are unable to generate sufficient revenues to outpace the increase in costs, or effectively control our costs, we may incur losses and our business, financial condition and results of operations may be adversely affected. See "—Any increases in the content costs on our platform may have an adverse effect on our business, financial condition and results of operations."

We also anticipate expansion in global markets. Such expansion will increase the complexity of our operations and might place a significant strain on our management, operational and financial resources. We are also exposed to the political, social or economic instability in overseas markets or regions in which we operate, and such tensions may impact our successful expansion into the overseas market. See also "—We face various challenges and risks in connection with our expansion into overseas markets."

As we only have a limited history of operating our business at its current scale, it is difficult to evaluate our current business and future prospects, including our ability to grow in the future. In addition, despite our implementation of cost control measures, our costs and expenses may still increase as we expand our business and continue to invest in our infrastructure to enhance the performance and reliability of our platform. For example, we may increase our investment in servers, bandwidth, and computing power for our AI initiatives, to maintain our quality user experience while sustaining the growth of user base. Continued growth could also strain our ability to maintain reliable service levels for our users, content creators and business partners, develop and improve our operational, financial, legal and management controls, and enhance our reporting systems and procedures. Our costs and expenses may grow faster than our revenues and may be greater than what we anticipate. If we are unable to generate adequate revenues and to manage our costs and expenses, we may not be able to maintain profitability. Managing our growth will require significant expenditures and the allocation of valuable management resources. If we fail to achieve the necessary level of efficiency in our organization as it grows, our business, operating results and financial condition could be harmed.

Volatility in the prices of, or constraints in the availability of, computing, cloud, bandwidth and other technical infrastructure resources may increase our costs and capital expenditure.

Our business depends on storage, bandwidth and computing capacity to support content storage and delivery and the development and deployment of AI-driven technologies. We procure certain technical resources and services from third-party suppliers and service providers, including cloud computing services, internet data center services, and server hosting services. We may further procure chips and other semiconductor products for our AI initiatives.

The markets for certain of these resources have experienced, and may continue to experience, supply constraints, price volatility, and increasing demand, particularly in connection with the rapid development and adoption of AI technologies and the corresponding demand for servers and computing resources. In addition, certain suppliers or service providers may have significant bargaining power, limited capacity, or may adjust commercial terms in a manner unfavorable to us. If the prices of these resources increase, if we are required to make prepayments or longer-term commitments to secure sufficient capacity, or if adequate capacity is unavailable on commercially reasonable terms or at all, our capital expenditures, cost of revenues, research and development expenses and other operating expenses may increase.

Any interruption, delay, degradation or reduction in the availability of such resources or services may impair our ability to support user traffic growth, maintain service quality, distribute content efficiently, and develop, deploy or scale AI-related products and capabilities. As a result, our user experience, commercialization efficiency, operating margins and financial results may be materially and adversely affected.

We have a unique community culture that is vital to our success. Our operations may be materially and adversely affected if we fail to maintain our culture and brand image within our addressable user communities.

Our users have developed a unique community culture that distinguishes us from other online content providers. Our users come to our platform for creative content covering a wide array of cultures and interests as well as for strong, vibrant and safe communities. We believe that maintaining and promoting such community culture is critical to retaining and expanding our user base. We have taken multiple initiatives to preserve our community culture and values, such as requiring users to pass a membership exam before they are allowed to send bullet chats and utilize other interactive functions on our platform, and temporarily blocking or permanently deleting accounts of users who posted inappropriate content or comments.

Despite our efforts, we may be unable to maintain and foster our unique community culture and cease to be the preferred platform for our target users and content creators. As our user base is expanding, we may have difficulties in guiding our new users to honor and abide by our community values despite the initiatives we have adopted and may adopt in the future. In such event, our user engagement and loyalty may suffer, which would in turn negatively affect user traffic and our attractiveness to other customers and partners. In addition, frictions among our users and inflammatory comments posted by internet trolls may damage our community culture and brand image, which would be detrimental to our operations. Historically, some incidents of intense frictions among our users who belonged to different micro-interests and fans groups disrupted our operations. Users who have met through our services may become involved in emotionally charged situations and could suffer adverse moral, emotional or physical consequences. Such events could be highly publicized and have a significant negative impact on our reputation. Government authorities may require us to discontinue or restrict the relevant services. As a result, our business could suffer and our user base and results of operations may be materially and adversely affected.

If we fail to obtain and maintain the licenses and approvals required within the complex regulatory environment applicable to our businesses in mainland China, or if we are required to take compliance actions that are time-consuming or costly, our business, financial condition and results of operations may be materially and adversely affected.

The internet and mobile industries in mainland China are highly regulated. The Consolidated Affiliated Entities are required to obtain and maintain applicable licenses and approvals from different regulatory authorities in order to provide their current services. These entities hold certain licenses that are important to our operations, including the Value-added Telecommunication Business Licenses, a License for Online Transmission of Audio-Visual Programs, Online Culture Operating Permits and Licenses for Production and Operation of Radio and Television Programs. However, we cannot assure you that we can successfully renew these licenses in a timely manner or that these licenses are sufficient to conduct all of our present or future business. As we develop and expand our business scope, we may need to obtain additional qualifications, permits, approvals or licenses. We may be required to obtain additional licenses or approvals if the PRC government adopts more stringent policies or regulations for our business.

We are subject to various regulatory requirements in relation to our operation of online games. Since May 2019, the Ministry of Culture and Tourism ceased to assume the responsibility to administer the online game industry and stopped approving or issuing the Online Culture Operating Permits regarding online games. Since all of the Online Culture Operating Permits held by the Consolidated Affiliated Entities were granted by local branches of the Ministry of Culture and Tourism after May 2019, these permits do not cover online game operations. Based on the consultation of Jingtian & Gongcheng, our PRC counsel, with the Shanghai Municipal Administration of Culture and Tourism in March 2026, the Ministry of Culture and Tourism no longer assumes the responsibility to supervise the operation of online games, and it is not necessary for an enterprise to obtain Online Culture Operating Permits to operate online game operation business. On December 22, 2023, the National Press and Publication Administration promulgated the Administrative Measures for Internet Games (Draft for Comment), which provide that the national publishing regulatory authority will oversee online game publishing activities nationwide while local authorities at county level and above will be responsible for supervision within their respective administrative regions. As of the date of this annual report, the draft has not been formally adopted. Therefore, our PRC counsel, Jingtian & Gongcheng, has advised us that we are able to continue our online game operation business although the Online Culture Operating Permits currently held no longer contain content related to online games operation, which will not constitute any material non-compliance.

The National Press and Publication Administration at the national level had suspended the approval of game registration and issuance of publication numbers for online games starting from March 2018, and later resumed game registration and issued game publication numbers for the first batch of games with an effective date of December 19, 2018. From August 2021, no new game registration and the publication numbers for online games were approved or issued from the National Press and Publication Administration at the national level until resumed in April 2022, and the processing time of games registration and issuance of publication numbers may vary greatly and is within the discretion of the National Press and Publication Administration. Any delay in game registration with National Press and Publication Administration or obtaining game publication numbers could lead to the termination of our cooperation agreements with third parties or negatively affect the operation results of our games. For more information, see "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Online Games." We cannot assure you that the suspension of the approval procedure of game registration and issuance of publication numbers would not occur again in the future and cannot predict how long such duration of suspension will be, and we cannot assure you that we or relevant third parties can obtain the National Press and Publication Administration's approvals or complete any new governmental requirements for all games on our platform in a timely manner or at all, which could adversely and materially impact our ability to introduce new games, the timetable to launch new games and our business growth.

If the content of the online games that we are developing or operating is deemed or claimed to be inappropriate, we may fail to obtain the governmental approval to introduce, launch or operate these games. Even if we have completed new game registrations and obtained publication numbers for the online games that we introduced, launched or operated, the governmental entities may revoke these for various reasons, such as the inclusion of content that is deemed or claimed to be inappropriate, and the operations of the online games may be ordered to be suspended or terminated. Any of these events could cause delays in the launch of new games, cancellation of the development of pipeline games, suspension or termination of the operation of our existing online games and removal of our online games from app stores, which may materially and adversely affect our business operations and financial results. Also see "—If the content contained within videos, live broadcasting, games, audios and other content formats on our platform is considered inappropriate or offensive, our business, financial condition and results of operations may be materially and adversely affected."

Moreover, the provision of online games is deemed to be an internet publication activity. An online game operator may be required to obtain an Internet Publishing Service License in order to directly make those games publicly available in mainland China. An online game operator is generally able to publish its games through authorizing third-party licensed electronic publishing entities and applying to the National Press and Publication Administration for approval of the games as electronic publications, which is consistent with our practice as of the date of this annual report. However, the Administrative Measures for Internet Games (Draft for Comment), which has not been formally adopted as of the date of this annual report, stipulates that any online game operator must obtain an Internet Publishing Service License that covers online game operation. If this draft regulation is adopted and becomes effective in its current form, we will be required to obtain an Internet Publishing Service License, and we cannot assure you that we can obtain this license in a timely manner or at all, and our failure to do so may subject us to administrative penalties.

In addition, the provision of comics online may be deemed to be an internet publication activity, which may require the content provider to obtain an Internet Publishing Service License. Furthermore, in a consultation with the competent government authorities in March 2026, our PRC counsel, Jingtian & Gongcheng, was informed that operation of an online comics business currently does not require the Internet Publishing Service License. If the regulatory policies change in the future and we fail to complete, obtain or maintain any of the required licenses or approvals or make the necessary filings, we may be subject to various penalties, such as confiscation of the net revenues that were generated through online games and comics, the imposition of fines, the revocation of our business and operating licenses and the discontinuation or restriction of our operations of online games and comics.

Under the Administrative Regulations on the Introduction and Broadcasting of Foreign Television Programs, the introduction or broadcasting of foreign anime in mainland China is subject to approval of the State Administration of Press, Publication, Radio, Film and Television or its authorized entities. Approval or filing procedures were previously not explicitly required in practice by the National Radio and Television Administration for the broadcasting and distribution of foreign anime on the internet only, until the National Radio and Television Administration and its authorized authorities clarified and implemented the relevant filing procedure in 2021. Since then, based on our consultation with the relevant government authorities, we have been following the required filing procedure for our newly introduced foreign anime before broadcasting and distributing them on our platform. According to the Regulations on the Administration of Algorithm Recommendation for Internet Information Services, which came into effect in March 2022, providers of algorithm recommendation services with public opinion attributes or social mobilization capabilities should fill in information such as the name of the service provider, service form, application area, type of algorithm, algorithm self-assessment report, intended public content and other information through the Internet Information Services Algorithm Filing System within ten working days from the date of service provision to fulfill the filing procedures. As of the date of this annual report, we have completed the filings for some of our algorithms through the Internet Information Services Algorithm Filing System and submitted the filings for certain other algorithms, which are currently under the review of the competent regulatory authority.

In November 2022, the Cyberspace Administration of China issued the Circular on Effectively Strengthening the Governance of Online Violence, requiring website platforms to establish the classification standards for online violence information and the sample database of model cases, establish the identification model for online violence in light of their own characteristics, establish the emergency response mechanism for online violence, provide the settings for closing the private messages, comments, forwarding and "@" message of strangers with one click and optimize the rules for private messages. In December 2022, the Administrative Provisions on Online Comment Following Services became effective, according to which, the providers of online comment following services shall verify the identity information of registered users, and shall not provide online comment following services to users who have not verified their identity information or falsely use the identity information of any organization or other individuals. For internet follow-up comment services for news information, the system of "content check before publication" shall be established; and for internet follow-up comment services by way of bullet chats, the corresponding static version of information content shall be provided on the same platform and page at the same time.

Considerable uncertainties exist in relation to the interpretation and implementation of existing and future laws and regulations governing our business activities. We could be found in violation of any future laws and regulations or of the laws and regulations currently in effect due to changes in the relevant authorities' interpretation of these laws and regulations. If we fail to complete, obtain or maintain any of the required licenses or approvals or make the necessary filings, we may be subject to various penalties, such as confiscation of the net revenues that were generated through the unlicensed internet or mobile activities, the imposition of fines and the discontinuation or restriction of our operations. Any such penalties or changes in policies, regulations or enforcement by government authorities, may disrupt our operations and materially and adversely affect our business, financial condition and results of operations.

The PRC government has taken steps to limit online game playing time for all minors and to otherwise control the content and operation of online games. Such restrictions on online games may materially and adversely impact our business and results of operations.

As part of its anti-addiction online game policy, the PRC regulators have been implementing regulations designed to reduce the amount of time that youth under the age of 18 spend playing online games. For a detailed description of these regulations, see "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Online Games—Anti-addiction System and Protection of Minors." On October 25, 2019, the National Press and Publication Administration issued the Notice on Preventing Minors from Indulging in Online Games, which requires all online gamers to register accounts with their valid identity information and all game companies to stop providing game services to users who fail to do so. On August 30, 2021, the National Press and Publication Administration promulgated the Notice on Further Strict Management to Effectively Prevent Minors from Being Addicted to Online Games, which became effective on September 1, 2021. This notice requires that all online games enterprises including platforms providing online game services may only provide online game services to minors for one hour from 8:00 p.m. to 9:00 p.m. each day on Fridays, Saturdays, Sundays and national holidays, and may not provide online game services to minors in any form at any other time. All online games must be connected to the real-name verification system of the National Press and Publication Administration for online games to prevent addiction, all online game users must use real and valid identity information to register their game accounts and log in to online games, and online games enterprises must not provide online game services in any form (including visitor experience mode) to users who have not registered and logged in with their real names.

Furthermore, minors are prohibited from playing games exceeding a certain period of time per day or putting money into their accounts exceeding a certain amount. Online game operators are required to explore the manner to notify users of different ages about the online games based on various criteria, such as the games' content and the amount of money anticipated to be used in the games, on the games' download, registration and log-in pages in a prominent way. The Administrative Measures for Internet Games (Draft for Comment) promulgated by the National Press and Publication Administration in December 2023 provided that there should be strict control over the duration and time minors spend playing online games and minors should be prohibited from accessing games that may easily lead to addiction or contain inappropriate content for minors. As of the date of this annual report, the draft has not been formally adopted. For more information, see "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Online Games—Anti-addiction System and Protection of Minors."

Although we have implemented several measures and developed a detailed plan for system upgrade and are in the process of conducting various system upgrading works according to the requirements under the relevant laws and regulations, we may be nevertheless considered non-compliant if the regulators take a different view, or if our system is not fully upgraded by the end of the grace period, the length of which also remains uncertain at the discretion of the relevant government authorities. Should the relevant government authorities find us not satisfying the requirements, they may order us to rectify. In a severe case, our business license could be revoked, which may materially and adversely affect our business operations and financial condition.

In addition, there can be no assurance that the PRC regulators would not promulgate new laws and regulations in the future to further limit minors' access and exposure to videos, live broadcasting, audios and other content formats that we offer on our platform. The implementation of the existing and future laws and regulations may lead to a decrease in the number of minors in our user base and the playtime of minor users, thereby leading to a decrease in the minor users' revenue contribution to our mobile game and other businesses and may materially and adversely affect our results of operations and prospects. We currently do not charge users for game playing time on our mobile games. However, if we were to start charging for playing time, we may lose our game players, and our financial condition and results of operations may be materially and adversely affected.

We face significant competition, primarily from companies that operate in the video-based industry in mainland China, and we compete with these companies for users, content providers and advertisers.

We face significant competition primarily from companies that operate in the video-based industry in mainland China designed to engage users, especially Generation Z+, and capture their time spent on mobile devices and the internet. In particular, our competitors mainly include large online video streaming platforms, other platforms offering video products, live broadcasting platforms, game developers and other companies offering online content. Some of our competitors have longer operating histories and significantly greater financial resources than we do, and in turn may be able to attract and retain more users, content partners and advertisers. Our competitors may compete with us in a variety of ways, including by obtaining exclusive online distribution rights for popular content, conducting brand promotions and other marketing activities, and making acquisitions. If any of our competitors provides comparable or better user experience, our user traffic could decline significantly. We have exclusive distribution rights only for certain content on our platform. Our content creators are generally free to post their content on our competitors' platforms, which may divert user traffic from our platform, and adversely affect our user traffic and thus our operations. We believe that our ability to compete effectively depends upon many factors, some of which are beyond our control, including:

- the popularity, usefulness, ease of use, performance and reliability of our platform, products and services compared to those of our competitors;
- the amount, quality and timeliness of content on our platform, especially the amount and quality of the PUGV generated by our content creators;
- the environment and culture of our user communities;
- our ability, and the ability of our competitors, to develop new products and services and enhancements to existing products and services to keep up with user preferences and demands;
- the inventory size, quality and size of player base of the games we operate;
- our ability to establish and maintain relationships with content providers and partners;
- our ability to commercialize our services;
- changes mandated by legislation, regulations or government policies, some of which may have a disproportionate effect on us;
- acquisitions or consolidation within our industry, which may result in more formidable competitors; and
- our reputation and brand strength relative to our competitors.

We may be subject to intellectual property infringement claims or other allegations, which could result in material damage to our reputation and brand, payment of substantial damages, penalties and fines, removal of relevant content from our platform or seeking license arrangements which may not be available on commercially reasonable terms.

Content and functions available on our platform may expose us to allegations by third parties of infringement of intellectual property rights, unfair competition, invasion of privacy, defamation and other violations of third-party rights. We have been involved in litigation based on allegations of infringement of third-party copyright due to the content and functions available on our platform. We are currently involved in approximately 400 lawsuits based on allegations of infringement of third-party copyright due to the content or functions posted on our platform, which are immaterial to our company on an individual basis or a collective basis. Regardless of the outcome, these lawsuits, and any other litigation that may be brought against us or our current or former directors and officers, could be time-consuming, result in significant expenses and divert our resources and the attention of our management and other key employees. An unfavorable outcome in any of these matters could exceed the limited coverage provided under our current applicable insurance policies.

Our failure to identify unauthorized content posted on our platform may subject us to claims of infringement of third-party intellectual property rights or other rights. As we adopt new technologies and roll out new products and services, including those empowered by AI, we face the risk of being subject to intellectual property infringement claims that may arise from our use of new technologies and provision of new products and services. Although we maintain content management and review procedures to monitor the content uploaded to our platform, due to the large number of videos, texts, and images uploaded, we may not be able to identify all content that may infringe on third-party rights. Such failure may subject us to potential claims and lawsuits, defending of which may impose a significant burden on our management and employees, and there can be no assurance that we will obtain final outcomes that are favorable to us. In addition, we may be subject to administrative actions brought by the National Copyright Administration of China or its local branches or related law enforcement departments for alleged copyright infringement.

The validity, enforceability and scope of protection of intellectual property rights in internet-related industries and AI-related industries, particularly in mainland China, are uncertain and still evolving, and uncertainties still exist with respect to the interpretation of the legal standards for determining liabilities of internet search and other internet service providers for (a) providing links to content on third-party websites that infringe upon others' copyrights or hosting such content, (b) providing information storage space, file sharing technology or other internet services that are used by internet users to disseminate such content, or (c) providing information generated by AI.

As we face increasing competition and as litigation becomes a more common way to resolve disputes in mainland China, we face a higher risk of being the subject of intellectual property infringement claims. Under relevant PRC laws and regulations, online service providers which provide storage space for users to upload works or links to other services or content could be held liable for copyright infringement under various circumstances, including situations where an online service provider knows or should reasonably have known that the relevant content uploaded or linked to on its platform infringes the copyrights of others and the provider realizes economic benefits from such infringement activities. In certain cases in mainland China, the courts have found an online service provider to be liable for the copyrighted content posted by users which was accessible from and stored on such provider's servers.

Furthermore, we may become subject to copyright laws in other jurisdictions, such as the United States, by virtue of our listing in the United States, the ability of users to access our videos from the United States and other jurisdictions, the ownership of the ADSs by investors, and the extraterritorial application of foreign law by foreign courts or otherwise. In addition, as a publicly listed company, we may be exposed to increased risk of litigation. If a claim of infringement brought against us in the United States or other jurisdictions is successful, we may be required to (i) pay substantial statutory or other damages and fines, (ii) remove relevant content from our platform, or (iii) enter into royalty or license agreements which may not be available on commercially reasonable terms or at all.

Although we have required our users to post only legally compliant and inoffensive materials and have set up screening procedures, our screening procedures may fail to screen out all potentially offensive or non-compliant user-generated content or AI-generated content and, even if properly screened, a third-party may still find user-generated content or AI-generated content posted on our platform offensive and take action against us in connection with the posting of such content. We may also face litigation or administrative actions for defamation, negligence or other purported injuries resulting from the content we provide or the nature of our services. Such litigation and administrative actions, with or without merit, may be expensive and time-consuming, result in significant diversion of resources and management attention from our operations, and adversely affect our brand and reputation.

Furthermore, our apps may be taken down temporarily from Apple app store or other apps markets for copyright reasons, and we may be subject to copyright infringement claims brought by our competitors, which, malicious or not, may be time-consuming to defend and disrupting to our operations.

We may not be able to prevent others from engaging in unauthorized use of our intellectual property, unfair competition, defamation or other violations of our rights, which could harm our business and competitive position.

We have invested significant resources to develop our own intellectual property and acquire licenses to use and distribute the intellectual property of others on our platform. Failure to maintain or protect these rights could harm our business. Source code, the detailed program commands for our operating systems and other software programs, is critical to our business. If our source code leaks, we might lose future trade secret protection for that code. It may then become easier for third parties to compete with our products by copying functionality, which could adversely affect our results of operations. In addition, any unauthorized use of our intellectual property by third parties may adversely affect our current and future revenues and our reputation. Further, others may engage in conduct that constitutes unfair competition, defamation or other violations of our rights, which could harm our business, reputation and competitive position.

Protection of intellectual property rights in the countries and regions that we operate may not be sufficient. Furthermore, policing unauthorized use of proprietary technology is difficult and expensive. We rely on a combination of patent, copyright, trademark and trade secret laws and restrictions on disclosure to protect our intellectual property rights. Despite our efforts to protect our proprietary rights, third parties may attempt to copy or otherwise obtain and use our intellectual property or seek court declarations that they do not infringe upon our intellectual property rights. Other unlawful conduct against us is also difficult to prevent and police. We cannot assure you that the steps we have taken will prevent misappropriation of our rights. From time to time, we may have to resort to litigation to enforce our rights, which could result in substantial costs and diversion of our resources.

We face intense competition for users and hosts for our live broadcasting business.

We face significant competition in the live broadcasting business for both users and hosts. The live broadcasting on our platform primarily focuses on interest areas including game and e-sports, entertainment, virtual and lifestyle related live broadcasting. We cannot assure you that such content will continue to attract new users and retain existing ones.

We have entered into exclusive cooperation agreements with certain popular hosts on our platform.

We may not be able to maintain or renew these agreements on acceptable terms or at all. In such event, we may be unable to convert content creators to be live broadcasting hosts or retain these popular hosts on our platform, and our operating results will be adversely affected. Furthermore, we cooperate with talent agencies to recruit, manage, train and support our hosts, and may lose hosts if the talent agencies that manage them are unable to reach or maintain satisfactory cooperation arrangements with such hosts. If talented and popular hosts cease to contribute content to our platform, or their live broadcasting fails to attract users, we may experience a decline in user traffic and user engagement, which may have material and adverse impact on our results of operations and financial conditions.

In addition, the costs attributed to hosts' compensation have increased significantly in mainland China during the past few years for companies that provide such services. If we are unable to generate sufficient revenues to outpace the increase in such compensation, we may lose opportunities to retain the popular hosts on our platform and thus incur losses. In addition, the compensation we pay to the hosts could significantly increase our cost of revenues and materially adversely affect our margins, financial condition and results of operations.

We cooperate with talent agencies to manage, organize and recruit hosts on our platform. As we are an open platform that welcomes all hosts to register on our websites, cooperation with talent agencies substantially increases our operation efficiency in terms of discovering, supporting and managing hosts in a more organized and structured manner, and turning amateur hosts to full-time hosts. We have a revenue sharing arrangement with both our hosts and talent agencies under which we share with them a portion of the revenues from virtual gifting. The absolute amounts and revenue sharing percentages that we pay hosts and talent agencies may increase. If the interests among us, hosts and the talent agencies are not well balanced, or if we cannot design a revenue-sharing mechanism that is agreeable to both hosts and talent agencies, we may not be able to retain or attract hosts or talent agencies, or both. In addition, while we have entered into exclusive streaming agreements with certain hosts, none of the talent agencies we cooperate with has an exclusive cooperation relationship with us. If our competitor platforms offer higher revenue sharing percentages with an intent to attract our popular hosts, costs to retain our hosts may further increase. Additionally, talent agencies may choose to devote more of their resources to hosts who stream on other platforms, or they may encourage their hosts to use or even enter into an exclusive agreement with other platforms, all of which could materially and adversely affect our business, financial condition and results of operations. If we are not able to continue to retain our hosts and produce high-quality content on our platform at commercially acceptable costs, our business, financial condition and results of operations would be adversely impacted. Furthermore, as our business and user base further expand, we may have to devote more resources in encouraging our hosts and talent agencies to produce content that meets the varied interests of a diverse user base, which would increase the content costs on our platform. If we are unable to generate sufficient revenues that outpace our increased content costs, or effectively control our content costs, our business, financial condition and results of operations may be materially and adversely affected.

We face strict regulatory supervision by government authorities for our live broadcasting business.

We face strict regulatory supervision for our live broadcasting business. In August 2018, the National Office of Anti-Pornography and Illegal Publication, the Ministry of Industry and Information Technology, the Ministry of Public Security, the Ministry of Culture and Tourism, the National Radio and Television Administration and the Cyberspace Administration of China jointly issued the Notice on Strengthening the Management of Live Broadcasting Service, which required a real-name registration system for users to be put in place by live broadcasting service providers. Pursuant to the Notice 78, users who have not registered with real names or who are minors are prohibited from virtual gifting. The Law of the PRC on the Protection of Minors (2024 Revision) stipulates a series of provisions to further protect minors' interests on the internet. For more information, see "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Online Live Broadcasting Services." On March 25, 2022, the Cyberspace Administration of China, the State Taxation Administration of the PRC and the SAMR jointly issued the Notice on Further Standardizing the Profit-Making Behavior of Live Broadcasting to Promote the Healthy Development of the Industry, which required live broadcasting platforms to authenticate the identity of each live broadcasting publisher and report various information of those publishers that have profit-making behaviors to local provincial-level network department and tax authorities semi-annually. For a detailed description, see "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Online Live Broadcasting Services."

We have implemented and we will continue to implement measures to comply with real-name registration requirements under PRC laws and regulations. However, the PRC government may further tighten the real-name registration requirements or require us to implement a more thorough compulsory real-name registration system for all users on our platform in the future, so that we will need to upgrade our system or purchase relevant services from third-party service providers and incur additional costs in relation thereto. If we were required to implement a more rigid real-name registration system for users on our platform, potential users may be deterred from registering with our platform, which may in turn negatively affect the growth of our user base and prospect.

In addition, our live broadcasting services may be abused by hosts and other users. We have an internal control system in place to review and monitor live broadcasting streams and will shut down those streams that may violate PRC laws and regulations. For detailed descriptions of these PRC laws and regulations, see "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Online Live Broadcasting Services." However, we may not identify all such streams and content. Failure to comply with applicable laws and regulations may result in the revocation of our licenses to provide internet content or other licenses, the closure of the concerned platforms and reputational harm. We may also be held liable for such censored information displayed on our platform.

If we fail to develop effective advertising products and systems or retain existing advertisers or attract new advertisers to advertise on our platform, or if we are unable to collect accounts receivable from the advertisers or advertising agencies in a timely manner, our financial condition, results of operations and prospects may be materially and adversely affected.

We generate a significant portion of our revenues from advertising. Our ability to generate and maintain our advertising revenues depends on a number of factors, including the maintenance and enhancement of our brand, the scale, engagement and loyalty of our users and market competition on advertising prices.

We cannot assure you that we will be able to retain existing advertisers or advertising agencies or attract new ones. If we fail to retain and enhance our relationships with third-party advertising agencies or advertisers themselves, our business, results of operations and prospects may be adversely affected.

We enter into contracts with both advertisers and third-party advertising agencies, and the financial soundness of these customers may affect our collection of accounts receivable. We make a credit assessment of the advertiser and advertising agency to evaluate the collectability of the advertising service fees before entering into an advertising contract. However, we cannot assure you that we are or will be able to accurately assess the creditworthiness of each advertiser or advertising agency, and any inability of advertisers or advertising agencies to pay us in a timely manner may adversely affect our liquidity and cash flows.

We face intense competition for advertising spending.

We face significant competition for advertising spending. We compete against online and mobile businesses and internet companies that offer advertising and marketing services, as well as traditional media outlets, such as television, radio and other offline advertising networks for advertising and marketing budgets.

In order to grow our advertising revenues, we must increase our market share of advertising spending relative to our competitors, many of which are large companies that have substantially broader product or service offerings and may leverage their relationships based on other products and services to gain additional share of advertising budgets.

We believe that our ability to compete effectively for advertising spending depends on many factors within and beyond our control, including:

- the size, composition and activeness of our user base relative to those of our competitors;
- the comprehensiveness, innovation and effectiveness of our product and service offerings, especially those of our performance-based advertisements relative to those of our competitors;
- the volume, pricing and return on investment of our products and services relative to those of our competitors;
- the reach, engagement and effectiveness of our advertising solutions and services relative to those of our competitors;
- the strength of our brand and reputation relative to our competitors;
- the availability, accuracy and utility of analytics and measurement solutions; and
- our sales and marketing efforts, and those of our competitors.

If we are not able to compete effectively for advertising spending, our business and operating results may be materially and adversely affected. In addition, as is common in the industry, many of our existing advertisers or advertising agencies do not have long-term commitments with us. They may not continue to do business with us or may only be willing to advertise with us at reduced prices if we do not deliver advertising services in an effective manner, or if they do not believe that their investment in advertising with us will generate a competitive return relative to alternative platforms.

Advertising content shown on our platform may subject us to penalties and other administrative actions.

Under PRC advertising laws and regulations, we are obligated to monitor the advertising content shown on our platform to ensure that such content is true and accurate and in compliance with applicable laws and regulations. In addition, where a special government review is required for specific types of advertisements prior to internet posting, such as advertisements relating to pharmaceuticals, medical instruments, agrochemicals and veterinary pharmaceuticals, we are obligated to confirm that such review has been performed and approval has been obtained. Violation of these laws and regulations may subject us to penalties, including imposition of fines, confiscation of our advertising income, orders to cease dissemination of the advertisements, orders to publish an announcement correcting the misleading information, orders to terminate advertising operations and revocation of business licenses.

We face significant challenges in monitoring advertising content on our platform. We cannot assure you that we can identify all content that constitute advertisements on our platform. Recent trends in advertising, such as the proliferation of short videos, live broadcasting programs, native advertising and the inclusion of promotions, sponsorships or other advertisements in videos (pre, mid, and post rolls), with paid promotions that are frequently not marked as advertising, have made advertising content identification and monitoring more challenging. Technologies and tools attempting to circumvent, evade or deceive our advertisement content monitoring system are evolving, which makes it more complicated for us to identify, monitor and review the advertising content on our platform. While we have made significant efforts to ensure that the advertisements shown on our platform are in full compliance with applicable PRC laws and regulations, we cannot ensure all the content contained in advertisements to be true and accurate as required by the advertising laws and regulations, especially given the uncertainty in the interpretation of these PRC laws and regulations. If we are found to be in violation of applicable PRC advertising laws and regulations, we may be subject to penalties and our reputation may be harmed, which may have an adverse effect on our business, financial condition, results of operations and prospects.

If we fail to launch new games or release upgrades to existing games to grow our games' player base, our business and operating results will be materially and adversely affected.

We derived 17.8%, 20.9% and 21.1% of our revenues from mobile games in 2023, 2024 and 2025, respectively. No mobile game individually contributed more than 10% of our total net revenues for the years ended December 31, 2023, 2024 and 2025, respectively. Our revenues from mobile games increased by 14.0% from RMB5.6 billion in 2024 to RMB6.4 billion (US$914.4 million) in 2025, which was mainly attributable to the full-year contribution of our exclusively licensed game, *San Guo: Mou Ding Tian Xia* in 2025, and the launch of our in-house developed game, *Escape from Duckov* in the fourth quarter of 2025. If we fail to launch new games or release upgrades to existing games in a timely manner, or if our games do not achieve expected popularity, we may lose players of our games, which could materially and adversely impact revenues from mobile games and our business operations. In the event that we succeed in launching new games, the new games may divert players away from the existing games on our platform, which may increase player churn and reduce revenues from our existing games.

We offer mobile games mostly from third-party game developers and publishers on our platform either on an exclusive or non-exclusive basis. Therefore, we must maintain good relationships with our third-party game developers and copyright owners to obtain access to new popular games on reasonable commercial terms. We may not be able to maintain or renew these agreements on acceptable terms or at all. In such event, we may be unable to continue offering these popular mobile games, and our operating results will be adversely affected. In addition, if our users decide to access these games through our competitors, or if they prefer other mobile games operated by our competitors, our operating results could be materially and adversely affected.

We also offer mobile games developed by our in-house game development teams. The development cycle for new titles is subject to various challenges and uncertainties. Therefore, our development costs can be substantial. If we experience unanticipated development delays, financial difficulties, or additional costs, we may not be able to release titles according to our schedule and at budgeted costs. External factors, such as changing interests and appetite of game players and market trends, may also have an impact on the successful launch and popularity of any new games. Despite the substantial costs and time needed for development of new games, there can be no assurance that we can recoup these costs or make a profit on these games.

In addition, the revenue model we adopt for online games may not remain effective. We derive a substantial majority of the mobile games revenues from the sale of in-game virtual items. However, we may not be able to continue to successfully implement this model. Any change in our game revenue model may cause us to lose players and materially and adversely affect our business, financial condition and results of operations.

We are not able to predict if or when we will commercially launch new games and the pace at which our new games will penetrate the online game market, if at all. A number of factors, including technical difficulties, lack of sufficient game development capabilities, personnel and other resources and failure to obtain, delays in obtaining or revocation of obtained governmental authorities' approvals could result in delayed launch of new games, the cancellation of the development of our pipeline games, or the termination of the operation of existing games. Any delays in game releases or problems arising following the commercial release of one or more new online games such as programming errors, or bugs, could negatively impact our business and reputation and could cause our results of operations to be materially different from expectations. If any of these issues occurs, players may stop playing online games on our platform and may be less likely to return to such games as often in the future, which may negatively impact our business.

Our ability to generate revenues from our mobile games could suffer if the mobile games market in mainland China does not develop as anticipated.

The mobile games market in mainland China is highly competitive and continues to evolve rapidly, with developments such as the introduction of new business models, the development of player preferences, the increasing popularity of smartphones, market entry by new competitors and the adoption of new strategies by our competitors. We expect each of these trends to continue, and we must continue to adapt our strategy to successfully compete in this market. There are numerous other technologies and business models in varying stages of development, such as portable tablet computers, cloud games and VR games involving new mobile and AI technologies, which could render certain current technologies or applications obsolete. Accordingly, it is extremely difficult to accurately predict player acceptance and demand for our various existing and potential new mobile game offerings, and the future size, composition and growth of this market. Furthermore, given the rapidly evolving and highly competitive nature of the mobile games market, we cannot predict the price that players will be willing to pay for the virtual items in our mobile games or whether players will have concerns over security, reliability, cost and quality of service associated with mobile games. If market acceptance of our mobile games is different than anticipated, our ability to maintain or increase our revenues and profits could be materially and adversely affected.

Illegal game servers and acts of cheating by users of mobile games could harm our business and reputation and materially and adversely affect our results of operations.

Several of our competitors have reported that certain third parties have misappropriated the source codes of their games and set up illegal game servers and let their customers play such games on illegal servers without paying for the game playing time. While we already have in place numerous internal control measures to protect the source codes of our games from being stolen and to address illegal server usage and, to date, our games have not, to our knowledge, experienced such usage, our preventive measures may not be effective. The misappropriation of our game server installation software and installation of illegal game servers could harm our business and reputation and materially and adversely affect our results of operations.

In addition, acts of cheating by users of mobile games could lessen the popularity of our mobile games and adversely affect our reputation and our results of operations. There have been a number of incidents in previous years where users, through a variety of methods, were able to modify the rules of our mobile games. Although these users did not gain authorized access to our systems, they were able to modify the rules of our mobile games during gameplay in a manner that allowed them to cheat and disadvantage our other mobile game users, which often has the effect of causing players to stop playing the game and shortening the game's lifecycle. Although we have taken a number of steps to deter our users from engaging in cheating when playing our mobile games, we cannot assure you that we or the third parties from whom we license some of our mobile games will be successful or timely in taking steps necessary to prevent users from modifying the rules of our mobile games.

If we suspect a player of installing cheating programs on our mobile games, or of engaging in other types of unauthorized activities, we may freeze that player's game account or even ban the player from logging on to our games and other products. Such activities to regulate the behavior of our users are essential to maintain a fair playing environment for our users. However, if any of our regulatory activities are found to be wrongly implemented, our users may institute legal proceedings against us for damages or claims. Our operation, business and financial performance may be materially and adversely affected as a result.

We rely on third-party logistics services for the fulfillment and delivery relating to the sales of IP derivative products on our platform, and if such third-party logistics service providers fail to provide reliable logistics services, our business and reputation may be materially and adversely affected.

We offer IP derivative merchandise related to the ACG (anime, comics, and games) subculture as well as other areas of popular culture on our platform and generate revenues from sales of these products. We use third-party logistics service providers to fulfill orders generated on our platform. Any interruption to or failure in logistics services could prevent the timely or proper delivery of these products. These interruptions may be due to events that are beyond our control or the control of these third-party logistics service providers, such as pandemic, inclement weather, natural disasters, transportation interruptions or labor unrest or shortage. We may not be able to find alternative logistics service providers to provide logistics services in a timely and reliable manner, or at all, to replace such third-party logistics service providers to the extent necessary. If products sold on our platform are not delivered in proper condition or on a timely basis or at all, our business and reputation would suffer.

We rely upon our partner to deliver our services through smart TV.

In smart TV video streaming market, only a small number of qualified license holders can provide internet audio and visual program service to the TV terminal users via smart TVs, set-top boxes and other electronic products. Most of those license holders are radio or TV stations. Private companies that wish to operate such business need to cooperate with those license holders to legally provide relevant services. We cooperate with a PRC licensed entity for the development of relevant programs and provision of audio-visual program services through private network and targeted communication channels, such as smart TVs. If we are not successful in maintaining existing or creating new relationships, or if we encounter technological, content licensing, regulatory or other impediments to delivering our streaming content to our members via these devices, our ability to grow our business may be adversely impacted.

Many of our products and services contain open source software, content and materials, which may pose particular risks to our proprietary software, products and services in a manner that negatively affects our business.

We use open source software, content and materials, or the Open Source Materials, in our products and services and will use Open Source Materials in the future. There is a risk that the licenses of Open Source Materials could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to provide or distribute our products or services. Additionally, we may face claims from third parties claiming ownership of, or demanding release of, the open-source software or derivative works that we developed using such Open Source Materials. These claims could result in litigation and could require us to make our software source code freely available, purchase a costly license or cease offering the implicated products or services unless and until we can re-engineer them to avoid infringement, which may incur additional costs. This re-engineering process could require significant additional research and development resources, and we may not be able to complete it successfully. In addition, the terms of many open source licenses to which we are subject have not been interpreted by U.S. or foreign courts. There is a risk that open source licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to market or provide our products.

Furthermore, because any software source code we contribute to open-source projects is publicly available, our ability to protect our intellectual property rights with respect to such software source code may be limited or lost entirely. As a result, we may be unable to prevent our competitors or others from using such software source code contributed by us.

Our exposure to these risks may be increased as a result of evolving our core source code base, introducing new content and offerings, integrating AI technologies into our products and services, offering AIGC tools to content creators, advertisers and other stakeholders on our platform, or making other business changes, including in areas where we do not currently compete. Any of the foregoing could adversely impact the value or enforceability of our intellectual property, and materially adversely affect our business, financial condition, and results of operations.

We may not be successful in developing relationships with key participants in the mobile industry or in developing services that operate effectively with these operating systems, networks, devices and standards.

We make our products and services available across a variety of operating systems, mobile devices, personal computers, smart TV and other smart devices. As mobile usage accelerates, we expect to generate a large portion of our business and revenues from mobile. If we fail to provide reliable and user-friendly experiences through mobile devices, or if we are slower than our competitors in developing attractive products and services adaptable for mobile devices, we may fail to capture a significant share or an increasingly important portion of the market or may lose existing users. In addition, even if we are able to retain the increasing number of mobile users, we may not be able to continue to successfully commercialize mobile user traffic in the future.

We depend on the interoperability of our products and services with popular devices, desktop and mobile operating systems and web browsers that we do not control, such as Windows, Mac OS, Android, iOS, and others. Any changes in devices or their systems that degrade the functionality of our products and services or give preferential treatment to competitive products or services could adversely affect usage of our products and services. We may not be successful in developing relationships with key participants in the mobile industry or in developing services that operate effectively with these operating systems, networks, devices and standards. Further, if the number of systems, networks and devices for which we develop our products and services increases, it will result in an increase in our costs and expenses, and adversely affect our gross margin and results of operation.

We face risks associated with our investments.

We have made short-term and long-term investments. Short-term investments primarily include financial products with variable interest rates referenced to performance of underlying assets issued by well-known banks and investments in publicly traded companies with the intention to be sold within twelve months. Our long-term investments primarily consist of (i) investment in companies whose businesses are complementary to ours, including game, anime production and high-technology companies and (ii) financial products with variable interest rates referenced to performance of underlying assets and with original maturities greater than one year.

These investments may earn yields substantially lower than anticipated and the fair value of our investments may fluctuate significantly, which contribute to the uncertainties in valuation. Any failure to realize the benefits we expected from these investments may materially and adversely affect our business and financial results. From time to time, we may also make alternative investments and enter into strategic partnerships or alliances as we see fit to expand our product offerings or business in other countries or regions, which may expose us to additional risks. Also see "—We face various challenges and risks in connection with our expansion into overseas markets."

Any change in securities prices and market conditions could lead to volatility in the fair value of our investments accounted for at fair value, which could further impact our financial condition and results of operations and may also impact our ability to dispose of these investments at favorable prices.

Difficulties in identifying, consummating and integrating acquisitions and strategic alliances and potential impair in connection with our investments or acquisitions may have a material and adverse effect on our business and results of operations.

We have acquired, and may in the future acquire, companies that are complementary to our business. From time to time, we may also make alternative investments and enter into strategic partnerships or alliances as we see.

Past and future acquisitions, partnerships or alliances may expose us to potential risks, including risks associated with:

- the integration of new operations and the retention of customers and personnel;
- significant volatility in our operating profit (loss) due to changes in the fair value of our contingent purchase consideration payable;
- unforeseen or hidden liabilities, including those associated with different business practices;
- the diversion of management's attention and resources from our existing business and technology by acquisition, transition and integration activities;
- failure to achieve synergies with our existing business and generate revenues as anticipated;
- failure of the newly acquired businesses, technologies, services and products to perform as anticipated;
- inability to generate sufficient revenues to offset additional costs and expenses;
- breach or termination of key agreements by the counterparties;
- the costs of acquisitions;
- international operations conducted by some of our subsidiaries;
- any different interpretations on contingent purchase consideration; or
- the potential loss of, or harm to, relationships with both our employees and customers resulting from our integration of new businesses.

Any of the potential risks listed above could have a material and adverse effect on our ability to manage our business and our results of operation. In addition, we cannot be assured the acquired businesses, technologies, services and products from our past acquisitions and any potential transaction will generate sufficient revenue to offset the associated costs or other potential unforeseen adverse effects on our business.

We may incur impairment charges for our intangible assets and goodwill.

Goodwill represents the excess of the purchase consideration over the fair value of the identifiable tangible and intangible assets acquired and liabilities assumed from the acquired entity as a result of our acquisitions of interests in our subsidiaries and consolidated VIEs. We recorded goodwill of RMB2.7 billion, RMB2.7 billion and RMB2.8 billion (US$403.0 million) as of December 31, 2023, 2024 and 2025, respectively.

We are required to test our goodwill for impairment annually or more frequently if events or changes in circumstances indicate that they may be impaired. We may record impairment of goodwill acquired in connection with our acquisitions if the carrying value of our goodwill acquired in connection with our past or future acquisitions are determined to be impaired.

Our intangible assets consist primarily of licensed copyrights of content, license rights of mobile games, and intellectual property and others. Purchased intangible assets are initially recognized and measured at fair value. Intangible assets acquired through business acquisitions are recognized as assets separate from goodwill if they satisfy either the "contractual-legal" or "separability" criterion. Intangible assets are subsequently measured at cost less accumulated amortization and impairment. Intangible assets should be tested for recoverability whenever events or changes in circumstances indicate that the carrying amount of the asset group may not be recoverable. We cannot guarantee that we will not record greater impairment losses of intangible assets in the future. Material impairment of intangible assets could negatively affect our financial condition and results of operations.

We are exposed to risks associated with the development or construction of properties on a parcel of land in Shanghai.

In 2020, we established an entity together with two entities each controlled by Mr. Rui Chen and Ms. Ni Li, and an independent third party to acquire the land use rights for a parcel of land in Shanghai. We hold 30.01% of the shares of this entity. Construction of certain buildings on this parcel of land has commenced and is expected to complete in or around 2026. We may use space in one of the buildings as our office space following the completion of this construction project. See also "Item 4. Information on the Company—Property, Plants and Equipment" and "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Other Related Party Transactions."

This construction project includes risks such as:

- this entity may not be able to obtain construction financing for the development of the construction project on reasonable terms in a timely manner, or at all, and we may consider to provide additional financing to this entity to fund the development or construction;
- construction may not be completed on schedule due to various reasons, such as supply chain issues, increased difficulty for workforce recruitment, disruption to the business operation or financial positions of the construction contractors or other parties on whom we rely, which could result in increased expenses and construction costs, and would result in reduced profitability;
- construction costs may exceed this entity's original estimates due to increases in interest rates and increased material, labor or other costs, possibly making the property less profitable than projected or unprofitable because this entity may not be able to increase rents to compensate for the increase in construction costs;
- occupancy rates and rents at newly completed properties and the time it takes to lease such facilities fully or substantially may not meet this entity's expectations, which may result in lower than projected occupancy and rental rates resulting in an investment that is less profitable than projected or unprofitable;
- claims for construction defects after a property has been developed;
- poor performance or nonperformance by any of our business partners, construction contractors or other third parties on whom we rely;
- health and safety incidents and site accidents; and
- compliance with building codes and other local regulations.

If any of the aforementioned risks were to occur, it could have a substantial negative impact on the construction project's success and result in a material adverse effect on our financial condition or results of operations.

Interruption or failure of our own information technology and communications systems or those of third-party service providers we rely upon, as well as of AI related resources we acquire from third-party suppliers, could impair our ability to provide products and services, which could damage our reputation and harm our results of operations.

Our ability to provide superior user experience on our platform depends on the continuous and reliable operation of our IT systems. We cannot assure you that we will be able to procure sufficient bandwidth in a timely manner or on acceptable terms or at all. Failure to do so may significantly impair user experience on our platform and decrease the overall effectiveness of our platform to users, content providers and advertisers. Our IT systems and proprietary content distribution network are vulnerable to damage or interruption as a result of fires, floods, earthquakes, power losses, telecommunications failures, undetected errors or "bugs" in software, computer viruses, interruptions in access to our platform through the use of "denial of service" or similar attacks, hacking or other attempts to harm our IT systems, and other similar events. Some of our systems are not fully redundant, and our disaster recovery planning does not account for all possible scenarios. Disruptions, failures, unscheduled service interruptions or a decrease in connection speeds could damage our reputation and cause our users, content providers and advertisers to migrate to our competitors' platforms. If we experience frequent or persistent service disruptions, whether caused by failures or security incidents of our own IT systems or those of third-party service providers, business partners or infrastructure providers, our user experience may be negatively affected, which in turn may have a material and adverse effect on our reputation and business. We cannot assure you that we will be successful in minimizing the frequency or duration of service interruptions. As the number of our users increases and our users generate more content on our platform, we may be required to expand and adapt our technology and infrastructure to reliably store and process content. It may become increasingly difficult to maintain and improve the performance of our platform, especially during peak usage times, as our services become more complex and our user traffic increases.

Our servers, which are hosted at third-party internet data centers, are vulnerable to break-ins, sabotage and vandalism. The occurrence of natural disasters or closure of an internet data center by a third-party provider without adequate notice could result in lengthy service interruptions. In addition, our domain names are resolved into internet protocol (IP) addresses by systems of third-party domain name registrars and registries. Any interruptions or failures of those service providers' systems, which are beyond our control, could significantly disrupt our own services. If we experience frequent or persistent system failures on our platform, whether due to interruptions and failures of our own information technology and communications systems or those of third-party service providers that we rely upon, our reputation and brand could be severely harmed. The steps we take to increase the reliability and redundancy of our systems may cause us to incur heavy costs and reduce our operating margin, and may not be successful in reducing the frequency or duration of service interruptions. We have integrated AI across our content offering, optimized content recommendation and commercial algorithms with AI, provided AIGC tools to content creators and advertisers on our platform, and may make significant payment to acquire AI relevant resources from third-party suppliers in the future. We rely on these suppliers to provide consistent and reliable cloud services and other resources necessary for our AI initiatives. Any failure of these suppliers to provide such resources, or a failure to replace any such supplier at a reasonable cost, could result in financial losses and may have a material adverse effect on our business and operations.

Undetected programming errors or flaws or failure to maintain effective customer service could harm our reputation or decrease market acceptance of our products and services, which would materially and adversely affect our results of operations.

The video programs on our platform may contain programming errors that may only become apparent after their release. We generally have been able to resolve such flaws and errors. However, we cannot assure you that we will be able to detect and resolve all these programming errors effectively. Undetected programming errors could adversely affect our user experience and market acceptance.

Our software has contained, and may now or in the future contain, errors, bugs or vulnerabilities. Any errors, bugs or vulnerabilities discovered in our code after release could result in damage to our reputation, loss of users, loss of content providers, loss of revenue or liability for damages, any of which could adversely affect our business and operating results.

We utilize payment collection channels to collect proceeds from our paying users' purchases. Any failure by those payment collection channels to process payments effectively and securely may materially and adversely affect our revenue realization and brand recognition.

We depend on the billing and payment systems of third parties such as online third-party payment processors to maintain accurate records of payments of sales proceeds by paying users and collect such payments. We receive periodic statements from these third parties which indicate the aggregate amount of fees that were charged to paying users of our products and services. Our business and results of operations could be adversely affected if these third parties fail to accurately account for or calculate the revenues generated from the sales of our products and services. If there are security breaches or failure or errors in the payment process of these third parties, user experience may be affected and our business results may be negatively impacted.

Failure to timely collect our receivables from third parties whose billing and payment systems we use and third-party payment processors may adversely affect our cash flows. Our third-party payment processors may from time to time experience cash flow difficulties. Consequently, they may delay their payments to us or fail to pay us at all. Any delay in payment or inability of current or potential third-party payment processors to pay us may significantly harm our cash flow and results of operations.

We also do not have control over the security measures of our third-party payment service providers, and security breaches of the online payment systems that we use could expose us to litigation and possible liability for failing to secure confidential customer information and could, among other things, damage our reputation and the perceived security of all of the online payment systems that we use. If a well-publicized internet security breach were to occur, users concerned about the security of their online payments may become reluctant to purchase our products through payment service providers even if the publicized breach did not involve payment systems or methods we used. In addition, billing software errors could damage user confidence in these payment systems. If any of the above were to occur and damage our reputation or the perceived security of the payment systems we use, we may lose paying users as they may be discouraged from purchasing products or services on our platform, which may have an adverse effect on our business and results of operations.

Our success depends on the efforts of our key employees, including our senior management members and other technology personnel. If we fail to hire, retain and motivate our key employees, our business may suffer.

We depend on the continued contributions of our senior management and other key employees, many of whom are difficult to replace. The loss of the services of any of our executive officers or other key employees could harm our business. Competition for qualified talent in mainland China is intense, particularly in the internet and technology industries. Our future success depends on our ability to attract a large number of qualified employees and retain existing key employees. If we are unable to do so, our business and growth may be materially and adversely affected and the trading prices of our listed securities could suffer. Our need to obtain qualified employees and retain key employees may cause us to increase compensation-related costs, including stock-based compensation.

If we are deemed an "investment company" under the Investment Company Act of 1940, it could adversely affect the price of the ADSs, could constrain our future activities, and could materially and adversely affect our business, results of operations, and financial condition.

We do not believe that we are an "investment company" and we do not intend to become registered as an "investment company" under the U.S. Investment Company Act of 1940, or the 1940 Act. Certain of our assets and other future holdings may be deemed to be "investment securities" within the meaning of the 1940 Act. Under the 1940 Act, a company is deemed to be an "investment company" if it is engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting, owning, holding, or trading in securities. On a consolidated basis, a significant portion of our present assets as of December 31, 2025 consists of time deposits and short-term investments held for cash management purposes, which may be deemed to be "investment securities" within the meaning of 1940 Act. However, we do not hold ourselves out as being primarily engaged, or proposing to engage primarily, in the business of investing, reinvesting or trading in securities. Rather, we are primarily engaged in the business of building a leading video community for young generations in China.

We seek to conduct our operations so that we do not meet the definition of "investment company" under the 1940 Act. Doing so may require us to forego potential future acquisitions of interests in companies that may be deemed to be "investment securities" within the meaning of the 1940 Act. If we are unable to structure or operate our business in a manner that avoids investment company status under the 1940 Act, we may be deemed to be an investment company within the meaning of the 1940 Act. As a foreign private issuer, we would not be eligible to register under the 1940 Act unless the SEC issued an order permitting us to do so. As a result, if we are deemed to be an investment company within the meaning of the 1940 Act, we would either have to obtain exemptive relief from the SEC or dispose of investment securities in order to fall outside the definition of an investment company. Failure to avoid being deemed an investment company under the 1940 Act, coupled with our inability as a foreign private issuer to register under the 1940 Act, could make us unable to comply with our reporting obligations as a public company in the United States and lead to our being delisted from the Nasdaq Global Select Market, which would materially and adversely affect the liquidity and value of the ADSs. We would also be unable to raise capital through the sale of securities in the United States or to conduct business in the United States. In addition, we may be subject to SEC enforcement action or purported class action lawsuits for alleged violations of U.S. securities laws. Defending ourselves against any such enforcement action or lawsuits would require significant attention from our management and divert resources from our existing businesses and could materially and adversely affect our business, results of operations, and financial condition.

Our indebtedness could adversely affect our financial condition and our ability to obtain additional capital on reasonable terms when necessary.

As of December 31, 2025, we have short-term loans and current portion of long-term debt of RMB4.9 billion (US$695.1 million) in aggregate. We were in compliance with all of the loan covenants as of December 31, 2025. For additional information, see "Notes to Consolidated Financial Statements—Note 12. Short-Term Loan and Current Portion of Long-Term Debt" and "—Note 14. Long-Term Debt" of our audited consolidated financial statements included elsewhere in this annual report.

We may incur additional indebtedness in the future. Our current and future debt requires us to dedicate a portion of our cash flow to service interest and principal payments and may limit our ability to engage in other transactions. Our ability to pay interest and repay the principal for our indebtedness is dependent upon our ability to manage our business operations, generate sufficient cash flows, raise additional capital and the other factors discussed in this section. There can be no assurance that we will be able to manage any of these risks successfully.

Certain of our outstanding indebtedness include financial and other covenants. We are in compliance with the applicable financial covenants with respect to certain financial metrics as of December 31, 2025. If we fail to comply with these covenants in the future and are unable to remedy or obtain a waiver or amendment, an event of default would occur. If an event of default were to occur, the lenders could, among other things, declare outstanding amounts due and payable. If the payment of any of our indebtedness is accelerated, we may be required to renegotiate, repay or refinance these obligations and may not have sufficient funds available to repay it, and our liquidity and financial position would be materially and adversely affected.

We may require additional capital to support our business growth or to respond to business opportunities, challenges or unforeseen circumstances. Our ability to obtain additional capital, if and when required, will depend on our business plans, investor demand, our operating performance, the condition of the capital markets, including the general market conditions for financing activities by internet companies, economic, political and other conditions in the PRC and elsewhere, and other factors. Our indebtedness may limit our ability to borrow additional funds. We may have difficulty incurring new debt on terms that we would consider to be commercially reasonable.

In addition, we may also need to refinance a portion or all of our outstanding debt as it matures. We may not be able to refinance existing debt or that the terms of any refinancing may not be as favorable as the terms of our existing debt. Our ability to repay our indebtedness may be limited by law, by regulatory authority or by agreements governing our and/or our subsidiaries' current or future indebtedness. We derive most of our revenues from, and hold most of our assets through, our subsidiaries. As a result, we may rely in part upon distributions and advances from our subsidiaries in order to help us meet our payment obligations. Our subsidiaries are distinct legal entities and do not have any obligation (legal or otherwise) to provide us with distributions or advances. We may face tax or other adverse consequences, or legal limitations, on our ability to obtain funds from these entities.

We hold a portion of our cash and cash equivalents that we use to meet our working capital and operating expense needs in deposit accounts, and our liquidity and operations could be adversely affected if a financial institution holding such funds fails.

We hold a portion of our cash and cash equivalents that we use to meet our working capital and operating expense needs in deposit accounts at multiple financial institutions. If any of those financial institutions were to fail, we cannot provide any assurances that the applicable governmental agencies would take action to protect our uninsured deposits or make deposits available in a similar manner.

We also maintain investment accounts with one or more financial institutions in which we hold our investments and, if access to the funds we use for working capital and operating expenses is impaired, we may not be able to open new operating accounts or to sell investments or transfer funds from our investment accounts to new operating accounts on a timely basis sufficient to meet our operating expense obligations. In addition, to the extent that the financial institutions with which we hold securities fail or are associated with banks that fail, there may be delays or other access restrictions with respect to such securities, similar to those described above for deposit accounts.

We have granted, and may continue to grant, options, restricted share units and other types of awards under our share incentive plans, which may result in increased share-based compensation expenses.

We adopted a global share incentive plan in 2014 (terminated in 2022, whereas awards outstanding at the time of termination survived the termination), a share incentive plan in 2018 (as amended in 2020, 2022 and 2024) and a share incentive plan in 2024, which we refer to as the Global Share Plan, the 2018 Plan and the 2024 Plan, respectively, in this annual report, for the purpose of granting share-based compensation awards to employees, directors and consultants to incentivize their performance and align their interests with ours. We recognize expenses in our consolidated financial statements in accordance with U.S. GAAP. Under the 2018 Plan and the 2024 Plan, we are authorized to grant options, restricted share units, and other types of awards. As of March 31, 2026, awards to purchase 29,519,829 ordinary shares under the Global Share Plan, the 2018 Plan and the 2024 Plan have been granted and remained outstanding, excluding awards that were forfeited or cancelled after the relevant grant dates. We recognize share-based compensation expenses in our consolidated financial statements in connection with these grants and may continue to incur such expenses in the future. As of December 31, 2025, our unrecognized share-based compensation expenses relating to unvested awards amounted to RMB2.5 billion (US$363.5 million), adjusted for estimated forfeitures.

If we fail to maintain an effective system of internal control over financial reporting, we may lose investor confidence in the reliability of our financial statements which in turn could negatively impact the trading prices of our shares and/or ADSs or otherwise harm our reputation.

The SEC, as required under Section 404 of the Sarbanes-Oxley Act of 2002, adopted rules requiring public companies to include a report of management on the effectiveness of such companies' internal control over financial reporting in their respective annual reports. In addition, an independent registered public accounting firm for a public company must attest to and report on the effectiveness of the company's internal control over financial reporting.

Our management has concluded that our internal control over financial reporting was effective as of December 31, 2025. See "Item 15. Controls and Procedures." Our independent registered public accounting firm has issued an attestation report, which has concluded that our internal control over financial reporting was effective in all material aspects as of December 31, 2025. However, if we fail to implement and maintain an effective system of internal control over financial reporting in the future, our management and our independent registered public accounting firm may not be able to conclude that we have effective internal control over financial reporting at a reasonable assurance level. Any failure to implement and maintain an effective system of internal control over financial reporting could also cause us to suffer material misstatements in our consolidated financial statements and fail to meet our reporting obligations, which would likely cause investors to lose confidence in our reported financial information. This could in turn limit our access to capital markets, harm our results of operations, and lead to a decline in the trading prices of our listed securities. Additionally, ineffective internal control over financial reporting could expose us to increased risk of fraud or misuse of corporate assets and subject us to potential delisting from the stock exchange on which we list, regulatory investigations and civil or criminal sanction. Furthermore, we have incurred and anticipate that we will continue to incur considerable costs, management time and other resources in an effort to comply with Section 404 of the Sarbanes-Oxley Act and other requirements.

We rely on certain key operating metrics to evaluate the performance of our business, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business.

We rely on certain key operating metrics to evaluate the performance of our business. Our operating metrics may differ from estimates published by third parties or from similarly titled metrics used by other companies due to differences in methodology and assumptions. We calculate these operating metrics using internal company data that have not been independently verified. If we discover material inaccuracies in the operating metrics we use, or if they are perceived to be inaccurate, our reputation may be harmed and our evaluation methods and results may be impaired, which could negatively affect our business. If investors make investment decisions based on operating metrics we disclosed that are inaccurate, we may also face potential lawsuits or disputes.

We do not have any business insurance coverage.

The insurance industry in mainland China is still in an early stage of development, and insurance companies in mainland China currently offer limited business-related insurance products. We do not maintain business interruption insurance or general third-party liability insurance, nor do we maintain property insurance, product liability insurance or key-man insurance. We consider this practice to be reasonable in light of the nature of our business and the insurance products that are available in mainland China and in line with the practices of other companies in the same industry of similar size in mainland China. Any uninsured risks may result in substantial costs and the diversion of resources, which could adversely affect our results of operations and financial condition.

We face various challenges and risks in connection with our expansion into overseas markets.

As we expand our global and cross-border businesses into more overseas markets, we will face risks associated with expanding into markets in which we have limited or no experience and in which we may be less well-known. We may be unable to attract a sufficient number of users, customers or business partners, fail to anticipate competitive conditions or face difficulties in operating effectively in these new markets. The expansion of our overseas and cross-border businesses will also expose us to risks inherent in operating businesses globally, including, but not limited to:

- international geopolitical tensions and events, political instability and general economic or political conditions in particular countries or regions;
- compliance challenges due to the different laws and regulatory environments of the jurisdictions where we operate, including, but not limited to those related to content regulation, data privacy and protection, network security, intellectual property protection, children's privacy and protection, consumer protection, trade protection (including import and export control, custom duties, customs and tariffs), product liability, online payments and money transmission, funds transfer, currency exchange controls, marketing and advertising, employment and labor, trust and safety, supply chain compliance, competition, and other protectionist policies;
- compliance challenges under different tax regimes and policies in jurisdictions where we operate;
- compliance challenges arising from conflicts in the laws, rules, regulations, policies and orders of different jurisdictions;
- potential damage to our brands and reputation due to compliance with local laws, including requirements to censor content or requirements to provide user information to local authorities;
- lack of acceptance of the product and service offerings on our platform and adverse publicity about us;
- local and regional competition and adaption to different industry practices;
- inability to recruit international and local talent and deal with challenges in replicating or adapting our company policies and procedures to operating environments different than those of China;
- challenges and increased expenses associated with staffing and managing global and cross-border operations and managing an organization spread over multiple jurisdictions;
- litigations, arbitrations, government actions, restrictions, policies, or legal proceedings against us;

- challenges caused by distance, language and cultural differences and impact of natural disasters or health epidemics;
- increased costs to protect the security and stability of our information technology systems, intellectual property and personal data, including compliance costs related to data localization laws, data protection laws and privacy laws;
- availability and reliability of global and cross-border payment systems and logistics infrastructure; and
- exchange rate fluctuations.

As we expand further into new counties, regions and markets, these risks could intensify, and efforts we make to expand our global and cross-border businesses and operations may not be successful. Failure to successfully expand globally and manage the complexity of our global operations could materially and adversely affect our business, financial condition and results of operations. These risks may differ from those associated with doing business in the PRC. For a detailed discussion of the risks related to operations in the PRC, both generally and specifically, please refer to the risk factors set out under "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China."

Transactions conducted through our global and cross-border platforms may be subject to different customs, taxes and rules and regulations, and we may be adversely affected by the complexity of and developments in customs, foreign exchange and import/export laws, rules and regulations in mainland China and other jurisdictions. In addition, changes to trade policies, treaties and tariffs in the jurisdictions in which we operate, or the perception that these changes could occur, could adversely affect our global and cross-border operations, our financial condition and results of operations.

Our ability to conduct business in international markets may be adversely affected by legal, regulatory and other risks.

International expansion of our platform and offerings is a part of our growth strategy and may subject us to additional risks and challenges, including, but not limited to, challenges in formulating effective local sales and marketing strategies targeting users from various jurisdictions and cultures, who have a diverse range of preferences and demands; challenges in achieving sufficient brand recognition as compared with our home market in China; challenges in identifying appropriate local business partners and establishing and maintaining good working relationships with them; exposure to different tax jurisdictions that may subject us to greater fluctuations in our effective tax rate and potentially adverse tax consequence; and risks of increased costs associated with doing business in foreign jurisdictions, including burdens of complying with a wide variety of local laws and regulations. If we fail to address any of these risks and challenges associated with our international expansion, our reputation, business and results of operations may be adversely affected.

We are subject to changing laws and regulations regarding regulatory matters, corporate governance and public disclosure that have increased both our costs and the risk of non-compliance.

We are subject to rules and regulations by various governing bodies, including, for example, the Securities and Exchange Commission, which is charged with the protection of investors and the oversight of companies whose securities are publicly traded, the Securities and Futures Commission of Hong Kong, which is in charge of regulating Hong Kong's securities and futures markets, and the various regulatory authorities in mainland China, Hong Kong and the Cayman Islands, and to new and evolving regulatory measures under applicable laws. Our efforts to comply with new and changing laws and regulations have resulted in and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

Moreover, because these laws, regulations and standards are subject to varying interpretations, their application in practice may evolve over time as new guidance becomes available. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices. If we fail to address and comply with these regulations and any subsequent changes, we may be subject to penalty and our business may be harmed.

A severe or prolonged downturn in the Chinese or global economy, any adverse policy change targeting China or protracted geopolitical tension between China and other countries, any financial or economic crisis, or perceived threat of such a crisis, could materially and adversely affect our business and financial condition.

The Chinese and global macroeconomic environment faces numerous challenges. The growth rate of the Chinese economy has been slowing since 2010 and the Chinese population began to decline in 2022. Heightened geopolitical tensions in various regions of the world may have negative effects to the global economy. In particular, there are significant uncertainties associated with the future relationship between the United States and China with respect to a wide range of issues including investment policies, trade policies, treaties, government regulations and tariffs. The U.S. government has taken actions that have impacted, and may continue to impact, companies like us with a substantial presence in China. A non-exhaustive list of such actions includes legislative measures aiming to prohibit or restrict U.S. investment in China-based companies that operates in certain industries, sanctions or trade restrictions targeting China, increased tariffs on imports from China, or ban or enhanced review of transactions with, or inbound investments from, China-based companies. China has responded by taking a series of measures such as implementing retaliatory tariffs, trade barriers, and other regulatory actions, and new measures may be adopted from time to time. The tensions between the United States and China in recent years have led to additional, or higher tariffs imposed by the United States on products imported from China and restrictions on the sale of certain products into the United States. China has responded by imposing, and proposing to impose additional, or higher tariffs on products imported from the United States, among other measures. In addition, on May 2, 2025, certain members of the U.S. House Select Committee on the CCP and the Senate Special Committee on Aging sent a joint letter to the SEC urging the SEC to consider delisting certain China-based issuers, and our company was named as an example Any tension between these two countries may escalate, potentially disrupting cross-border commerce, capital flows, and investor sentiment, leading to increased compliance costs, operational disruptions, and constraints on our access to capital markets. Economic conditions in China are sensitive to global economic conditions, as well as changes in domestic economic and political policies and the expected or perceived overall economic growth rate in China. In addition, regional conflicts, such as the Russia-Ukraine conflict and the unstable situations in the Middle East and the Strait of Hormuz, have heightened geopolitical tensions across the world, which may create disruptions and uncertainties to oil prices, inflation, the international finance market and the global economy. Any severe or prolonged slowdown in the Chinese or global economy may materially and adversely affect our business, results of operations and financial condition. In addition, if our securities are prohibited from trading in the United States, or threatened with such a prohibition, the risk and uncertainty associated with delisting would have a negative impact on the price of our Class Z ordinary shares, ADSs and/or our notes. Also, such a prohibition or any threat thereof could significantly affect our ability to raise capital on terms acceptable to us, or at all, which would have a material adverse impact on our business, financial condition, and prospects. A delisting could also impact our obligations under our existing contracts. Although our Class Z ordinary shares have been listed on the Hong Kong Stock Exchange and the ADSs and the Class Z ordinary shares are fully fungible, we cannot assure you that an active trading market for our Class Z ordinary shares on the Hong Kong Stock Exchange will be sustained or that the ADSs can be converted and traded with sufficient market recognition and liquidity, if our shares and ADSs are prohibited from trading in the United States.

On October 28, 2024, the U.S. Department of the Treasury issued a final rule on outbound investment, or the Outbound Investment Rule, to implement the executive order of August 9, 2023 which became effective on January 2, 2025. The Outbound Investment Rule imposes investment prohibition and notification requirements on U.S. persons for a wide range of investments in entities associated with China (including Hong Kong and Macau), collectively defined as "Covered Foreign Persons," that are engaged in activities relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence systems. U.S. persons subject to the Outbound Investment Rule are prohibited from making, or required to report, certain investments in Covered Foreign Persons, which are defined as "covered transactions." Additionally, on February 21, 2025, the White House released President Trump's "America First Investment Policy" memorandum, outlining several initiatives to incentivize investment from U.S. allies and partners while restricting investments involving "foreign adversaries" including China. Among other things, the policy aims to expand the industry sectors covered by the U.S. outbound investment regulations and supplement outbound restrictions through the imposition of sanctions. As of the date of this annual report, the proposed changes under the America First Investment Policy are not implemented, although the proposed restrictions may further deepen the uncertainties for cross-border collaborations, investments, and financing opportunities of China-based issuers including us. Furthermore, on December 18, 2025, the Comprehensive Outbound Investment National Security Act of 2025, or the COINS Act, was enacted as part of the National Defense Authorization Act for Fiscal Year 2026. The COINS Act largely preserves the core framework of the Outbound Investment Rule, while expanding its scope and coverage in certain respects. The COINS Act will not become effective until the U.S. Department of the Treasury issues implementing regulations, which must be promulgated through notice-and-comment rulemaking and no later than March 13, 2027. Accordingly, the Treasury may amend, expand or otherwise modify existing outbound investment prohibitions and restrictions pursuant to the COINS Act. We believe Bilibili Inc. is not a "Covered Foreign Person" as defined in the Outbound Investment Rule. However, if we were to be deemed a Covered Foreign Person due to changes in our business operations or amendments to relevant laws and regulations, our ability to raise capital would be significantly and negatively affected. In such case, the trading prices of our securities, including the Class Z ordinary shares, ADSs and the convertible notes may be materially and adversely affected and the value of our securities may decline significantly.

We face risks related to natural disasters and health epidemics.

Our business could be adversely affected by natural disasters, health epidemics, or other public safety concerns affecting the PRC, and particularly Shanghai. Natural disasters, such as severe weather conditions, a snowstorm, flood or hazardous air pollution, or other outbreaks, to server interruptions, breakdowns, system failures, website or app failures or internet failures, which could cause the loss or corruption of data or malfunctions of software or hardware, as well as adversely affecting our ability to operate our website or apps and provide services and solutions. Our business could also be adversely affected if our employees are affected by health epidemics, such as outbreaks of diseases. In addition, our results of operations could be adversely affected to the extent that any health epidemic harms the Chinese economy in general. Our headquarters are located in mainland China, where most of our directors and management and many of our employees currently reside. Most of our system hardware and back-up systems are hosted in facilities located in mainland China. Consequently, if any natural disasters, health epidemics or other public safety concerns were to affect mainland China, our operation may experience material disruptions, which may materially and adversely affect our business, financial condition and results of operations.

Any failure to comply with PRC property laws and relevant regulations regarding certain of our leased premises may materially and adversely affect our business, financial condition, results of operations and prospects.

We have not registered our lease agreements with the relevant government authorities. Under the relevant PRC laws and regulations, we may be required to register and file with the relevant government authority executed leases. The failure to register the lease agreements for our leased properties will not affect the validity of these lease agreements, but the competent housing authorities may order us to register the lease agreements in a prescribed period of time and impose a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease if we fail to complete the registration within the prescribed timeframe.

Risks Related to Our Corporate Structure

If the PRC government finds that the agreements that establish the structure for operating our businesses in mainland China do not comply with PRC regulations on foreign investment in internet and other related businesses, or if these regulations or their interpretations change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations.

PRC laws and regulations impose certain restrictions or prohibitions on foreign ownership of companies that engage in internet and other related businesses, including the provision of internet content and online game operations. For example, the internet cultural business (except for music), the internet audio-visual program business, the radio and television program production and operation business, and the production of audio-visual products and/or electronic publications remain as prohibited areas for foreign investment. Specifically, foreign ownership of a commercial internet information services provider may not exceed 50%. We are a company registered in the Cayman Islands and our WFOE is considered a foreign-invested enterprise. To comply with PRC laws and regulations, we conduct our business in mainland China mainly through the VIEs and their respective subsidiaries, based on a series of contractual arrangements by and among our wholly owned subsidiaries in mainland China (our WFOEs), the VIEs, and their shareholders, as applicable. As a result of these contractual arrangements, we exert control over the Consolidated Affiliated Entities and consolidate their financial results in our financial statements under U.S. GAAP. The Consolidated Affiliated Entities hold the licenses, approvals and key assets that are essential for our operations.

In the opinion of our PRC counsel, Jingtian & Gongcheng, based on its understanding of the relevant PRC laws and regulations, except as disclosed in this annual report, each of the contracts among our WFOEs, the VIEs and their shareholders is valid, binding and enforceable in accordance with its terms.

However, Bilibili is a Cayman Islands holding company with no equity ownership in the VIEs and conducts its operations primarily through its PRC subsidiaries, VIEs and their subsidiaries in mainland China. Investors in Bilibili's ADSs or the Class Z ordinary shares thus are not purchasing equity interest in the VIEs in mainland China but instead are purchasing equity interest in a Cayman Islands holding company. If the PRC government deems that our contractual arrangements with the VIEs do not comply with PRC regulatory restrictions on foreign investment in the relevant industries, or if these regulations or their interpretations change or are interpreted differently in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations. We may not be able to repay our indebtedness, and our shares may decline in value or become worthless, if we are unable to assert our contractual control rights over the assets of the VIEs, which contribute to 64.8% of our revenues in 2025. Bilibili, its PRC subsidiaries and the VIEs, and investors of Bilibili face uncertainty about potential future actions by the PRC government that could affect the enforceability of the contractual arrangements with the VIEs and, consequently, significantly affect the financial performance of the VIEs and our company as a group.

We have been further advised by our PRC counsel, Jingtian & Gongcheng, that there are uncertainties regarding the interpretation and application of current or future PRC laws and regulations. Thus, we cannot assure you that the PRC government would agree that our contractual arrangements comply with PRC licensing, registration or other regulatory requirements, with existing policies or with requirements or policies that may be adopted in the future. The PRC government may ultimately take a view contrary to the opinion of our PRC counsel. If we are found in violation of any PRC laws or regulations or if the contractual arrangements among our WFOEs, the VIEs and their shareholders are determined as illegal or invalid by the PRC court, arbitral tribunal or regulatory authorities, the relevant governmental authorities would have broad discretion in dealing with such violation, including, without limitation:

- revoking the business licenses and/or operating licenses of such entities;
- imposing fines on us;
- confiscating any of our income that they deem to be obtained through illegal operations;
- discontinuing or placing restrictions or onerous conditions on our operations;
- placing restrictions on our right to collect revenues;
- shutting down our servers or blocking our app/websites;
- requiring us to restructure the operations in such a way as to compel us to establish a new enterprise, re-apply for the necessary licenses or relocate our businesses, staff and assets;
- imposing additional conditions or requirements with which we may not be able to comply; or
- taking other regulatory or enforcement actions against us that could be harmful to our business.

The imposition of any of these penalties may result in a material and adverse effect on our ability to conduct our business operations. In addition, if the imposition of any of these penalties causes us to lose the rights to direct the activities of the Consolidated Affiliated Entities or the right to receive their economic benefits, we would no longer be able to consolidate their financial results in accordance with U.S. GAAP, which would have a material adverse effect on our operations and result in the value of the securities diminishing substantially. Our shares may decline in value if we are unable to assert our contractual control rights over the assets of our PRC subsidiaries and the VIEs that conduct all or substantially all of our operations. Bilibili, its PRC subsidiaries and the VIEs and investors of Bilibili face uncertainty about potential future actions by the PRC government that could affect the enforceability of the contractual arrangements with the VIEs and, consequently, significantly affect the financial performance of the VIEs and our company as a group.

Although we believe we, our PRC subsidiaries and the VIEs comply with current PRC laws and regulations, we cannot assure you that the PRC government would agree that our contractual arrangements comply with PRC licensing, registration or other regulatory requirements, with existing policies or with requirements or policies that may be adopted in the future. The PRC government has broad discretion in determining rectifiable or punitive measures for non-compliance with or violations of PRC laws and regulations. If the PRC government determines that we or the VIEs do not comply with applicable law, it could revoke the VIEs' business and operating licenses, require the VIEs to discontinue or restrict the VIEs' operations, restrict the VIEs' right to collect revenues, block the VIEs' websites, require the VIEs to restructure our operations, impose additional conditions or requirements with which the VIEs may not be able to comply, impose restrictions on the VIEs' business operations or on their customers, or take other regulatory or enforcement actions against the VIEs that could be harmful to their business. Any of these or similar occurrences could significantly disrupt our or the VIEs' business operations or restrict the VIEs from conducting a substantial portion of their business operations, which could materially and adversely affect the VIEs' business, financial condition and results of operations. If any of these occurrences results in our inability to direct the activities of any of the VIEs that most significantly impact its economic performance, and/or our failure to receive the economic benefits from any of the VIEs, we may not be able to consolidate these entities in our consolidated financial statements in accordance with U.S. GAAP.

We rely on contractual arrangements with the VIEs and their shareholders for our operations in mainland China, which may not be as effective in providing operational control as direct ownership.

Due to PRC restrictions or prohibitions on foreign ownership of internet and other related businesses in mainland China, we operate our business in mainland China through the VIEs and their subsidiaries, in which we have no ownership interest. We rely on a series of contractual arrangements with the VIEs and their shareholders, as applicable, including the powers of attorney, to control and operate business of the Consolidated Affiliated Entities. These contractual arrangements are intended to provide us with effective control over the Consolidated Affiliated Entities and allow us to obtain economic benefits from them. See "Item 4. Information on the Company—C. Organizational Structure" for more details about these contractual arrangements. In particular, our ability to control the Consolidated Affiliated Entities depends on the powers of attorney, pursuant to which our WFOEs can vote on all matters requiring shareholder approval in the VIEs. We believe these powers of attorney are legally enforceable but may not be as effective as direct equity ownership.

Although we have been advised by our PRC counsel, Jingtian & Gongcheng, that except as disclosed in this annual report, each of the contracts among our WFOEs, the VIEs and their shareholders is valid, binding and enforceable under existing PRC laws and regulations, these contractual arrangements may not be as effective in providing control over the VIEs and their subsidiaries as direct ownership. If the VIEs or their shareholders fail to perform their respective obligations under the contractual arrangements, we may incur substantial costs and expend substantial resources to enforce our rights. These contractual arrangements are governed by and interpreted in accordance with PRC law, and disputes arising from these contractual arrangements will be resolved through arbitration in mainland China. However, the legal system in mainland China, particularly as it relates to arbitration proceedings, is not as developed as the legal system in many other jurisdictions, such as the United States. See "—Risks Related to Doing Business in China—Uncertainties in the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us." There are very few precedents and little official guidance as to how contractual arrangements in the context of a VIE should be interpreted or enforced under PRC law. There remain significant uncertainties regarding the ultimate outcome of arbitration should legal action become necessary.

These uncertainties could limit our ability to enforce these contractual arrangements. In addition, arbitration awards are final and can only be enforced in PRC courts through arbitration award recognition proceedings, which could cause additional expenses and delays. In the event we are unable to enforce these contractual arrangements or we experience significant delays or other obstacles in the process of enforcing these contractual arrangements, we may not be able to exert effective control over the VIEs and may lose control over the assets owned by the VIEs. As a result, we may be unable to consolidate the financial results of such entities in our consolidated financial statements, our ability to conduct our business and repay our indebtedness may be negatively affected, and our operations could be severely disrupted, which could materially and adversely affect our results of operations and financial condition.

We may lose the ability to use and enjoy assets held by the VIEs and their subsidiaries that are important to our business if the VIEs and their subsidiaries declare bankruptcy or become subject to a dissolution or liquidation proceeding.

The VIEs hold certain licenses that are important to our operations, including the Value-added Telecommunication Business Licenses, a License for Online Transmission of Audio-Visual Programs, Online Culture Operating Permits and Licenses for Production and Operation of Radio and Television Programs. For more detailed information, see "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—If we fail to obtain and maintain the licenses and approvals required within the complex regulatory environment applicable to our businesses in mainland China, or if we are required to take compliance actions that are time-consuming or costly, our business, financial condition and results of operations may be materially and adversely affected." Under our contractual arrangements, the shareholders of the VIEs may not voluntarily liquidate the VIEs or approve them to sell, transfer, mortgage or dispose of their assets or legal or beneficial interests exceeding certain threshold in the business in any manner without our prior consent. However, in the event that the shareholders breach this obligation and voluntarily liquidate the VIEs, or the VIEs declare bankruptcy, or all or part of their assets become subject to liens or rights of third-party creditors, we may be unable to continue some or all of our operations, which could materially and adversely affect our business, financial condition and results of operations. Furthermore, if the VIEs or their subsidiaries undergo a voluntary or involuntary liquidation proceeding, their shareholders or unrelated third-party creditors may claim rights to some or all of its assets, hindering our ability to operate our business, which could materially and adversely affect our business, financial condition and results of operations.

Contractual arrangements we have entered into with the VIEs may be subject to scrutiny by the PRC tax authorities. A finding that we owe additional taxes could negatively affect our financial condition and the value of your investment.

Pursuant to applicable PRC laws and regulations, arrangements and transactions among related parties may be subject to audit or challenge by PRC tax authorities. We may be subject to adverse tax consequences if the PRC tax authorities determine that the contractual arrangements among our WFOE, the VIEs and their shareholders are not on an arm's-length basis and therefore constitute favorable transfer pricing. As a result, the PRC tax authorities could require that the VIEs adjust their taxable income upward for PRC tax purposes. Such an adjustment could increase the VIEs' tax expenses without reducing the tax expenses of our WFOE, subject the VIEs to late payment fees and other penalties for under-payment of taxes, and result in the loss of any preferential tax treatment our WFOE may have. As a result, our consolidated results of operations may be adversely affected.

If the chops of our PRC subsidiaries, the VIEs and their subsidiaries, are not kept safely, are stolen or are used by unauthorized persons or for unauthorized purposes, the corporate governance of these entities could be severely and adversely compromised.

In mainland China, a company chop or seal serves as the legal representation of the company towards third parties even when unaccompanied by a signature. Each legally registered company in mainland China is required to maintain a company chop, which must be registered with the local Public Security Bureau. In addition to this mandatory company chop, companies may have several other chops which can be used for specific purposes. The chops of our PRC subsidiaries, the VIEs and their subsidiaries are generally held securely by personnel we designated or approved in accordance with our internal control procedures. To the extent those chops are not kept safe, are stolen or are used by unauthorized persons or for unauthorized purposes, the corporate governance of these entities could be severely and adversely compromised and those corporate entities may be bound to abide by the terms of any documents so chopped, even if they were chopped by an individual who lacked the requisite power and authority to do so.

The shareholders of the VIEs may have potential conflicts of interest with us, which may materially and adversely affect our business.

The shareholders of the VIEs include Mr. Rui Chen, Ms. Ni Li and Mr. Yi Xu, who are also Bilibili's shareholders, and, in some cases are Bilibili's directors or officers. Conflicts of interest may arise between the roles of them as shareholders, directors or officers of Bilibili and as shareholders of the VIEs. For individuals who are also Bilibili's directors and officers, we rely on them to abide by the laws of the Cayman Islands, which provide that directors and officers owe a fiduciary duty to act in good faith and in the best interest of Bilibili and not to use their positions for personal gain. The shareholders of the VIEs have executed powers of attorney to appoint our WFOEs or a person designated by our WFOEs to vote on their behalf and exercise voting rights as shareholders of the VIEs. We cannot assure you that when conflicts arise, these shareholders will act in the best interest of Bilibili or that conflicts will be resolved in our favor. If we cannot resolve any conflicts of interest or disputes between us and these shareholders, we would have to rely on legal proceedings, which may be expensive, time-consuming and disruptive to our operations. There is also substantial uncertainty as to the outcome of any such legal proceedings.

We may rely on dividends paid by our PRC subsidiaries to fund cash and financing requirements. Any limitation on the ability of our PRC subsidiaries to pay dividends to us could have a material adverse effect on our ability to conduct our business and to pay dividends to our shareholders and ADS holders.

Bilibili is a holding company, and we may rely on dividends to be paid by our PRC subsidiaries for our cash and financing requirements, including the funds necessary to pay dividends and other cash distributions to the holders of our ordinary shares and ADSs and service any debt we may incur. If our PRC subsidiaries incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other distributions to us.

Under PRC laws and regulations, a wholly foreign-owned enterprise in mainland China, such as Hode Shanghai, may pay dividends only out of its accumulated profits as determined in accordance with PRC accounting standards and regulations. In addition, a wholly foreign-owned enterprise is required to set aside at least 10% of its after-tax profits each year, after making up previous years' accumulated losses, if any, to fund certain statutory reserve funds, until the aggregate amount of such fund reaches 50% of its registered capital. These reserve funds are not distributable as cash dividends. Any limitation on the ability of our PRC subsidiaries to pay dividends or make other distributions to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends, or otherwise fund and conduct our business.

Substantial uncertainties exist with respect to how the Foreign Investment Law may impact the viability of our current corporate structure and operations.

The National People's Congress approved the PRC Foreign Investment Law on March 15, 2019, effective from January 1, 2020, and the State Council approved the Regulation on Implementing the PRC Foreign Investment Law on December 26, 2019, effective from January 1, 2020. The Supreme People's Court of mainland China issued a judicial interpretation on the Foreign Investment Law, in December 2019, effective from January 1, 2020, to ensure fair and efficient implementation of the Foreign Investment Law. The judicial interpretation clarifies the issues regarding the validity of the investment contract violating the restrictive or prohibitive requirements in the negative list. According to the judicial interpretation, courts in mainland China shall not, among other things, support contracted parties to claim foreign investment contracts in sectors not on the Special Administrative Measures (Negative List) for Foreign Investment Access (2024 Version), most recently jointly promulgated by the Ministry of Commerce of the PRC and the National Development and Reform Commission of the PRC, or the NDRC, on September 6, 2024 and became effective on November 1, 2024, or the Negative List (2024), as void because the contracts have not been approved or registered by administrative authorities. However, since PRC judicial and administrative authorities have significant discretion in interpreting and implementing statutory and contractual terms, it is difficult to predict the outcome of a judicial or administrative proceeding, and such unpredictability towards our contractual rights could adversely affect our business and impede our ability to continue our operations. The Foreign Investment Law and its implementation regulations embody an expected PRC regulatory trend to rationalize its foreign investment regulatory regime in line with prevailing international practice and the legislative efforts to unify the corporate legal requirements for both foreign and domestic investments.

The Foreign Investment Law removes all references to the terms of "de facto control" or "contractual control" as defined in the draft published in 2015 by the Ministry of Commerce. However, the Foreign Investment Law has a catch-all provision under the definition of "foreign investment" which includes investments made by foreign investors in mainland China through means stipulated in laws or administrative regulations or other methods prescribed by the State Council. Therefore, the State Council may in the future promulgate laws and regulations that deem investments made by foreign investors through contractual arrangements as "foreign investment," and our contractual arrangements may be subject to and be deemed to violate the market entry requirements in mainland China. The VIE structure has been adopted by many PRC-based companies, including us, to obtain necessary licenses and permits in the industries that are currently subject to foreign investment restrictions in mainland China. See "Item 4. Information on the Company—C. Organizational Structure" for more details about these contractual arrangements.

In addition, the Foreign Investment Law further specifies that foreign investments shall be conducted in line with the "negative list" to be issued or approved to be issued by the State Council. The commercial internet information service, internet audio-visual program services, online cultural activities (except for music), the radio and television program production and operation business, and the production of audio-visual products and/or electronic publications that we conduct through the Consolidated Affiliated Entities are subject to foreign investment restrictions set forth in the Negative List (2024). It is uncertain whether the industry of commercial internet information service, internet audio-visual program services, online culture activities (except for music), the radio and television program production and operation business, and the production of audio-visual products and/or electronic publications, in which the VIEs operate, will be subject to the foreign investment restrictions or prohibitions under the then updated "negative list" to be issued. If the then updated "negative list" requires companies with existing VIE structure like us to take further actions, we will face uncertainties as to whether any clearance from the relevant governmental authorities can be timely obtained, or at all.

Divestitures of businesses and assets may have a material and adverse effect on our business and financial condition.

We may engage partial or complete divestitures or other disposal transactions in connection with certain of our businesses and assets in the future, particularly ones that are not closely related to our core focus areas or might require excessive resources or financial capital, to help our company meet its objectives. These decisions are largely based on our management's assessment of the business models and likelihood of success of these businesses. However, our judgment could be inaccurate, and we may not achieve the desired strategic and financial benefits from these transactions. Our financial results could be adversely affected by the impact from the loss of earnings and corporate overhead contribution/allocation associated with divested businesses.

Dispositions may also involve continued financial involvement in the divested business, such as through guarantees, indemnities or other financial obligations. Under these arrangements, performance by the divested businesses or other conditions outside of our control could affect our future financial results. We may also be exposed to negative publicity as a result of the potential misconception that the divested business is still part of our consolidated group. On the other hand, we cannot assure you that the divesting business would not pursue opportunities to provide services to our competitors or other opportunities that would conflict with our interests. If any conflicts of interest that may arise between the divesting business and us cannot be resolved in our favor, our business, financial condition, results of operations could be materially and adversely affected.

Furthermore, reducing or eliminating our ownership interests in these businesses might negatively affect our operations, prospects, or long-term value. We may lose access to resources or know-how that would have been useful in the development of our own business. Our ability to diversify or expand our existing businesses or to move into new areas of business may be reduced, and we may have to modify our business strategy to focus more exclusively on areas of business where we already possess the necessary expertise. We may sell our interests too early, and thus forego gains that we otherwise would have received had we not sold. Selecting businesses to dispose of or spin off, finding buyers for them (or the equity interests in them to be sold) and negotiating prices for what may be relatively illiquid ownership interests with no easily ascertainable fair market value will also require significant attention from our management and may divert resources from our existing business, which in turn could have an adverse effect on our business operations.

Risks Related to Doing Business in China

Uncertainties in the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us.

The PRC legal system is based on written statutes and court decisions have limited precedential value. The PRC legal system is evolving rapidly, and the interpretations of many laws, regulations and rules may contain inconsistencies and enforcement of these laws, regulations and rules involves uncertainties.

From time to time, we may have to resort to administrative and court proceedings to enforce our legal rights. However, since PRC judicial and administrative authorities have significant discretion in interpreting and implementing statutory and contractual terms, it may be more difficult to predict the outcome of a judicial or administrative proceeding than in more developed legal systems. Furthermore, the PRC legal system is based, in part, on government policies and internal rules, some of which are not published in a timely manner, or at all, but which may have retroactive effect. As a result, we may not always be aware of any potential violation of these policies and rules. Such unpredictability towards our contractual, property (including intellectual property) and procedural rights could adversely affect our business and impede our ability to continue our operations.

The PRC government's significant oversight over our business operation could result in a material adverse change in our operations and the value of our Class Z ordinary shares and the ADSs.

We conduct our business primarily in mainland China. Our operations in mainland China are governed by PRC laws and regulations. PRC government has significant oversight over the conduct of our business and may intervene or influence our operations as the government deems appropriate to advance regulatory and societal goals and policy positions. The PRC government has published new policies that significantly affected certain industries and we cannot rule out the possibility that it will in the future release regulations or policies that directly or indirectly affect our industry or require us to seek additional permission to continue our operations, which could result in a material adverse change in our operation and/or the value of our Class Z ordinary shares and the ADSs.

The PCAOB had historically been unable to inspect our auditor in relation to their audit work and the inability of the PCAOB to conduct inspections of the auditor in the past had deprived our investors of the benefits of such inspections.

Our auditor, the independent registered public accounting firm that issues the audit report included elsewhere in this annual report, as an auditor of companies that are traded publicly in the United States and a firm registered with the PCAOB, is subject to laws in the United States pursuant to which the PCAOB conducts regular inspections to assess its compliance with the applicable professional standards. The auditor is located in mainland China, a jurisdiction where the PCAOB was historically unable to conduct inspections and investigations completely before 2022. As a result, we and investors in the ADSs were deprived of the benefits of such PCAOB inspections. The inability of the PCAOB to conduct inspections of auditors in China in the past had made it more difficult to evaluate the effectiveness of our independent registered public accounting firm's audit procedures or quality control procedures as compared to auditors outside of China that are subject to the PCAOB inspections. On December 15, 2022, the PCAOB issued a report that vacated its December 16, 2021 determination and removed mainland China and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. However, if the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in mainland China and Hong Kong, and we use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we and investors in our ADSs would be deprived of the benefits of such PCAOB inspections again, which could cause investors and potential investors in the ADSs to lose confidence in our audit procedures and reported financial information and the quality of our financial statements.

Our ADSs may be prohibited from trading in the United States under the Holding Foreign Companies Accountable Act, or the HFCAA, in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment.

Pursuant to the HFCAA, if the SEC determines that we have filed audit reports issued by a registered public accounting firm that has not been subject to inspections by the PCAOB for two consecutive years, the SEC will prohibit our shares or ADSs from being traded on a national securities exchange or in the over-the-counter trading market in the United States.

On December 16, 2021, the PCAOB issued a report to notify the SEC of its determination that the PCAOB was unable to inspect or investigate completely registered public accounting firms headquartered in mainland China and Hong Kong, and our auditor was subject to that determination. In May 2022, the SEC conclusively listed us as a Commission-Identified Issuer under the HFCAA following the filing of our annual report on Form 20-F for the fiscal year ended December 31, 2021. On December 15, 2022, the PCAOB removed mainland China and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. As of the date of this annual report, the PCAOB has not issued any new determination that it is unable to inspect or investigate completely registered public accounting firms headquartered in any jurisdiction. For this reason, we do not expect to be identified as a Commission-Identified Issuer under the HFCAA after we file this annual report on Form 20-F.

Each year, the PCAOB will determine whether it can inspect and investigate completely audit firms in mainland China and Hong Kong, among other jurisdictions. If the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in mainland China and Hong Kong and we use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we would be identified as a Commission-Identified Issuer following the filing of the annual report on Form 20-F for the relevant fiscal year. In accordance with the HFCAA, our securities would be prohibited from being traded on a national securities exchange or in the over-the-counter trading market in the United States if we are identified as a Commission-Identified Issuer for two consecutive years in the future. Although our Class Z ordinary shares have been listed on the Hong Kong Stock Exchange and the ADSs and the Class Z ordinary shares are fully fungible, we cannot assure you that an active trading market for our Class Z ordinary shares on the Hong Kong Stock Exchange will be sustained or that the ADSs can be converted and traded with sufficient market recognition and liquidity, if our shares and ADSs are prohibited from trading in the United States. A prohibition of being able to trade in the United States would substantially impair your ability to sell or purchase our ADSs when you wish to do so, and the risk and uncertainty associated with delisting would have a negative impact on the price of our ADSs. Also, such a prohibition would significantly affect our ability to raise capital on terms acceptable to us, or at all, which would have a material adverse impact on our business, financial condition, and prospects.

The approval of, or report and filings with the CSRC or other PRC government authorities may be required in connection with our offshore offerings under PRC law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval or complete such filing and report process.

On July 6, 2021, the relevant PRC government authorities issued Opinions on Strictly Cracking Down Illegal Securities Activities in Accordance with the Law. These opinions emphasized the need to strengthen the administration over illegal securities activities and the supervision on overseas listings by China-based companies and proposed to take effective measures, such as promoting the construction of relevant regulatory systems to deal with the risks and incidents faced by China-based overseas-listed companies.

On February 17, 2023, the CSRC released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and five supporting guidelines, effective March 31, 2023. According to these measures, mainland China companies that directly or indirectly offer or list their securities in an overseas market are required to file with the CSRC. An overseas listed company must also submit the filing with respect to its follow-on offerings, issuance of convertible corporate bonds and exchangeable bonds, and other equivalent offering activities, within a specific time frame requested under these measures. An overseas listed company is also required to report material events to the CSRC within three working days after the occurrence and announcement of certain events, including, among other things, the change of control, investigation or penalties imposed by relevant authorities, the conversion of listing status or the transfer of listing board. Failure to comply with these filing or reporting requirements may result in fines and other penalties on the companies, the controlling shareholder and other responsible persons. For more details, see “Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to M&A and Overseas Listings.”

On February 17, 2023, the CSRC held a press conference for the release of the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and issued the Notice on Administration for the Filing of Overseas Offering and Listing by Domestic Companies, which clarifies that the domestic companies that have already been listed overseas before March 31, 2023 shall be deemed as the existing applicants who are not required to complete the filing procedures immediately but shall be required to file with the CSRC when subsequent matters such as refinancing are involved. Furthermore, for the overseas listing of companies with VIE contractual arrangements, the CSRC will solicit opinions from relevant regulatory authorities and complete the filing of the overseas listing of companies with these domestic companies which duly meet their compliance requirements and support their development and growth by enabling them to utilize both markets and their resources. Nevertheless, it does not specify what qualify as a compliant VIE structure and what relevant domestic laws and regulations are required to be complied with.

If we fail to file with the CSRC in a timely manner or at all, for any future offering (including, among others, follow-on offerings, issuance of convertible corporate bonds and exchangeable bonds, and other equivalent offering activities) pursuant to these measures due to our contractual arrangements, our ability to raise or utilize funds could be materially and adversely affected, and we may even need to unwind our contractual arrangements or restructure our business operations to rectify the failure to complete the filings. There remain substantial uncertainties as to the interpretation, application, and enforcement of these measures and how they will affect our operations and our future financing.

On February 24, 2023, the CSRC and other relevant government authorities promulgated the Provision on Confidentiality of Overseas Securities Issuance and Listing which became effective on March 31, 2023, according to which, where a domestic enterprise provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall report the same to the competent department with the examination and approval authority for approval in accordance with the law, and submit the same to the secrecy administration department of the same level for filing.

On September 6, 2024, the NDRC and the Ministry of Commerce jointly issued the Negative List (2024), which became effective on November 1, 2024. Pursuant to the Negative List (2024), if a domestic company engaging in the prohibited business stipulated in the Negative List (2024) seeks an overseas offering and listing, it shall obtain the approval from the competent governmental authorities. Besides, the foreign investors of the company shall not be involved in the company's operation and management, and their shareholding percentages shall be subject, mutatis mutandis, to the relevant regulations on the domestic securities investments by foreign investors. Whether the requirement as mentioned above would apply to any domestic company's indirect overseas offerings is uncertain. As the Negative List (2024) is relatively new, there remain substantial uncertainties as to the interpretation and implementation of these new requirements, and it is unclear as to whether and to what extent listed companies like us will be subject to these new requirements. If we are required to comply with these requirements and fail to do so on a timely basis, if at all, our business operation, financial conditions and business prospect may be adversely and materially affected.

In addition, we cannot assure you that any new rules or regulations promulgated in the future will not impose additional requirements on us. If it is determined in the future that approval and filing from the CSRC or other regulatory authorities or other procedures, including the cybersecurity review under the enacted versions of the draft measures, regulations and provisions described above, are required for our offshore offerings, it is uncertain whether we can or how long it will take us to obtain such approval or complete such filing procedures and any such approval or filing could be rescinded or rejected. Any failure to obtain or delay in obtaining such approval or completing such filing procedures for our offshore offerings, or a rescission of any such approval or filing if obtained by us, would subject us to sanctions by the CSRC or other PRC regulatory authorities for failure to seek CSRC approval or filing or other government authorization for our offshore offerings. These regulatory authorities may impose fines and penalties on our operations in mainland China, limit our ability to pay dividends outside of mainland China, limit our operating privileges in mainland China, delay or restrict the repatriation of the proceeds from our offshore offerings into mainland China or take other actions that could materially and adversely affect our business, financial condition, results of operations, and prospects, as well as the trading prices of our listed securities. The CSRC or other PRC regulatory authorities may also take actions requiring us, or making it advisable for us, to halt our offshore offerings before settlement and delivery of the shares offered. Consequently, if investors engage in market trading or other activities in anticipation of and prior to settlement and delivery, they do so at the risk that settlement and delivery may not occur. In addition, if the CSRC or other regulatory authorities later promulgate new rules or explanations requiring that we obtain their approvals or accomplish the required filing or other regulatory procedures for our prior offshore offerings, we may be unable to obtain a waiver of such approval requirements, if and when procedures are established to obtain such a waiver. Any uncertainties or negative publicity regarding such approval requirement could materially and adversely affect our business, prospects, financial condition, reputation, and the trading prices of our listed securities.

We face uncertainties with respect to the interpretation and implementation of the Anti-Monopoly Guidelines for the Internet Platform Economy Sector and other anti-monopoly and competition laws and how it may impact our business operations.

The PRC anti-monopoly enforcement agencies have strengthened enforcement under the PRC Anti-Monopoly Law in recent years. In February 2021, the Anti-Monopoly Guidelines for the Internet Platform Economy Sector was promulgated by the Anti-monopoly Commission of the PRC State Council. The Anti-Monopoly Guidelines for the Internet Platform Economy Sector is consistent with the Anti-Monopoly Law of the PRC and prohibits monopoly agreements, abuse of dominant position and concentration of undertakings that may have the effect of eliminating or restricting competitions in the field of platform economy. More specifically, the Anti-Monopoly Guidelines for the Internet Platform Economy Sector outlines certain practices that may, if without justifiable reasons, constitute abuse of dominant position, including, without limitation, tailored pricing using big data and analytics, actions or arrangements seen as exclusivity arrangements, using technology means to block competitors' interface, using bundled services to sell services or products, and compulsory collection of user data. Besides, the Anti-Monopoly Guidelines for the Internet Platform Economy Sector expressly states that concentration involving VIE will also be subject to antitrust filing requirements. On May 6, 2024, the SAMR issued the Interim Provisions on Addressing Unfair Competition on the Internet, which came into effect on September 1, 2024. These provisions provided a detailed framework for implementing the PRC Unfair Competition Law, explicitly identifying and prohibiting specific forms of unfair competition within the internet domain. Since the Anti-Monopoly Guidelines for the Internet Platform Economy Sector and the Interim Provisions on Addressing Unfair Competition on the Internet are relatively new, uncertainties still exist in relation to its interpretation and implementation. Although we do not believe we engage in any foregoing situations which would cause material adverse effect on our financial and business conditions, we cannot assure you that our business operations will comply with such regulation in all respects, and any failure or perceived failure by us to comply with such regulation may result in governmental investigations, fines and/or other sanctions on us.

In April 2021, the SAMR, together with certain other PRC government authorities convened an administrative guidance meeting, focusing on unfair competition acts in community group buying, self-inspection and rectification by major internet companies of possible violations of anti-monopoly, anti-unfair competition, tax and other related laws and regulations, and requesting such companies to comply with relevant laws and regulations strictly and be subject to public supervision. In addition, many internet companies, including over 30 companies which attended such administrative guidance meeting, are required to conduct a comprehensive self-inspection and make necessary rectification accordingly. The SAMR stated that it will organize and conduct inspections on the companies' rectification results. If a company is found to conduct illegal activities, more severe penalties are expected to be imposed in accordance with the laws.

On June 24, 2022, the Standing Committee of the National People's Congress adopted the amendment on Anti-Monopoly Law, which introduced a "safe harbor" for anti-competitive agreements that have a market share lower than a specific threshold to be set by the SAMR, granted the SAMR the power to suspend the review period in merger investigations under specified circumstances, allowed public prosecutors to bring a civil public interest lawsuit based on monopolistic behaviors, and significantly increased the penalties for violation of anti-monopoly law. This amendment emphasized on the enforcement of anti-monopoly laws in the internet, finance and other key industries.

The strengthened enforcement of the Anti-Monopoly Law could result in investigations on our acquisition transactions conducted in the past and make our acquisition transactions in the future more difficult due to the prior filing requirement. If a business operator carries out a concentration in violation of the Anti-Monopoly Law, the relevant authority may order the business operator to terminate the concentration, dispose of the shares or assets or transfer the business within a specified time limit, or take other measures to restore the pre-concentration status, and impose a fine of up to 10% of the preceding year's sales volume where such concentration has or may have the effect of excluding or restricting competition, or a fine of up to RMB5,000,000 where such concentration does not have the effect of excluding or restricting competition. The PRC anti-monopoly laws may increase our compliance burden, particularly in the context of relevant PRC authorities strengthening supervision and enforcement of the Anti-Monopoly Law against internet platforms. If the PRC regulatory authorities identify any of our activities as monopolistic under the Anti-Monopoly Law or the Anti-Monopoly Guidelines for the Internet Platform Economy Sector, or identify us holding a dominant market position or of abusing such dominant position, we may be subject to investigations and administrative penalties, such as termination of monopolistic act and confiscation of illegal gains. On December 19, 2025, the SAMR revised the Provisions on Prohibition of Monopoly Agreements, which took effect on February 1, 2026 and specifically delineated the exemption thresholds for certain types of vertical monopoly agreements. There are significant uncertainties associated with the evolving legislative activities and varied local implementation practices of anti-monopoly and competition laws and regulations in mainland China. Any non-compliance or associated inquiries, investigations and other governmental actions may divert significant management time and attention and our financial resources, lead to negative publicity, liabilities or administrative penalties, therefore materially and adversely affect our financial conditions, operations and business prospects. If we are required to take any rectifying or remedial measures or are subject to any penalties, our reputation and business operations may be materially and adversely affected.

Regulation and censorship of information disseminated over the mobile and internet in mainland China may adversely affect our business and subject us to liability for content posted on our platform.

Internet companies in mainland China are subject to a variety of existing and new rules, regulations, policies, and license and permit requirements on the distribution of information over the mobile and internet. Under these rules and regulations, content service providers are prohibited from posting or displaying over the mobile or internet content that, among others, violates PRC laws and regulations, impairs the national dignity of China or the public interest, is obscene, superstitious, fraudulent or defamatory, or may be deemed by relevant government authorities as "socially destabilizing" or leaking "state secrets" of China. For more information, see "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Internet Information Security and Privacy Protection." In connection with enforcing these rules, regulations, policies and requirements, relevant government authorities may suspend services by, or revoke licenses of, any internet or mobile content service provider that is deemed to provide illicit content online or on mobile devices, and such activities may be intensified in connection with any ongoing government campaigns to eliminate prohibited content online.

For example, in recent years, the National Office of Anti-Pornography and Illegal Publications, the Cyberspace Administration of China, the Ministry of Industry and Information Technology, the Ministry of Culture and Tourism, and the Ministry of Public Security jointly have been launching a series of "Clean Up the Internet" campaigns. These campaigns aim to eliminate pornographic information and content in the internet information services industry by, among other things, holding liable individuals and corporate entities that facilitate the distribution of pornographic information and content. During the campaigns, relevant government authorities have shut down websites, removed links and closed accounts. Certain major public internet companies voluntarily initiated self-investigations to filter and remove content from their websites and cloud servers. On June 12, 2024, the Provisions on Governing Cyber Violence were issued, which require an internet information service provider to take immediate actions to cease transmission upon discovering suspected illegal information involving cyber violence, or suspected harmful information involving cyber violence in prominent locations or key areas of its services that are likely to draw user attentions. These actions include deleting, blocking, or disconnecting links, preserving records, and reporting to the relevant authorities. On April 8, 2025, the Cyberspace Administration of China issued a notice titled "Launching the Qinglang Campaign to Regulate Malicious Marketing in the Short Video Sector", targeting websites and platforms that provide short video services. The campaign focuses on addressing issues including malicious and fabricated content, the dissemination of false information, violations of public order and good morals, and improper marketing practices. It aims to curb malicious marketing activities in the short video sector and to impose regulatory measures, in accordance with applicable laws and regulations, on platforms and accounts with prominent violations. In addition, to address the proliferation of "AI-altered" videos, the National Radio and Television Administration launched a one-month nationwide special campaign beginning on January 1, 2026. The campaign prioritized the removal of illegal content involving "AI-altered" adaptations of television dramas based on the Four Great Classical Novels, as well as content related to historical and revolutionary themes and stories of heroic role models. It also targeted the removal of various forms of "cult" animations that adapt well-known animated characters familiar to children. For more information, see "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Online Transmission of Audio-Visual Programs" and "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Internet Information Security and Privacy Protection."

We endeavor to eliminate illicit content from our platform. We have made substantial investments in resources to monitor content that users post on our platform and the way in which our users engage with each other through our platform. In the past, we have terminated certain user accounts in order to eliminate spam, fictitious accounts and indecent content from our platform. We use a variety of methods to ensure our platform remains a healthy and positive experience for our users, including a designated content management team and our own data analytics software. Although we employ these methods to filter our users and content posted by our users, we cannot be sure that our internal content control efforts will be sufficient to remove all content that may be viewed as indecent or otherwise non-compliant with PRC law and regulations. Government standards and interpretations as to what constitutes illicit online content or behavior are subject to interpretation and may change.

We have paid fines in connection with content posted on our platform, and government standards and interpretations may change in a manner that could render our current monitoring efforts insufficient. The PRC government has wide discretion in regulating online activities and, irrespective of our efforts to control the content on our platform, government campaigns and other actions to reduce illicit content and activities could subject us to negative press or regulatory challenges and sanctions, including imposition of fines, suspension or revocation of our licenses to operate in mainland China or a ban of our platform, including closure of one or more parts of or our entire business. Further, our senior management could be held criminally liable if we are deemed to be profiting from illicit content on our platform. Although our operations have not been materially adversely affected by government campaigns or any other regulatory actions in the past, we cannot assure you that our business and operations will be immune from government actions or sanctions in the future. If government actions or sanctions are brought against us, or if there are widespread rumors that government actions or sanctions have been brought against us, our reputation could be harmed, we may lose users and other customers, our revenues and results of operation may be materially and adversely affected and the value of our securities could be dramatically reduced.

In March 2018, the State Administration of Press, Publication, Radio, Film and Television issued the Notice on Further Regulating the Order of Online Audio-Visual Programs to further regulate the transmission of internet audio-visual programs. Due to the lack of clarification and detailed implementation rules, it is unclear to us whether and how this notice would be applicable to the content posted on our platform by our users. In November 2019, the Cyberspace Administration of China, the National Radio and Television Administration and the Ministry of Culture and Tourism, jointly issued the Notice on Promulgation of the Administrative Provisions on Online Audio-Visual Information Services, which required the providers of online audio-visual information services to have sufficient capacities to deal with cyber threats, prevent internet illegal and criminal activities, and defend the integrity, safety and availability of online data. We have conducted a review of the content that may be implicated on our platform and believe our current content monitoring measures in place are adequate. However, given the uncertainty in the interpretation and implementation of this notice, we may be required to subsequently implement further content monitoring measures, which could materially and adversely affect our business, financial condition and results of operations. For further information regarding this notice, see "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Online Transmission of Audio-Visual Programs."

Adverse changes in economic and political policies of the PRC government could have a material and adverse effect on overall economic growth in China, which could materially and adversely affect our business.

A substantial majority of our revenues is sourced from China. Accordingly, our results of operations, financial condition and prospects are influenced by economic, political and legal developments in China. Economic reforms begun in the late 1970s have resulted in significant economic growth. However, any economic reform policies or measures in China may from time to time be modified or revised. China's economy differs from the economies of most developed countries in many respects, including with respect to the amount of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. While the PRC economy has experienced significant growth in the past years, growth has been uneven across different regions and among different economic sectors.

The PRC government exercises significant oversight over China's economic growth through strategically allocating resources, controlling the payment of foreign currency-denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies. Although the PRC economy has grown significantly in the past decade, that growth may not continue, as evidenced by the slowing of the growth of the PRC economy in the recent years. Any adverse changes in economic conditions in China, in the policies of the PRC government or in the laws and regulations in China could have a material adverse effect on the overall economic growth of China. Such developments could adversely affect our business and operating results, lead to reduction in demand for our services and adversely affect our competitive position.

Currently there is no law or regulation specifically governing virtual asset property rights and therefore it is not clear what liabilities, if any, online game operators may have for virtual assets.

While playing online games or participating on platform activities, our users acquire and accumulate some virtual assets, such as special equipment and other accessories. Such virtual assets can be important to online game players. In practice, virtual assets can be lost for various reasons, often through unauthorized use of the game account of one user by other users and occasionally through data loss caused by a delay of network service, a network crash or hacking activities. On May 28, 2020, the PRC Civil Code was enacted, effective on January 1, 2021, pursuant to which, ownership of data and virtual assets are civil rights protected by laws. The Provisions of the Supreme People's Court on the Jurisdiction of Internet Courts over Cases, which took effect in November 2025, place disputes involving the ownership, infringement, and contractual matters relating to online virtual property within the exclusive jurisdiction of internet courts. However, there is currently no further PRC law or regulation specifically governing virtual asset property rights. As a result, there is uncertainty as to who the legal owner of virtual assets is, whether and how the ownership of virtual assets is protected by law, and whether an operator of online games such as us would have any liability to game players or other interested parties (whether in contract, tort or otherwise) for loss of such virtual assets. Based on several PRC court judgments, courts generally required the online game operators to provide well-developed security systems to protect virtual assets owned by players and some courts required game operators to return the virtual items or found game operators liable for the loss and damage incurred therefrom if the online game operators are found to be in default or violate players' rights. In case of a loss of virtual assets, we may be sued by our game players or users and held liable for damages, which may negatively affect our reputation and business, financial condition and results of operations.

Restrictions on virtual currency may adversely affect our online game revenues.

We earn some of our revenues from mobile games through the online sale of in-game items, which are considered to be the "virtual currency" as such term is defined in the Notice on Strengthening Administration of Virtual Currency of Online Games, which was jointly issued by the Ministry of Culture of the PRC the predecessor of the Ministry of Culture and Tourism, and the Ministry of Commerce in 2009. PRC laws and regulations, including this notice, have provided various restrictions on virtual currency and imposed various requirements and obligations on online game operators with respect to the virtual currency used in their games, including that (i) any entity engaged in the services relating to the issuance or trading of virtual currencies for online games shall comply with the conditions relevant to the establishment of an internet culture entity for business purpose and file an application with the provincial administrative department of culture at its locality for preliminary examination and then with the Ministry of Culture of the PRC for approval; (ii) the total amount of virtual currency issued by online game operators and the amount purchased by individual users in mainland China is subject to limits, and online game operators are required to report the total amount of their issued virtual currency on a quarterly basis and are prohibited from issuing disproportionate amounts of virtual currency in order to generate revenues; (iii) virtual currency may only be provided to users in exchange for payment in legal currency and may only be used to pay for virtual goods and services of the issuer of the currency, and online game operators are required to keep transaction data records for no less than 180 days; (iv) online game operators are prohibited from providing lucky draws or lotteries that are conducted on the condition that participants contribute cash or virtual currency in exchange for game props or virtual currencies; (v) online game operators are prohibited from providing virtual currency trading services to minors; and (vi) companies involved with virtual currency in mainland China must be either issuers or trading platforms, and may not operate simultaneously both as issuers and as trading platforms. We must tailor our business model carefully, including designing and operating our databases to maintain user information for the minimum required period, in order to comply with the current PRC laws and regulations, including the foregoing notices, in a manner that in many cases can be expected to result in an adverse impact on our online game revenues.

If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC shareholders or ADS holders.

Under the PRC Enterprise Income Tax Law and its implementation rules, an enterprise established outside of the PRC with a "de facto management body" within the PRC is considered a PRC resident enterprise. The implementation rules define the term "de facto management body" as the body that exercises full and substantial control over and overall management of the business, productions, personnel, accounts and properties of an enterprise. In 2009, the State Tax Administration issued the Circular Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as PRC Tax Resident Enterprises on the Basis of De Facto Management Bodies which was most recently amended in December 2017, or the Circular 82, which provides certain specific criteria for determining whether the "de facto management body" of a PRC-controlled enterprise that is incorporated offshore is located in mainland China. The State Tax Administration issued Chinese-Controlled Offshore Incorporated Resident Enterprises Income Tax Regulation, or the Bulletin 45, which took effect on September 1, 2011 and was last amended on June 15, 2018, to provide more guidance on the implementation of Circular 82 and clarify the reporting and filing obligations of Chinese-controlled offshore incorporated resident enterprises. Bulletin 45 also provides procedures and administrative details for the determination of resident status and administration of post-determination matters. Although Circular 82 only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by PRC individuals or foreigners like us, the criteria set forth in the circular may reflect the State Tax Administration's general position on how the "de facto management body" test should be applied in determining the tax resident status of all offshore enterprises. According to Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident enterprise by virtue of having its "de facto management body" in mainland China and will be subject to PRC enterprise income tax on its global income only if all of the following conditions are met: (i) senior management and core management departments in charge of its daily operations function have their presence mainly in the PRC; (ii) decisions relating to the enterprise's financial matters (such as loan, financing, and financial risk management) and human resource matters (such as appointment, dismissal and remuneration) are made or are subject to determination or approval by organizations or personnel in the PRC; (iii) the enterprise's primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in the PRC; and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC.

We believe that none of our entities outside of mainland China is a PRC resident enterprise for PRC tax purposes. However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term "de facto management body." If the PRC tax authorities determine that we are a PRC resident enterprise for enterprise income tax purposes, we will be subject to the enterprise income tax on our global income at the rate of 25% and we will be required to comply with PRC enterprise income tax reporting obligations. In addition, we may be required to withhold a 10% withholding tax from dividends we pay to our shareholders that are non-resident enterprises, including the holders of the ADSs. In addition, non-resident enterprise shareholders (including the ADS holders) may be subject to PRC tax at a rate of 10% on gains realized on the sale or other disposition of the ordinary shares or ADSs, if such income is treated as sourced from within the PRC. Furthermore, if PRC tax authorities determine that we are a PRC resident enterprise for enterprise income tax purposes, dividends paid to our non-PRC individual shareholders (including the ADS holders) and any gain realized on the transfer of the ordinary shares or ADSs by such holders may be subject to PRC tax at a rate of 20% (which, in the case of dividends, may be withheld at source by us), if such gains are deemed to be from PRC sources. These rates may be reduced by applicable tax treaties between their country of tax residence and the PRC in the event that we are treated as a PRC resident enterprise, but it is unclear whether our non-PRC shareholders would be able to obtain the benefits of any tax treaties between their country of tax residence and the PRC in the event that we are treated as a PRC resident enterprise. Any such tax may reduce the returns on your investment in our securities.

There are significant uncertainties under the Enterprise Income Tax Law relating to the withholding tax liabilities of our PRC subsidiaries, and dividends payable by our PRC subsidiaries to our offshore subsidiaries may not qualify to enjoy certain treaty benefits.

Under the Enterprise Income Tax Law and its implementation rules, the profits of a foreign-invested enterprise generated through operations, which are distributed to its immediate holding company outside mainland China, will be subject to a withholding tax rate of 10%. Pursuant to a special arrangement between Hong Kong and mainland China, such rate may be reduced to 5% if a Hong Kong resident enterprise owns more than 25% of the equity interest in the PRC company. Our current PRC subsidiaries are wholly owned by our Hong Kong subsidiaries, such as Hode HK. Accordingly, Hode HK may qualify for a 5% tax rate in respect of distributions from its PRC subsidiaries. Under the Notice of the State Taxation Administration on Issues regarding the Administration of the Dividend Provision in Tax Treaties promulgated in 2009, the taxpayer needs to satisfy certain conditions to enjoy the benefits under a tax treaty. These conditions include, but are not limited to: (i) the taxpayer must be the beneficial owner of the relevant dividends, and (ii) the corporate shareholder to receive dividends from the PRC subsidiaries must have met the direct ownership thresholds during the 12 consecutive months preceding the receipt of the dividends. Further, the State Tax Administration promulgated the Announcement of the Certain Issues with Respect to the "Beneficial Owner" in Tax Treaties in 2018, which sets forth certain detailed factors in determining "beneficial owner" status, and specifically, if an applicant's business activities do not constitute substantive business activities, the applicant will not qualify as a "beneficial owner."

Entitlement to a lower tax rate on dividends according to tax treaties or arrangements between the PRC central government and governments of other countries or regions is subject to the Administrative Measures for Non-Resident Taxpayers to Enjoy Treatments under Tax Treaties promulgated by the State Tax Administration on October 14, 2019 and became effective from January 1, 2020, which provides that non-resident enterprises are not required to obtain pre-approval from the relevant tax authority in order to enjoy the reduced withholding tax. Instead, non-resident enterprises and their withholding agents may, by self-assessment and on confirmation that the prescribed criteria to enjoy the tax treaty benefits are met, directly apply the reduced withholding tax rate, collect and retain relevant materials for reference in accordance with these treaties and accept supervision and management from the tax authorities. As a result, we cannot assure you that we will be entitled to any preferential withholding tax rate under tax treaties for dividends received from our PRC subsidiaries.

We face uncertainty with respect to the indirect transfer of equity interests in PRC resident enterprises by their non-PRC holding companies.

We face uncertainties regarding the reporting on and consequences of previous private equity financing transactions involving the transfer and exchange of shares in Bilibili by non-resident investors.

In February 2015, the State Tax Administration issued the Bulletin on Issues of Enterprise Income Tax on Indirect Transfers of Assets by Non-PRC Resident Enterprises, or STA Bulletin 7, as amended in 2017. Pursuant to this bulletin, an "indirect transfer" of assets, including equity interests in a PRC resident enterprise, by non-PRC resident enterprises may be re-characterized and treated as a direct transfer of PRC taxable assets, if such arrangement does not have a reasonable commercial purpose and was established for the purpose of avoiding payment of PRC enterprise income tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax. According to STA Bulletin 7, "PRC taxable assets" include assets attributed to an establishment in mainland China, immovable properties located in mainland China, and equity investments in PRC resident enterprises, in respect of which gains from their transfer by a direct holder, being a non-PRC resident enterprise, would be subject to PRC enterprise income taxes. When determining whether there is a "reasonable commercial purpose" of the transaction arrangement, features to be taken into consideration include: whether the main value of the equity interest of the relevant offshore enterprise derives from PRC taxable assets; whether the assets of the relevant offshore enterprise mainly consist of direct or indirect investment in mainland China or if its income mainly derives from mainland China; whether the offshore enterprise and its subsidiaries directly or indirectly holding PRC taxable assets have real commercial nature which is evidenced by their actual function and risk exposure; the duration of existence of the shareholders, the business model and organizational structure of the offshore enterprise; the replicability of the transaction by direct transfer of PRC taxable assets; and the offshore tax situation of such indirect transfer and applicable tax treaties or similar arrangements. In respect of an indirect offshore transfer of assets of a PRC establishment, the resulting gain is to be included with the enterprise income tax filing of the PRC establishment or place of business being transferred, and would consequently be subject to PRC enterprise income tax at a rate of 25%. Where the underlying transfer relates to the immovable properties located in mainland China or to equity investments in a PRC resident enterprise, which is not related to a PRC establishment or place of business of a non-resident enterprise, a PRC enterprise income tax of 10% would apply, subject to available preferential tax treatment under applicable tax treaties or similar arrangements, and the party who is obligated to make the transfer payments has the withholding obligation. Where the payer fails to withhold any or sufficient tax, the transferor is required to declare and pay such tax to the tax authority by itself within the statutory time limit. Late payment of applicable tax will subject the transferor to default interest. STA Bulletin 7 does not apply to transactions of sale of shares by investors through a public stock exchange where such shares were acquired from a transaction through a public stock exchange.

There is uncertainty as to the application of STA Bulletin 7. We face uncertainties as to the reporting and other implications of certain past and future transactions where PRC taxable assets are involved, such as offshore restructuring, sale of the shares in our offshore subsidiaries or investments. Our company may be subject to filing obligations or taxed if our company is transferor in such transactions, and may be subject to withholding obligations if our company is transferee in such transactions under STA Bulletin 7. For transfer of shares in our company by investors that are non-PRC resident enterprises, our PRC subsidiaries may be requested to assist in the filing under STA Bulletin 7. As a result, we may be required to expend valuable resources to comply with SAT Bulletin 7 or to request the relevant transferors from whom we purchase taxable assets to comply with these circulars, or to establish that our company should not be taxed under these circulars, which may have a material adverse effect on our financial condition and results of operations.

Discontinuation of any of the preferential tax treatments available to us or imposition of any additional taxes could adversely affect our financial condition and results of operations.

The Enterprise Income Tax Law imposes a unified 25% enterprise income tax rate on all resident enterprises in mainland China, subject to certain exceptions. Certain enterprises may enjoy a preferential enterprise income tax rate of 15% under the Enterprise Income Tax Law if they qualify as a High and New Technology Enterprise. For example, Hode Information Technology qualified as a High and New Technology Enterprise, which allowed it to enjoy a 15% preferential enterprise income tax rate for three years from 2023 to 2025, and we have applied for renewal of the High and New Technology Enterprise status. Shanghai Bilibili Technology Co., Ltd. qualified as a High and New Technology Enterprise, which allowed it to enjoy a 15% preferential enterprise income tax rate for three years from 2024 to 2026. If Hode Information Technology or Shanghai Bilibili Technology Co., Ltd. fails to maintain or renew their High and New Technology Enterprise status, their applicable enterprise income tax rate may be increased to 25%, which could have a material adverse effect on our financial condition and results of operations.

There are uncertainties with respect to value-added tax rates relating to the tax liabilities of our PRC subsidiaries

The Ministry of Finance, the State Tax Administration and the General Administration of Customs promulgated the Notice on Relevant Policies for Deepening Value-added Tax Reform on March 20, 2019, which provides that the value-added tax rate of 16% in manufacturing and other industries is reduced to 13%, the value-added tax rate of 10% in transportation and other industries is reduced to 9%, and the value-added tax rate in value-added telecommunication service and other industries stays at 6% from April 1, 2019. The Value-Added Tax Law of the People's Republic of China was promulgated by the Standing Committee of the National People's Congress on December 25, 2024, and became effective on January 1, 2026, which clarifies that entities and individuals, including individual industrial and commercial households, engaged in the sale of goods, services, intangible assets or immovable properties, as well as the importation of goods, within the territory of the PRC are value-added tax, or VAT, taxpayers and are required to pay VAT in accordance with the Law. We are subject to value-added tax for goods sold mainly at a rate of 13% depending on their categories in different periods in 2023, 2024 and 2025. Our advertising revenues (value-added tax included) are subject to culture business construction fee at a rate of 3% in the first half year of 2019, which was reduced to 1.5% since July 1, 2019, valid until December 31, 2027.

We are also subject to surcharges on value-added tax payments in accordance with PRC law. Starting from September 1, 2021, we are no longer legally required to withhold surcharges on value-added tax withheld for non-trade foreign exchange payments. However, it is uncertain whether the value-added tax rate will be raised or any of the above-mentioned tax treatments will be altered in the future, which could have a material adverse effect on our financial condition and results of operations. If we fail to comply with these regulations, we may be subject to sanctions including corrective orders, imposition of fines and confiscation of illegal gains.

It may be difficult for overseas regulators to conduct investigations or collect evidence within mainland China.

Shareholder claims or regulatory investigations that are common in the United States (including securities law class actions and fraud claims) generally are difficult to pursue as a matter of law or practicality in mainland China. For example, in mainland China, there are significant legal and other obstacles to providing information needed for regulatory investigations or litigation initiated outside mainland China. Although the authorities in mainland China may establish a regulatory cooperation mechanism with the securities regulatory authorities of another country or region to implement cross-border supervision and administration, such cooperation with the securities regulatory authorities in the Unities States may not be efficient in the absence of a mutual and practical cooperation mechanism. Furthermore, according to Article 177 of the PRC Securities Law, or Article 177, which became effective in March 2020, no overseas securities regulator may directly conduct investigations or collect evidence and no entities or individuals may provide documents or materials in connection with securities activities without proper authorization as stipulated under Article 177. While detailed interpretation of or implementation rules under Article 177 have yet to be promulgated, the inability of an overseas securities regulator to directly conduct investigations or collect evidence within mainland China may further increase difficulties faced by you in protecting your interests. See also "— Our shareholders may face difficulties in protecting their interests, and the ability to protect their rights through U.S. courts and Hong Kong courts may be limited, because we are incorporated under Cayman Islands law" for risks associated with investing in us as a Cayman Islands exempted company.

China's M&A Rules and certain other PRC regulations establish complex procedures for some acquisitions of PRC companies by foreign investors, which could make it more difficult for us to pursue growth through acquisitions in mainland China.

The Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, or the M&A Rules, and other newly adopted regulations and rules concerning mergers and acquisitions established additional procedures and requirements that could make merger and acquisition activities by foreign investors more time consuming and complex. For example, the M&A Rules require that the Ministry of Commerce be notified in advance of any change-of-control transaction in which a foreign investor takes control of a PRC domestic enterprise, if (i) any important industry is concerned, (ii) such transaction involves factors that impact or may impact national economic security, or (iii) such transaction will lead to a change in control of a domestic enterprise which holds a famous trademark or PRC time-honored brand. Moreover, the PRC Anti-Monopoly Law promulgated by the Standing Committee of the National People's Congress, as amended in June 2022 and the Provisions of the State Council on the Thresholds for Declaring Concentration of Business Operators, as amended in 2024, require that transactions which are deemed concentrations and involve parties with specified turnover thresholds (meaning during the previous fiscal year, (i) the total global turnover of all operators participating in the transaction exceeds RMB12 billion and at least two of these operators each had a turnover of more than RMB800 million within mainland China, or (ii) the total turnover within mainland China of all the operators participating in the concentration exceeded RMB4 billion, and at least two of these operators each had a turnover of more than RMB800 million within mainland China) must be cleared by anti-monopoly law enforcement agency of the State Council before they can be completed. Where a concentration of business operators does not satisfy the threshold for declaration as prescribed, but there is evidence proving that the concentration has or may have the effect of eliminating or restricting competition, the anti-monopoly law enforcement authorities of the State Council may request the business operators to declare the concentration. On December 14, 2020, the SAMR announced three cases of administrative penalties for the failures of acquirers to make proper concentration declarations to authorities about their past acquisitions. This is also the first time that the SAMR imposed administrative penalties for illegal concentration declarations on entities structured in a VIE arrangement.

In addition, in 2011, the General Office of the State Council promulgated a Notice on Establishing the Security Review System for Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, also known as Circular 6, which officially established a security review system for mergers and acquisitions of domestic enterprises by foreign investors. Further, the Ministry of Commerce promulgated the Regulations on Implementation of Security Review System for the Merger and Acquisition of Domestic Enterprises by Foreign Investors, effective in September 2011, to implement Circular 6. Under Circular 6, a security review is required for mergers and acquisitions by foreign investors having "national defense and security" concerns and mergers and acquisitions by which foreign investors may acquire the "de facto control" of domestic enterprises with "national security" concerns. Under the foregoing the Ministry of Commerce regulations, the Ministry of Commerce will focus on the substance and actual impact of the transaction when deciding whether a specific merger or acquisition is subject to security review. If the Ministry of Commerce decides that a specific merger or acquisition is subject to a security review, it will submit it to the Inter-Ministerial Panel, an authority established under Circular 6 led by the NDRC, and the Ministry of Commerce under the leadership of the State Council, to carry out security review. The regulations prohibit foreign investors from bypassing the security review by structuring transactions through trusts, indirect investments, leases, loans, control through contractual arrangements or offshore transactions. There is no explicit provision or official interpretation stating that the merging or acquisition of a company engaged in the internet content or mobile games business requires security review, and there is no requirement that acquisitions completed prior to the promulgation of the Security Review Circular are subject to the Ministry of Commerce review. On December 19, 2020, the NDRC and the Ministry of Commerce jointly promulgated the Measures on the Security Review of Foreign Investment, effective on January 18, 2021, setting forth provisions concerning the security review mechanism on foreign investment, including the types of investments subject to review, review scopes and procedures, among others. The Office of the Working Mechanism of the Security Review of Foreign Investment was established under the NDRC, who leads the task together with the Ministry of Commerce. Foreign investor or relevant parties in mainland China must declare the security review to this office prior to the investments in, among other industries, important cultural products and services, important information technology and internet products and services, important financial services, key technologies and other important fields relating to national security, and obtain control in the target enterprise. See "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Foreign Investment in the PRC."

In the future, we may grow our business by acquiring complementary businesses. Complying with the requirements of the above-mentioned regulations and other relevant rules to complete such transactions could be time consuming, and any required approval processes, including obtaining approval from the Ministry of Commerce or its local counterparts may delay or inhibit our ability to complete such transactions. It is unclear whether our business would be deemed to be in an industry that raises "national defense and security" or "national security" concerns. However, the Ministry of Commerce or other government agencies may publish explanations in the future determining that our business is in an industry subject to the security review, in which case our future acquisitions in mainland China, including those by way of entering into contractual control arrangements with target entities, may be closely scrutinized or prohibited.

PRC regulations relating to offshore investment activities by PRC residents may limit our PRC subsidiaries' ability to increase their registered capital or distribute profits to us or otherwise expose us to liability and penalties under PRC law.

The State Administration of Foreign Exchange of the PRC, or the SAFE, promulgated the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents' Offshore Investment and Financing and Roundtrip Investment through Special Purpose Vehicles, or the SAFE Circular 37, in July 2014 that requires PRC residents or entities to register with SAFE or its local branch in connection with their establishment or control of an offshore entity established for the purpose of overseas investment or financing. In addition, such PRC residents or entities must update their SAFE registrations when the offshore special purpose vehicle undergoes material events relating to any change of basic information (including change of such PRC citizens or residents, name and operation term), increases or decreases in investment amount, transfers or exchanges of shares, or mergers or divisions. According to the Notice on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment released in February 2015 by SAFE, as amended in December 2019, or SAFE Circular 13, local banks will examine and handle foreign exchange registration for overseas direct investment, including the initial foreign exchange registration and amendment registration, under SAFE Circular 37 from June 2015.

If our shareholders who are PRC residents or entities do not complete their registration with the local SAFE branches or local banks, our PRC subsidiaries may be prohibited from distributing their profits and proceeds from any reduction in capital, share transfer or liquidation to us, and we may be restricted in our ability to contribute additional capital to our PRC subsidiaries. Moreover, failure to comply with the SAFE registration described above could result in liability under PRC laws for evasion of applicable foreign exchange restrictions.

Mr. Rui Chen, Ms. Ni Li and Mr. Yi Xu have completed initial SAFE registration prior to our initial public offering in 2018 and will update their registration filings with SAFE under SAFE Circular 37 when any changes should be registered under SAFE Circular 37. However, we may not at all times be fully aware or informed of the identities of all our shareholders or beneficial owners that are required to make or update such registrations, and we cannot compel our beneficial owners to comply with SAFE registration requirements. As a result, we cannot assure you that all of our shareholders or beneficial owners who are PRC residents or entities have complied with, and will in the future make or obtain any applicable registrations or approvals required by, SAFE regulations. Failure by such shareholders or beneficial owners to comply with SAFE regulations or our failure to amend the foreign exchange registrations of our PRC subsidiaries, could subject us to fines or legal sanctions, restrict our overseas or cross-border investment activities, limit our subsidiaries' ability to make distributions or pay dividends or affect our ownership structure, which could adversely affect our business and prospects.

Failure to comply with PRC regulations regarding the registration requirements for employee stock ownership plans or share option plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.

Pursuant to SAFE Circular 37, PRC residents who participate in share incentive plans in overseas non-publicly listed companies due to their position as director, senior management or employees of the PRC subsidiaries of the overseas companies may submit applications to SAFE or its local branches for the foreign exchange registration with respect to offshore special purpose companies. Our directors, executive officers and other employees who are PRC residents and who have been granted share-based awards could follow SAFE Circular 37 to apply for the foreign exchange registration before Bilibili became an overseas listed company. In 2012, SAFE promulgated the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plans of Overseas Publicly Listed Companies. Under the notices and other relevant rules and regulations, PRC residents who participate in stock incentive plan in an overseas publicly listed company are required to register with SAFE or its local branches and complete certain other procedures. Participants of a stock incentive plan who are PRC residents must retain a qualified PRC agent, which could be a PRC subsidiary of such overseas publicly listed company or another qualified institution selected by such PRC subsidiary, to conduct the SAFE registration and other procedures with respect to the stock incentive plan on behalf of its participants. Such participants must also retain an overseas entrusted institution to handle matters in connection with their exercise of share-based awards, the purchase and sale of corresponding shares or interests and fund transfers. In addition, the PRC agent is required to amend the SAFE registration with respect to the stock incentive plan if there is any material change to the stock incentive plan, the PRC agent or the overseas entrusted institution or other material changes. Failure of our PRC stock option holders to complete their SAFE registrations may subject these PRC residents to fines and legal sanctions and may also limit our ability to contribute additional capital into our PRC subsidiary, limit our PRC subsidiary's ability to distribute dividends to us, or otherwise materially adversely affect our business. The State Tax Administration has issued certain circulars concerning equity incentive awards. Under these circulars, our employees working in mainland China who exercise share options or are granted restricted shares will be subject to PRC individual income tax. Each of our PRC subsidiaries has obligations to file documents related to employee share options or restricted shares with relevant tax authorities and to withhold individual income taxes for those employees. If our employees fail to pay or we fail to withhold their income taxes according to relevant laws and regulations, we may face sanctions imposed by the tax authorities or other PRC governmental authorities.

PRC regulation of loans to, and direct investment in, PRC entities by offshore holding companies and governmental control of currency conversion may restrict or prevent us from using the proceeds of the offering of equity securities and notes to make loans to our PRC subsidiaries and the VIEs and their subsidiaries, or to make additional capital contributions to our PRC subsidiaries.

Bilibili is an offshore holding company conducting its operations in mainland China through PRC subsidiaries, VIEs and their subsidiaries. Bilibili may make loans to its PRC subsidiaries, VIEs and their subsidiaries, or it may make additional capital contributions to its PRC subsidiaries, establish new PRC subsidiaries and make capital contributions to these new PRC subsidiaries, or acquire offshore entities with business operations in mainland China in an offshore transaction.

Most of these activities are subject to PRC regulations and approvals. For example, loans we make to our wholly owned PRC subsidiaries to finance their activities cannot exceed statutory limits and must be registered with the local counterpart of SAFE. If we decide to finance our wholly owned PRC subsidiaries by means of capital contributions, these capital contributions are subject to the requirement of making necessary filings in the Foreign Investment Comprehensive Management Information System and registration with other governmental authorities in mainland China. Due to the restrictions imposed on loans in foreign currencies extended to any PRC domestic companies, we are not likely to make such loans to the Consolidated Affiliated Entities, which are PRC domestic company. Further, we are not likely to finance the activities of the Consolidated Affiliated Entities by means of capital contributions due to regulatory restrictions relating to foreign investment in PRC domestic enterprises engaged in internet information services, online games, online audio-visual program services and related businesses.

SAFE promulgated the Notice of the State Administration of Foreign Exchange on Reforming the Administration of Foreign Exchange Settlement of Capital of Foreign-invested Enterprises, or SAFE Circular 19, effective June 2015, and last amended on December 30, 2019. According to SAFE Circular 19, the flow and use of the RMB capital converted from foreign currency-denominated registered capital of a foreign-invested company is regulated such that RMB capital may not be used for the issuance of RMB entrusted loans, the repayment of inter-enterprise loans or the repayment of banks loans that have been transferred to a third party. Although SAFE Circular 19 allows RMB capital converted from foreign currency-denominated registered capital of a foreign-invested enterprise to be used for equity investments within mainland China, it also reiterates the principle that RMB converted from the foreign currency-denominated capital of a foreign-invested company may not be directly or indirectly used for purposes beyond its business scope. Thus, it is unclear whether SAFE will permit such capital to be used for equity investments in mainland China in actual practice. SAFE promulgated the Notice of the State Administration of Foreign Exchange on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account, or SAFE Circular 16, effective on June 9, 2016, which reiterates some of the rules set forth in SAFE Circular 19, but changes the prohibition against using RMB capital converted from foreign currency-denominated registered capital of a foreign-invested company to issue RMB entrusted loans to a prohibition against using such capital to issue loans to non-associated enterprises. Violations of SAFE Circular 19 and SAFE Circular 16 could result in administrative penalties. SAFE Circular 19 and SAFE Circular 16 may significantly limit our ability to transfer any foreign currency we hold, including the net proceeds from our equity offering and notes offering and then to our PRC subsidiaries, which may adversely affect our liquidity and our ability to fund and expand our business in mainland China. On October 23, 2019, SAFE issued Notice of the State Administration of Foreign Exchange on Further Promoting the Facilitation of Cross-border Trade and Investment, or the Circular 28. Circular 28 allows non-investment foreign-invested enterprises to use their capital funds to make equity investments in mainland China; provided that such investments do not violate the Negative List (2024) and the target investment projects are genuine and in compliance with PRC laws. The interpretation and implementation of Circular 28 in practice are still subject to substantial uncertainties. According to the Circular on Optimizing the Administration of Foreign Exchange to Support the Development of Foreign-related Business issued by the SAFE on April 10, 2020, eligible enterprises are allowed to make domestic payments using the income under their capital accounts generated from their capital, foreign debt and overseas listing, without providing materials evidencing the authenticity in advance; provided that the capital usage is authentic and compliant with the current capital account income usage management regulations. The concerned bank is required to conduct spot checks in accordance with the relevant requirements.

In light of the various requirements imposed by PRC regulations on loans to and direct investment in PRC entities by offshore holding companies, we cannot assure you that we will be able to complete the necessary government registrations or obtain the necessary government approvals on a timely basis, if at all, with respect to future loans we make to our PRC subsidiary or with respect to future capital contributions we make to our PRC subsidiary. If we fail to complete such registrations or obtain such approvals, our ability to use the proceeds we received from our equity offering and notes offering and to capitalize or otherwise fund our PRC operations may be negatively affected, which could materially and adversely affect our liquidity and our ability to fund and expand our business.

Fluctuation in exchange rates could have a material and adverse effect on our results of operations and the value of your investment.

The conversion of Renminbi into foreign currencies, including U.S. dollars, is based on rates set by the People's Bank of China. The Renminbi has fluctuated against the U.S. dollars, at times significantly and unpredictably. The value of Renminbi against the U.S. dollars and other currencies is affected by changes in China's political and economic conditions and by China's foreign exchange policies, among other things. We cannot assure you that Renminbi will not appreciate or depreciate significantly in value against the U.S. dollars in the future. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between Renminbi and the U.S. dollars in the future.

A substantial majority of our revenues and costs is denominated in Renminbi. Any significant depreciation of the Renminbi may materially adversely affect the value of, and any dividends payable on, the ADSs in U.S. dollars. For example, when we convert our U.S. dollars denominated funds into Renminbi for our operations, appreciation of the Renminbi against the U.S. dollars would have an adverse effect on the Renminbi amount we would receive from the conversion. Conversely, if we decide to convert our Renminbi into U.S. dollars for the purpose of making payments for dividends on our ordinary shares or ADSs or for other business purposes, appreciation of the U.S. dollars against the Renminbi would have a negative effect on the U.S. dollars amount available to us. In addition, appreciation or depreciation in the value of the Renminbi relative to U.S. dollars would affect our financial results reported in U.S. dollars terms regardless of any underlying change in our business or results of operations.

Very limited hedging options are available in mainland China to reduce our exposure to exchange rate fluctuations. To date, we have not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risk. While we may decide to enter into hedging transactions in the future, the availability and effectiveness of these hedges may be limited and we may not be able to adequately hedge our exposure or at all. In addition, our currency exchange losses may be magnified by PRC exchange control regulations that restrict our ability to convert Renminbi into foreign currency. As a result, fluctuations in exchange rates may have a material adverse effect on your investment.

Governmental control of currency conversion may limit our ability to utilize our revenues effectively and affect the value of your investment.

The PRC government imposes controls on the convertibility of the Renminbi into foreign currencies and, in certain cases, the remittance of currency out of mainland China. We receive substantially all of our revenues in Renminbi. Under our current corporate structure, Bilibili, a Cayman Islands holding company, primarily relies on dividend payments from its PRC subsidiaries to fund any cash and financing requirements it may have. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval of SAFE by complying with certain procedural requirements. Specifically, under the existing exchange restrictions, without prior approval of SAFE, cash generated from the operations of our PRC subsidiaries in mainland China may be used to pay dividends to Bilibili. However, approval from or registration with appropriate government authorities is required where Renminbi is to be converted into foreign currency and remitted out of mainland China to pay capital expenses such as the repayment of loans denominated in foreign currencies. As a result, we need to obtain SAFE approval or registration to use cash generated from the operations of our PRC subsidiaries and the VIEs to pay off their respective debt in a currency other than Renminbi owed to entities outside mainland China, or to make other capital expenditure payments outside mainland China in a currency other than Renminbi.

Since 2016, PRC government has enhanced supervision and regulations on outbound capital flows, including heightened scrutiny over "irrational" overseas investments for certain industries, as well as certain "abnormal" offshore investments. More restrictions and substantial vetting process are put in place by SAFE to regulate cross-border transactions falling under the capital account. If any of our shareholders regulated by such policies fails to satisfy the applicable overseas direct investment filing or approval requirement timely or at all, it may be subject to penalties from the relevant PRC authorities. The PRC government may at its discretion further restrict access in the future to foreign currencies for current account transactions. If the foreign exchange control system prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our shareholders, including holders of the ADSs.

Risks Related to Our Listed Securities

The trading prices of our listed securities have been and are likely to continue to be volatile, regardless of our operating performance, which could result in substantial losses to our investors.

The trading prices of our ADSs have been volatile since our ADSs started to trade on the Nasdaq Global Select Market, and could fluctuate widely due to factors beyond our control. The trading prices of our Class Z ordinary shares, likewise, can be volatile for similar or different reasons. This may happen because of broad market and industry factors, including the performance and fluctuation of the market prices of other companies with operations located mainly in mainland China that have listed their securities in the United States and/or Hong Kong, or because of trends in the global economy in general or the Chinese economy in particular, or because of international geopolitical tensions. In addition to market and industry factors, the prices and trading volumes for our listed securities may be highly volatile for factors specific to our own operations, including the following:

- variations in our revenues, earnings, cash flow and data related to our user base or user engagement;
- announcements of new investments, acquisitions, strategic partnerships or joint ventures by us or our competitors;
- announcements of new product and service offerings, solutions and expansions by us or our competitors;
- changes in financial estimates by securities analysts;
- detrimental adverse publicity about us, our products and services or our industry;
- additions or departures of key personnel;
- releases at any time, in some cases without notice, of lock-up or other transfer restrictions on our outstanding ordinary shares, ADSs or other equity related securities;

- sales of additional ADSs or other equity-related securities in the public markets, or issuance of Class Z ordinary shares upon conversion of convertible senior notes we issued, or the perception of these events; and
- actual or potential litigation or regulatory investigations.

Sales or perceived potential sales of our Class Z ordinary shares, ADSs, or other equity or equity-linked securities in the public market could cause the price of our Class Z ordinary shares and/or ADSs to decline.

Sales, either directly or in connection with derivative or other financial arrangements, of our Class Z ordinary shares, ADSs, or other equity or equity-linked securities in the public market, or the perception that these sales could occur, may cause the market price of our Class Z ordinary shares and/or ADSs to decline significantly. All of our Class Z ordinary shares represented by ADSs were freely transferable by persons other than our affiliates without restriction or additional registration under the U.S. Securities Act. The Class Z ordinary shares held by our affiliates are also available for sale, subject to volume and other restrictions as applicable under Rule 144 of the U.S. Securities Act, under trading plans adopted pursuant to Rule 10b5-1 or otherwise.

Furthermore, any major disposal of our Class Z ordinary shares and/or ADSs by any of our directors or executive officers (or the perception that these disposals may occur) may cause the prevailing market price of our Class Z ordinary shares and/or ADSs to fall which could negatively impact our ability to raise equity capital in the future.

We may need additional capital, and the sale of additional ADSs, Class Z ordinary shares, or other equity securities could result in additional dilution to our shareholders, and the incurrence of additional indebtedness could increase our debt obligations.

We may require additional cash resources due to changed business conditions, strategic acquisitions or other future developments. If these resources are insufficient to satisfy our cash requirements, we may seek to sell additional equity or debt securities or obtain additional credit facilities. For example, in May 2025, we completed the offering of US$690 million in aggregate principal amount of 0.625% convertible senior notes due June 1, 2030, which we refer to as the 2030 Notes in this annual report. Holders may convert all or any portion of their notes, at their option at any time prior to the close of business on the seventh scheduled trading day immediately preceding the maturity date. The conversion of some or all of our convertible notes will dilute the ownership interests of existing ordinary shareholders and ADS holders.

The sale of additional equity and equity-linked securities could result in additional dilution to our shareholders. The sale of substantial amounts of our Class Z ordinary shares and/or the ADSs (including upon conversion of our convertible senior notes) could dilute the interests of our shareholders and the ADS holders and adversely impact the trading prices of our listed securities. The incurrence of indebtedness would result in increased debt service obligations and could result in operating and financing covenants that would restrict our operations. We cannot assure you that financing will be available in amounts or on terms acceptable to us, if at all.

Provisions of our convertible senior notes could discourage an acquisition of us by a third party.

We completed the offering of the 2030 Notes in May 2025. In addition, between 2019 and 2021, we issued three batches of convertible senior notes, with an aggregate principal amount of US$500 million, US$800 million and US$1,600 million, respectively, that are due in April 2026, 2027 and December 2026, respectively, of which the tranche due in April 2026 had been fully repaid as of the date of this annual report.

Certain provisions of our convertible notes could make it more difficult or more expensive for a third-party to acquire us, or may even prevent a third-party from acquiring us. For example, upon the occurrence of certain transactions constituting a fundamental change, holders of the convertible notes will have the right, at their option, to require us to repurchase all of their notes or any portion of the principal amount of such notes. In the event of a fundamental change, we may also be required to increase the conversion rate for conversions in connection with such fundamental changes. By discouraging an acquisition of us by a third-party, these provisions could have the effect of depriving our shareholders of an opportunity to sell their securities at a premium over prevailing market prices.

Our dual-class share structure with different voting rights will limit your ability to influence corporate matters and could discourage others from pursuing any change of control transactions that holders of our Class Z ordinary shares and ADSs may view as beneficial.

We have a dual-class share structure such that our ordinary shares consist of Class Y ordinary shares and Class Z ordinary shares. In respect of matters requiring the votes of shareholders, holders of Class Z ordinary shares will be entitled to one vote per share, while holders of Class Y ordinary shares will be entitled to ten votes per share based on our dual-class share structure. The ADSs represent Class Z ordinary shares. Each Class Y ordinary share is convertible into one Class Z ordinary share at any time by the holder thereof, while Class Z ordinary shares are not convertible into Class Y ordinary shares under any circumstances. Upon any sale of Class Y ordinary shares by a holder thereof to any person other than Mr. Rui Chen, Ms. Ni Li and Mr. Yi Xu or any entity which is not ultimately controlled by any of Mr. Rui Chen, Ms. Ni Li or Mr. Yi Xu, such Class Y ordinary shares shall be automatically and immediately converted into the same number of Class Z ordinary shares.

As of the date of this annual report, three of our directors, Mr. Rui Chen, Ms. Ni Li and Mr. Yi Xu, beneficially own all of our issued Class Y ordinary shares. As of March 31, 2026, these Class Y ordinary shares constitute approximately 19.1% of our total issued and outstanding shares and approximately 70.3% of the aggregate voting power of our total issued and outstanding shares. As a result of the dual-class share structure and the concentration of ownership, holders of Class Y ordinary shares will have considerable influence over matters such as decisions regarding mergers, consolidations and the sale of all or substantially all of our assets, election of directors and other significant corporate actions. Such holders may take actions that are not in the best interest of us or our other shareholders. This concentration of ownership may discourage, delay or prevent a change in control of our company, which could have the effect of depriving our other shareholders of the opportunity to receive a premium for their shares as part of a sale of our company and may reduce the price of our listed securities. This concentrated control will limit your ability to influence corporate matters and could discourage others from pursuing any potential merger, takeover or other change of control transactions that our shareholders may view as beneficial.

The dual-class structure of our ordinary shares may adversely affect the trading market for the Class Z ordinary shares and/or ADSs.

S&P Dow Jones and FTSE Russell have announced changes to their eligibility criteria for inclusion of shares of public companies on certain indices, including the S&P 500, to exclude companies with multiple classes of shares and companies whose public shareholders hold no more than 5% of total voting power from being added to such indices. In addition, several shareholder advisory firms have announced their opposition to the use of multiple class structures. As a result, the dual-class structure of our ordinary shares may prevent the inclusion of the ADSs representing Class Z ordinary shares in such indices and may cause shareholder advisory firms to publish negative commentary about our corporate governance practices or otherwise seek to cause us to change our capital structure. Any such exclusion from indices could result in a less active trading market for the ADSs. Any actions or publications by shareholder advisory firms critical of our corporate governance practices or capital structure could also adversely affect the value of the ADSs.

Techniques employed by short sellers may drive down the market prices of the ADSs.

Short selling is the practice of selling securities that the seller does not own but rather has borrowed from a third-party with the intention of buying identical securities back at a later date to return to the lender. The short seller hopes to profit from a decline in the value of the securities between the sale of the borrowed securities and the purchase of the replacement shares, as the short seller expects to pay less in that purchase than it received in the sale. As it is in the short seller's interest for the price of the security to decline, many short sellers publish, or arrange for the publication of, negative opinions regarding the relevant issuer and its business prospects in order to create negative market momentum and generate profits for themselves after selling a security short. These short attacks have, in the past, led to selling of shares in the market.

Public companies listed in the United States that have substantially all of their operations in China have been the subject of short selling. Much of the scrutiny and negative publicity has centered on allegations of a lack of effective internal control over financial reporting resulting in financial and accounting irregularities and mistakes, inadequate corporate governance policies or a lack of adherence thereto and, in many cases, allegations of fraud. As a result, many of these companies are now conducting internal and external investigations into the allegations and, in the interim, are subject to shareholder lawsuits and/or SEC enforcement actions.

It is not clear what effect such negative publicity could have on us. If we were to become the subject of any unfavorable allegations, whether such allegations are proven to be true or untrue, we could have to expend a significant amount of resources to investigate such allegations and/or defend ourselves. While we would strongly defend against any such short seller attacks, we may be constrained in the manner in which we can proceed against the relevant short seller by principles of freedom of speech, applicable federal or state law or issues of commercial confidentiality. Such a situation could be costly and time-consuming and could distract our management from growing our business. Even if such allegations are ultimately proven to be groundless, allegations against us could severely impact our business operations and stockholder's equity, and the value of any investment in the ADSs could be greatly reduced or rendered worthless.

Certain existing shareholders have substantial influence over our company and their interests may not be aligned with the interests of our other shareholders.

We have adopted a dual-class voting structure such that our ordinary shares consist of Class Z ordinary shares and Class Y ordinary shares. Based on our dual-class voting structure, in respect of matters requiring a shareholders' vote, holders of Class Z ordinary shares will be entitled to one vote per share, while holders of Class Y ordinary shares will be entitled to ten votes per share. Due to the disparate voting powers attached to these two classes of ordinary shares, three of our directors, Mr. Rui Chen, Ms. Ni Li and Mr. Yi Xu, beneficially own all of our issued Class Y ordinary shares. As of March 31, 2026, these Class Y ordinary shares in aggregate constitute approximately 19.1% of our total issued and outstanding ordinary shares and approximately 70.3% of the aggregate voting power of our total issued and outstanding ordinary shares. They may take actions that are not aligned with the interests of our shareholders, including the ADS holders. In addition, the significant concentration of share ownership may adversely affect the trading prices of our Class Z ordinary shares and/or ADSs due to investors' perception that conflicts of interest may exist or arise.

If securities or industry analysts do not publish research or reports about our business, or if they adversely change their recommendations regarding our Class Z ordinary shares and/or the ADSs, the trading price and trading volume of our Class Z ordinary shares and/or the ADSs could decline.

The trading market for our Class Z ordinary shares and/or the ADSs will be influenced by research or reports that industry or securities analysts publish about our business. If one or more analysts who cover us downgrade our Class Z ordinary shares, the trading price for our Class Z ordinary shares and/or the ADSs would likely decline. If one or more of these analysts cease to cover us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the trading price or trading volume for our Class Z ordinary shares and/or the ADSs to decline.

The sale or availability for sale of substantial amounts of our Class Z ordinary shares and/or the ADSs could adversely affect their trading price.

Sales of substantial amounts of our Class Z ordinary shares and/or the ADSs in the public market, or the perception that these sales could occur, could adversely affect the trading prices of our Class Z ordinary shares and/or ADSs and could materially impair our ability to raise capital through equity offerings in the future. We cannot predict what effect, if any, market sales of securities held by our significant shareholders or any other shareholder or the availability of these securities for future sale will have on the trading prices of our Class Z ordinary shares and/or ADSs.

Because we do not expect to pay dividends in the foreseeable future, investors must rely on price appreciation of our listed securities for return on their investments.

We currently intend to retain most, if not all, of our available funds and any future earnings to fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. Therefore, investors should not rely on an investment in our listed securities as a source for any future dividend income.

Our board of directors has complete discretion as to whether to distribute dividends, subject to certain requirements of Cayman Islands law. Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, we received from our subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return to the shareholders and/or ADS holders will likely depend entirely upon any future price appreciation of our listed securities. There is no guarantee that our listed securities will appreciate in value or even maintain the price at which the investors purchased these securities. Investors may not realize a return on their investment in our listed securities and may even lose their entire investment.

Our shareholders may be subject to PRC income tax on dividends from us or on any gain realized on the transfer of our Class Z ordinary shares and/or the ADSs.

Under the PRC Enterprise Income Tax Law and its implementation rules, subject to any applicable tax treaty or similar arrangement between mainland China and the jurisdiction of residence of the holders of our Class Z ordinary shares and/or ADSs that provides for a different income tax arrangement, PRC withholding tax at the rate of 10% is normally applicable to dividends from PRC sources payable to investors that are non-PRC resident enterprises, which do not have an establishment or place of business in mainland China, or which have such establishment or place of business if the relevant income is not effectively connected with the establishment or place of business. Any gain realized on the transfer of Class Z ordinary shares or ADSs by such non-PRC resident enterprise investors is also subject to 10% PRC income tax if such gain is regarded as income derived from sources within mainland China, unless a tax treaty or similar arrangement provides otherwise. Under the PRC Individual Income Tax Law and its implementation rules, dividends from sources within mainland China paid to foreign individual investors who are not PRC residents are generally subject to a PRC withholding tax at a rate of 20% and gains from PRC sources realized by such investors on the transfer of Class Z ordinary shares and/or ADSs are generally subject to 20% PRC income tax, in each case, subject to any reduction or exemption set forth in applicable tax treaties and similar arrangements and PRC laws. Although substantially all of our business operations are in mainland China, it is unclear whether dividends we pay with respect to our Class Z ordinary shares and/or the ADSs, or the gain realized from the transfer of our Class Z ordinary shares and/or the ADSs, would be treated as income derived from sources within mainland China and as a result be subject to PRC income tax if we were considered a PRC resident enterprise, as described above. See "—Risks Related to Doing Business in China—If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC noteholders, shareholders or ADS holders." If PRC income tax were imposed on gains realized through the transfer of the Class Z ordinary shares or ADSs or on dividends paid to our non-PRC resident investors, the value of the investment in our Class Z ordinary shares and/or the ADSs may be materially and adversely affected. Furthermore, the holders of our Class Z ordinary shares and/or the ADSs whose jurisdictions of residence have tax treaties or similar arrangements with mainland China may not qualify for benefits under such tax treaties or arrangements.

There can be no assurance that we will not be a passive foreign investment company, or PFIC, for U.S. federal income tax purposes for any taxable year, which could result in adverse U.S. federal income tax consequences to U.S. holders of our Class Z ordinary shares, or ADSs, or, possibly, our notes.

A non-U.S. corporation will be a PFIC for any taxable year if either (i) at least 75% of its gross income for such year consists of certain types of "passive" income; or (ii) at least 50% of the value of its assets (generally determined on the basis of a quarterly average) during such year is attributable to assets that produce passive income or are held for the production of passive income, or the asset test. Although the law in this regard is unclear, we intend to treat the VIEs as being owned by us for U.S. federal income tax purposes, not only because we exercise effective control over the operation of these entities but also because we are entitled to substantially all of their economic benefits, and, as a result, we consolidate their results of operations in our consolidated financial statements.

Assuming that we are the owner of the VIEs for U.S. federal income tax purposes, and based upon the composition of our income and assets and projections as to the value of our assets, including goodwill and other unbooked intangibles not reflected on our balance sheet, we do not believe that we were a PFIC for the 2025 taxable year and we do not presently expect to be a PFIC for the current taxable year. However, no assurance can be given in this regard because the determination of whether we are or will become a PFIC is a fact-intensive inquiry made on an annual basis that depends, in part, upon the composition of our income and assets. Fluctuations in the market price of the ADSs or Class Z ordinary shares may cause us to become a PFIC for the current or subsequent taxable years because the value of our assets for the purpose of the asset test described above may be determined by reference to the market price of the ADSs or Class Z ordinary shares (which may be volatile). The market price of the ADSs and Class Z ordinary shares may continue to fluctuate considerably and, consequently, we cannot assure you of our PFIC status for any taxable year. The composition of our income and assets may also be affected by how, and how quickly, we use our liquid assets. In addition, if it were determined that we do not own the stock of the VIEs for U.S. federal income tax purposes, our risk of being a PFIC may substantially increase.

If we are a PFIC in any taxable year, a U.S. Holder may incur significantly increased U.S. federal income tax on gain recognized on the sale or other disposition of the ADSs or Class Z ordinary shares and on the receipt of distributions on the ADSs or Class Z ordinary shares to the extent such gain or distribution is treated as an "excess distribution" under U.S. federal income tax rules and such holder may be subject to burdensome reporting requirements. Further, if we are a PFIC for any year during which a U.S. Holder holds the ADSs or Class Z ordinary shares, we will generally continue to be treated as a PFIC for all succeeding years during which such U.S. Holder holds the ADSs or Class Z ordinary shares. See "Item 10. Additional Information—E. Taxation—Passive Foreign Investment Company Rules."

Our memorandum and articles of association contain anti-takeover provisions that could have a material adverse effect on the rights of holders of our Class Z ordinary shares and ADSs.

The eighth amended and restated memorandum and articles of association contain provisions to limit the ability of others to acquire control of our company or cause us to engage in change-of-control transactions. These provisions could have the effect of depriving our shareholders of an opportunity to sell their shares at a premium over prevailing market prices by discouraging third parties from seeking to obtain control of our company in a tender offer or similar transaction. Our dual-class voting structure gives disproportionate voting power to the Class Y ordinary shares. In addition, our board of directors has the authority, without further action by our shareholders, to issue preferred shares in one or more series and to fix their designations, powers, preferences, privileges, and relative participating, optional or special rights and the qualifications, limitations or restrictions, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights associated with our ordinary shares, in the form of ADS or otherwise. Preferred shares could be issued quickly with terms calculated to delay or prevent a change in control of our company or make removal of management more difficult. If our board of directors decides to issue preferred shares, the price of our Class Z ordinary shares and/or the ADSs may fall and the voting and other rights of the holders of our Class Z ordinary shares and ADSs may be materially and adversely affected.

Our shareholders may face difficulties in protecting their interests, and the ability to protect their rights through U.S. courts and Hong Kong courts may be limited, because we are incorporated under Cayman Islands law.

We are an exempted company limited by shares registered under the laws of the Cayman Islands. Our corporate affairs are governed by our memorandum and articles of association, the Companies Act (as amended) of the Cayman Islands and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary responsibilities of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands (as compared to the United States) as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands (except for those decisions handed down from the Judicial Committee of the privy council to the extent that these have been appealed from the Cayman Islands courts). The rights of our shareholders and the fiduciary responsibilities of our directors under Cayman Islands law are broadly similar to those in other common law jurisdiction, but there may be differences in the statutes or judicial precedent in Hong Kong and some jurisdictions in the United States. In particular, the Cayman Islands has a different body of securities laws than Hong Kong and the United States. Some states in the United States, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands. In addition, with respect to Cayman Islands companies, plaintiffs may face special obstacles, including, but not limited to, those relating to jurisdiction and standing, in attempting to assert derivative claims in state or federal courts of the United States. The Cayman Islands courts are also unlikely to recognize or enforce against us judgments of courts of the United States based on certain civil liability provisions of securities laws of the United States, or to impose liabilities against us, in original actions brought in the Cayman Islands, based on certain civil liability provisions of securities laws of the United States that are penal in nature. There is no statutory recognition in the Cayman Islands of judgments obtained in the United States, although the courts of the Cayman Islands will in certain circumstances recognize and enforce a non-penal judgment of a foreign court of competent jurisdiction without retrial on the merits.

Currently, shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records (other than the memorandum and articles of association, the register of mortgages and charges and any special resolutions passed by shareholders) or to obtain copies of lists of shareholders of these companies. Under Cayman Islands law, the names of our current directors can be obtained from a search conducted at the Registrar of Companies in the Cayman Islands. Our directors have discretion under our articles of association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

Certain corporate governance practices in the Cayman Islands, which is our home country, differ significantly from requirements for companies incorporated in other jurisdictions such as the United States. To the extent we choose to follow home country practice with respect to corporate governance matters, our shareholders may be afforded less protection than they otherwise would under rules and regulations applicable to U.S. domestic issuers or Hong Kong issuers.

There is uncertainty as to whether the judgment of United States courts will be directly enforced in Hong Kong, as the United States and Hong Kong do not have a treaty or other arrangements providing for reciprocal recognition and enforcement of judgments of courts of the United States in civil and commercial matters. However, a foreign judgment may be enforced in Hong Kong at common law by bringing an action in a Hong Kong court since the judgment may be regarded as creating a debt between the parties to it; provided that the foreign judgment, among other things, is a final judgment conclusive upon the merits of the claim and is for a liquidated amount in a civil matter and not in respect of taxes, fines, penalties, or similar charges. Such a judgment may not, in any event, be so enforced in Hong Kong if (a) it was obtained by fraud; (b) the proceedings in which the judgment was obtained were opposed to natural justice; (c) its enforcement or recognition would be contrary to the public policy of Hong Kong; (d) the court of the United States was not jurisdictionally competent; or (e) the judgment was in conflict with a prior Hong Kong judgment.

As a result of all of the above, public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as public shareholders of a company incorporated in the United States or Hong Kong. For a discussion of significant differences between the provisions of the Companies Act (as amended) of the Cayman Islands and the laws applicable to companies incorporated in the United States and their shareholders, see "Item 10. Additional Information—B. Memorandum and Articles of Association—Differences in Corporate Law."

ADSs holders may not be entitled to a jury trial with respect to claims arising under the deposit agreements, which could result in less favorable outcomes to the plaintiff(s) in any such action.

The deposit agreement and the deposit agreement for restricted securities governing the ADSs representing our Class Z ordinary shares provide that, subject to the depositary's right to require a claim to be submitted to arbitration, the federal or state courts in the City of New York have exclusive jurisdiction to hear and determine claims arising under the deposit agreements and in that regard, to the fullest extent permitted by law, ADS holders waive the right to a jury trial of any claim they may have against us or the depositary arising out of or relating to our shares, the ADSs or the deposit agreements, including any claim under the U.S. federal securities laws.

If we or the depositary opposed a jury trial demand based on the waiver, the court would determine whether the waiver was enforceable based on the facts and circumstances of that case in accordance with the applicable U.S. state and federal law. To our knowledge, the enforceability of a contractual pre-dispute jury trial waiver in connection with claims arising under the U.S. federal securities laws has not been finally adjudicated by the United States Supreme Court. However, based on past court decisions, we believe that a contractual pre-dispute jury trial waiver provision is generally enforceable, including under the laws of the State of New York, which govern the deposit agreement. In determining whether to enforce a contractual pre-dispute jury trial waiver provision, courts will generally consider whether a party knowingly, intelligently and voluntarily waived the right to a jury trial. We believe that this is the case with respect to the deposit agreements and the ADSs. It is advisable that you consult legal counsel regarding the jury waiver provision before investing in the ADSs.

If any holders or beneficial owners of ADSs bring a claim against us or the depositary in connection with matters arising under the relevant deposit agreements or the ADSs, including claims under U.S. federal securities laws, you or such other holder or beneficial owner may not be entitled to a jury trial with respect to such claims, which may have the effect of limiting and discouraging lawsuits against us and/or the depositary. If a lawsuit is brought against us and/or the depositary under the relevant deposit agreements, it may be heard only by a judge or justice of the applicable trial court, which would be conducted according to different civil procedures and may result in different outcomes than a trial by jury would have had, including results that could be less favorable to the plaintiff(s) in any such action.

Nevertheless, if this jury trial waiver provision is not enforced, to the extent a court action proceeds, it would proceed under the terms of the relevant deposit agreements with a jury trial. No condition, stipulation or provision of the relevant deposit agreements or ADSs serves as a waiver by any holder or beneficial owner of ADSs or by us or the depositary of compliance with the U.S. federal securities laws and the rules and regulations promulgated thereunder.

Certain judgments obtained against us by our shareholders may not be enforceable.

We are a Cayman Islands exempted company limited by shares and all of our assets are located outside of the United States. Substantially all of our current operations are conducted in mainland China. In addition, a majority of our current directors and officers named in this annual report are nationals and residents of countries other than the United States or Hong Kong. Substantially all of the assets of these persons are located outside the United States or Hong Kong. As a result, it may be difficult or impossible for our shareholders to bring an action against us or against these individuals in the United States in the event that such shareholders believe that their rights have been infringed under the U.S. federal securities laws, Hong Kong laws, or otherwise. Even if such shareholders are successful in bringing an action of this kind, the laws of the Cayman Islands and of mainland China may render such shareholders unable to enforce a judgment against our assets or the assets of our directors and officers, depending on where our directors and officers are located.

As a company incorporated in the Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the Nasdaq corporate governance listing standards, and these practices may afford less protection to shareholders than shareholders would enjoy if we complied fully with the Nasdaq corporate governance listing standards.

As a Cayman Islands exempted company listed on the Nasdaq Stock Market, we are subject to the Nasdaq corporate governance listing standards. However, the Nasdaq corporate governance listing standards permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from the Nasdaq corporate governance listing standards. Among other things, we are not required under the Nasdaq corporate governance listing standards to obtain shareholders' approval when any equity compensation plan is established. In 2024, we relied on this exemption and adopted our 2024 Plan through board approval without seeking shareholders' approval. As a result, our investors may not be provided with the benefits of certain corporate governance requirements of Nasdaq. In the future, we may rely on other exemptions provided by Nasdaq to the extent also allowed under the laws and regulations in Hong Kong (including the Hong Kong Listing Rules).

We are a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions applicable to U.S. domestic public companies.

Because we are a foreign private issuer under the Securities Exchange Act of 1934, or the Exchange Act, we are exempt from certain provisions of

U.S. securities rules and regulations that are applicable to U.S. domestic issuers, including:

- the rules under the Exchange Act requiring the filing of quarterly reports on Form 10-Q or current reports on Form 8-K with the SEC;

- the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act;
- the sections of the Exchange Act requiring significant shareholder to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and
- the selective disclosure rules by issuers of material nonpublic information under Regulation FD.

We are required to file an annual report on Form 20-F within four months of the end of each fiscal year. In addition, we intend to publish our results on a quarterly basis through press releases, distributed pursuant to the rules and regulations of the Nasdaq Stock Market. Press releases relating to financial results and material events will also be furnished to the SEC on Form 6-K.

However, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers. As a result, the ADS holders may not be afforded the same protections or information, which would be made available to the ADS holders, were they investing in a U.S. domestic issuer.

ADS holders may have fewer rights than holders of our Class Z ordinary shares and must act through the depositary to exercise those rights.

Holders of ADSs do not have the same rights as our shareholders and may only exercise the voting rights with respect to the underlying Class Z ordinary shares represented by the ADSs in accordance with the provisions of the deposit agreement. Holders of ADSs may not call a shareholders' meeting, and do not have any direct right to attend general meetings of our shareholders or to cast any votes at such meetings. Under our eighth amended and restated memorandum and articles of association, the minimum notice period required to convene a general meeting, other than the annual general meeting, is 14 days. Under the deposit agreement, ADS holders must vote by giving voting instructions to the depositary. If we ask for ADS holders' instructions, then upon receipt of such voting instructions, the depositary will try to vote the underlying Class Z ordinary shares in accordance with these instructions. If we do not instruct the depositary to ask for ADS holders' instructions, the depositary may still vote in accordance with instructions given by ADS holders, but it is not required to do so. ADS holders will not be able to directly exercise their rights to vote with respect to the underlying Class Z ordinary shares represented by the ADSs unless they withdraw the Class Z ordinary shares and become the registered holders of such Class Z ordinary shares prior to the record date for the general meeting.

When a general meeting is convened, holders of ADSs may not receive sufficient notice of a shareholders' meeting to permit withdrawal of the underlying Class Z ordinary shares represented by their ADSs to allow them to cast their votes with respect to any specific matter. If we ask for ADS holders' instructions, the depositary will notify ADS holders of the upcoming vote and will arrange to deliver our voting materials to the ADS holders. We have agreed to give the depositary at least 30 business days' prior notice of our shareholder meetings. Nevertheless, the depositary and its agents may not be able to send voting instructions to holders of ADSs or carry out their voting instructions in a timely manner. We will make all reasonable efforts to cause the depositary to extend voting rights to holders of ADSs in a timely manner, but we cannot assure that holders of ADSs will receive the voting materials in time to ensure that they can instruct the depositary to vote their ADSs. Furthermore, the depositary and its agents will not be responsible for any failure to carry out any instructions to vote, for the manner in which any vote is cast or for the effect of any such vote. As a result, holders of ADSs may not be able to exercise their right to vote and may lack recourse if the underlying Class Z ordinary shares represented by their ADSs are not voted as they requested.

ADS holders may experience dilution of their holdings due to inability to participate in rights offerings.

We may, from time to time, distribute rights to our shareholders, including rights to acquire securities. Under the deposit agreement, the depositary will not distribute rights to holders of ADSs unless the distribution and sale of rights and the securities to which these rights relate are either exempt from registration under the Securities Act with respect to all holders of ADSs, or are registered under the provisions of the Securities Act. The depositary may, but is not required to, attempt to sell these undistributed rights to third parties, and may allow the rights to lapse. We may be unable to establish an exemption from registration under the Securities Act, and we are under no obligation to file a registration statement with respect to these rights or underlying securities or to endeavor to have a registration statement declared effective. Accordingly, holders of ADSs may be unable to participate in our rights offerings and may experience dilution of their holdings as a result.

ADS holders may be subject to limitations on transfer of their ADSs.

In certain cases, the ADSs are transferable on the books of the depositary. However, the depositary may close its books at any time or from time to time when it deems expedient in connection with the performance of its duties. The depositary may close its books from time to time for a number of reasons, including in connection with corporate events such as a rights offering, during which time the depositary needs to maintain an exact number of ADS holders on its books for a specified period. The depositary may also close its books in emergencies, and on weekends and public holidays. The depositary may refuse to deliver, transfer or register transfers of the ADSs generally when our share register or the books of the depositary are closed, or at any time if we or the depositary thinks it is advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the relevant deposit agreement, or for any other reason.

The different characteristics of the capital markets in Hong Kong and the U.S. may negatively affect the trading prices of our Class Z ordinary shares and/or ADSs.

We are subject to Hong Kong and Nasdaq listing and regulatory requirements concurrently. The Hong Kong Stock Exchange and Nasdaq have different trading hours, trading characteristics (including trading volume and liquidity), trading and listing rules, and investor bases (including different levels of retail and institutional participation). As a result of these differences, the trading prices of our Class Z ordinary shares and the ADSs may not be the same, even allowing for currency differences. Fluctuations in the price of the ADSs due to circumstances peculiar to the U.S. capital markets could materially and adversely affect the price of our Class Z ordinary shares, or vice versa. Certain events having significant negative impact specifically on the U.S. capital markets may result in a decline in the trading prices of our Class Z ordinary shares notwithstanding that such event may not impact the trading prices of securities listed in Hong Kong generally or to the same extent, or vice versa. Because of the different characteristics of the U.S. and Hong Kong capital markets, the historical market prices of the ADSs may not be indicative of the trading performance of our Class Z ordinary shares.

Exchange between our Class Z ordinary shares and the ADSs may adversely affect the liquidity and/or trading prices of each other.

The ADSs are currently traded on Nasdaq. Subject to compliance with U.S. securities law and the terms of the deposit agreement, holders of our Class Z ordinary shares may deposit Class Z ordinary shares with the depositary in exchange for the issuance of the ADSs. Any holder of ADSs may also withdraw the underlying Class Z ordinary shares represented by the ADSs pursuant to the terms of the deposit agreement for trading on the Hong Kong Stock Exchange. In the event that a substantial number of Class Z ordinary shares are deposited with the depositary in exchange for ADSs or vice versa, the liquidity and trading prices of our Class Z ordinary shares on the Hong Kong Stock Exchange and the ADSs on the Nasdaq may be adversely affected.

There is uncertainty as to whether Hong Kong stamp duty will apply to the trading or conversion of the ADSs.

Under the Hong Kong Stamp Duty Ordinance, any person who effects any sale or purchase of Hong Kong stock, defined as stock the transfer of which is required to be registered in Hong Kong, is required to pay Hong Kong stamp duty. The stamp duty is currently set at a total rate of 0.2% of the greater of the consideration for, or the value of, shares transferred, with 0.1% payable by each of the buyer and the seller. To the best of our knowledge, Hong Kong stamp duty has not been levied in practice on the trading or conversion of ADSs of companies that are listed in both the United States and Hong Kong and that have maintained all or a portion of their ordinary shares, including ordinary shares underlying ADSs, in their Hong Kong share registers. However, it is unclear whether, as a matter of Hong Kong law, the trading or conversion of ADSs of these dual-listed companies constitutes a sale or purchase of the underlying Hong Kong-registered ordinary shares that is subject to Hong Kong stamp duty. We advise investors to consult their own tax advisors on this matter. If Hong Kong stamp duty is determined by the competent authority to apply to the trading or conversion of the ADSs, the trading price and the value of your investment in our Class Z ordinary shares and/or ADSs may be affected.

The time required for the exchange between our Class Z ordinary shares and ADSs might be longer than expected and investors might not be able to settle or effect any sale of their securities during this period, and the exchange of Class Z ordinary shares into ADSs involves costs.

There is no direct trading or settlement between the Nasdaq and the Hong Kong Stock Exchange on which the ADSs and our Class Z ordinary shares are respectively traded. In addition, the time differences between Hong Kong and New York, unforeseen market circumstances or other factors may delay the deposit of Class Z ordinary shares in exchange for ADSs or the withdrawal of Class Z ordinary shares underlying the ADSs. Investors will be prevented from settling or effecting the sale of their securities during such periods of delay. In addition, there is no assurance that any exchange for Class Z ordinary shares into ADSs (and vice versa) will be completed in accordance with the timelines that investors may anticipate.

Furthermore, the depositary for the ADSs is entitled to charge holders fees for various services including for the issuance of ADSs upon deposit of Class Z ordinary shares, cancelation of ADSs, distributions of cash dividends or other cash distributions, distributions of ADSs pursuant to share dividends or other free share distributions, distributions of securities other than ADSs and annual service fees. As a result, shareholders who exchange Class Z ordinary shares into ADSs, and vice versa, may not achieve the level of economic return the shareholders may anticipate.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

Our website was first launched in June 2009 and was officially named "bilibili" in January 2010. We commenced our commercial operations in 2011 and established Shanghai Hode Information Technology Co., Ltd., which we refer to as Hode Information Technology in this annual report, to expand our operations in May 2013. Subsequently, we obtained control over Shanghai Kuanyu Digital Technology Co., Ltd., which we refer to as Shanghai Kuanyu in this annual report, in July 2014 to further expand our operations.

We incorporated Bilibili Inc. under the laws of the Cayman Islands, an exempted company with limited liability, as our offshore holding company in December 2013. In February 2014, we established Hode HK Limited, or Hode HK, a wholly owned Hong Kong subsidiary. In September 2014, Hode HK established a wholly owned PRC subsidiary, Hode Shanghai Limited, which we refer to as Hode Shanghai in this annual report.

Due to restrictions imposed by PRC laws and regulations on foreign ownership of companies that engage in internet and other related business, Hode Shanghai later entered into a series of contractual arrangements with Hode Information Technology and Shanghai Kuanyu, and their respective shareholders, and our subsidiary, Chaodian (Shanghai) Technology Co., Ltd., which we refer to as Chaodian Technology in this annual report, entered into a series of contractual arrangements with Chaodian Culture and its individual shareholders. We have also entered into contractual arrangements with several other affiliated entities and their respective nominee shareholders, through some of our subsidiaries other than Hode Shanghai or Chaodian Technology. As a result of our direct ownership in our WFOE and the VIE contractual arrangements, we are regarded as the primary beneficiary of the VIEs. We treat them and their subsidiaries as variable interest entities under U.S. GAAP, and have consolidated the financial results of these entities in our consolidated financial statements in accordance with U.S. GAAP.

On March 28, 2018, the ADSs representing our Class Z ordinary shares commenced trading on the Nasdaq Global Select Market under the symbol "BILI." We raised approximately US$443.3 million in net proceeds from our initial public offering after deducting underwriting commissions and the offering expenses payable by us.

In October 2018, Tencent became a major shareholder of ours and we entered into a strategic collaboration agreement with it for sharing and operating existing and additional anime and games on our platform.

In March 2021, our Class Z ordinary shares commenced trading on the Main Board of the Hong Kong Stock Exchange under the stock code "9626." We raised approximately HK$22.9 billion (RMB19.3 billion) from our global offering, after deducting underwriting fees and other offering expenses.

On October 3, 2022, our voluntary conversion of Bilibili's secondary listing status to primary listing on the Hong Kong Stock Exchange became effective, and Bilibili became a dual-primary listed company on the Main Board of the Hong Kong Stock Exchange in Hong Kong and the Nasdaq Global Select Market in the United States.

On March 13, 2023, the inclusion of our Class Z ordinary shares traded on the Hong Kong Stock Exchange in the Shenzhen-Hong Kong Stock Connect and Shanghai-Hong Kong Stock Connect programs became effective. Following its inclusion, eligible investors in mainland China currently have direct access to the trading of Bilibili's Class Z ordinary shares.

Corporate Information

Our principal executive offices are located at Building 3, Guozheng Center, No. 485 Zhengli Road, Yangpu District, Shanghai, 200433, People's Republic of China. Our telephone number at this address is +86 21 2509-9255. Our registered office in the Cayman Islands is located at the offices of Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands.

The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding registrants that make electronic filings with the SEC using its EDGAR system. We maintain our website for investor relations at http://ir.bilibili.com. We do not incorporate the information on or accessible through this website into this report. The information contained on or accessible through this website is not a part of this annual report.

B. Business Overview

We are an iconic brand and a leading video community for young generations in China. Video is an intuitive, vivid and informative way to connect people with the world and has become a dominant medium for communication, entertainment and information. We refer to the trend of video integrating into the scenarios of everyday life as "videolization." As a go-to video community for young generations in China, we believe we are well positioned to meet users' evolving content and consumption needs while unlocking greater commercial value of our user base.

We are a full-spectrum video community that offers a wide array of content serving young generations' diverse interests. We adopt "All the Videos You Like" as our brand proposition. We have built our community around aspiring users, high-quality content, talented content creators and the strong emotional bonds among them. In our community, users and content creators discover and interact with diverse content encompassing different interests, from lifestyle, game, entertainment, anime, and knowledge to many more. We also enable broad video-based content consumption scenarios centered around professional user generated videos, or PUGV, supplemented with live broadcasting, occupationally generated videos, or OGV, and more.

We adopt a user-centric commercialization model. Our ever-growing content ecosystem continues to satisfy our engaged and loyal users' evolving needs, providing us with multiple levers for user-centric commercialization. We generate revenues primarily from VAS, advertising, mobile games, and IP derivatives and others. Our cost of revenues consists of revenue-sharing costs, content costs, server and bandwidth costs, staff costs and IP derivatives and other costs. For a detailed description, please see "Item 5. Operating and Financial Review and Prospects—Key Components of Results of Operations."

Our Users

We have a young and culturally aspirational user base who are willing to invest in high-quality content and engaging user experience. Generation Z+ constitutes the core of our user base. Our user base is broadening to include users across different age groups and locations, who take interest in a full spectrum of content. We encourage users to not only discover and view, but also share and create quality content on our platform. We are dedicated to providing a wide variety of high-quality content to retain our existing users and attract new users with diverse interests and backgrounds.

Our user base is growing solidly. In 2025, we had an average of 112 million DAUs and 368 million MAUs, both representing an increase of 8%, as compared to 2024. Our users have demonstrated high levels of engagement on our platform. The average daily time spent per active user on our mobile apps increased from 102 minutes in 2024 to 108 minutes in 2025.

Our official members who have passed our 100-question multiple-choice membership exam are even more engaged and loyal to our platform. As of December 31, 2025, we had approximately 284 million official members, representing a 10% increase since 2024. We believe the users who take and pass our membership exam are tuned to our community culture and values, which gives us a sticky user community with high retention rate. For official members who visited our platform in each month since 2024, their 12th-month retention rate remained at around 80%.

Our Content

We offer a wide variety of digital content, centered around PUGV and supplemented with a range of value-added services, or VAS, as well as mobile games. Our full-spectrum content ecosystem makes us a one-stop platform for users to find content that matches their interests and preferred video consumption scenarios, and for content creators to fully showcase their talent. In 2025, our total user time spent increased by 14% as compared to 2024. The growth of our content ecosystem is propelled by a virtuous cycle. The more talented content creators gather on our platform, the more inspiring and high-quality content is created, leading to more users, more engagement, and more followers and feedback for our content creators, which in turn encourages more content creators to join. Simultaneously, our content continues to diversify across various categories, evolving alongside our users' changing life stages to cater to their shifting content demands.

PUGV

PUGV are the cornerstone of our content ecosystem. We have a deep and diverse repository of PUGV on our platform. The PUGV on our platform typically showcase the content creators' knowledge and expertise in the relevant field, providing viewers with a fulfilling experience and creating positive word-of-mouth. PUGV are popular among our users due to their originality and creativity as well as their creators' responsiveness to user demand, which are further empowered by AIGC tools that support content creation and improve production efficiency.

Our community offers a diverse range of content across various interest verticals, including lifestyle, games, entertainment, anime, knowledge, and many more. In 2025, we continued to strengthen our core categories, maintaining a leading position in ACG (anime, comics and games) and knowledge content. In 2025, watch time for Chinese anime and game-related content increased by 55% and 20%, respectively, from the prior year period, while AI-related content experienced a 73% increase in watch time from the prior year period. Furthermore, we expanded our offerings in lifestyle and consumption-related content to address the diversifying interests of our user base, and introduced new content formats, such as video podcasts, to further enhance user engagement.

To accommodate diverse user needs across various scenarios, we offer diversified viewing experiences through multiple formats and devices. Beyond mobile and PC viewing, our short-form video feature "Story Mode" on our mobile apps caters to on-the-go consumption during fragmented time periods, while our Bilibili app on smart TV provides a more immersive and high-definition viewing experience on larger screens.

VAS

We offer a wide range of value-added services catering to our users' diversified content needs, including live broadcasting, OGV, audio drama on Maoer, comics on Bilibili Comic and exclusive PUGV content in fan charging program and premium courses.

Live broadcasting

We view live broadcasting as a natural extension to our video content, which allows users to interact and engage in real time, and is integrated with various content categories and user interests. We have a vast and varied collection of live broadcasting categories on our platform. Games are the most popular category of the live broadcasting content on our platform. In 2025, we offered live broadcasting of the League of Legends S15 World Championship.

In addition to live broadcasting of games, we also provide entertainment live broadcasting consisting of virtual host live broadcasting, audio-related live broadcasting and other live broadcasting. In 2025, we continued to attract more talents and hosts to introduce more live broadcasting channels and provide diversified content, thus enriching our live broadcasting content and increasing user engagement. We believe the diverse and growing live broadcasting content provides an interactive user experience and drives the growth of our live broadcasting revenues.

OGV

Our OGV offerings consist of Bilibili-produced or jointly produced content and licensed content procured from third-party production companies. Our OGV offerings encompass a variety of genres, including anime, documentaries, variety shows, selected TV shows and movies. Anime remains our core focus while we are continually making thoughtful investments in other content categories. We leverage our rich OGV offerings to attract more users and convert them into paying users, inspire the creation of PUGV content creators and supplement the PUGV content categories. In 2025, we maintained our disciplined focus on the OGV investment strategy, further elevating return on investment as a core criterion for capital allocation decisions. As a result, with the continuous growth of our net revenues, we expect our total content costs as a percentage of total revenue to gradually decrease.

We have one of China's largest anime libraries, encompassing Chinese anime and Japanese anime series. Over years of development, we have built a strong portfolio of Chinese anime IPs, including our inhouse produced and co-produced titles. In November 2025, we announced 40 new Chinese anime titles on our Made by Bilibili Chinese Anime Press Conference. We have also established business cooperation with overseas distributors, including Sony and Netflix, to distribute our original Chinese content to the global markets. In addition, we have partnered with content providers for licensed videos, including leading PRC and overseas television networks and studios. See "—Our Strategic Partners" for more information.

Fan Charging Program and Premium Courses

Building on our robust PUGV content ecosystem, our fan charging program allows paid users to access exclusive, premium videos from their subscribed content creators. To further diversify our video offerings, we launched pay-to-view premium courses, delivering curated, high-value educational content designed to enhance user learning experiences.

Bilibili Comic and Maoer

Leveraging our mass user base of ACG enthusiasts, we expanded our offering to comics and ACG-related audio content. We launched Bilibili Comic, a mobile app offering anime and comic content in 2019 to enrich our content offerings. Subsequently, we launched Maoer, an audio platform, to offer audio drama such as audio books and music mainly contributed by professional and amateur content creators. As a natural extension from our core ACG content offerings, we see synergy effects between our main offerings and each of Bilibili Comic and Maoer.

Mobile games

There is a large population of online games enthusiasts among our users. Game is the most popular category of our PUGV and live broadcasting content in 2025, positioning us as one of the most sought-after and active game communities in China. We view mobile games as an adaptive form of video-based content that share many commonalities. Leveraging our deep understanding of users' preference in online games and our rich experience in games operation and distribution, we select and operate mobile games compatible with our users' interest. As of December 31, 2025, we operated multiple exclusively distributed mobile games and hundreds of jointly operated mobile games. In addition, we are building up our internal game development capabilities.

We have obtained the exclusive distribution rights for a variety of mobile games from leading global and domestic developers. Our portfolio includes legacy titles such as *Azur Lane* and *Fate/Grand Order*, which continued to maintain stable performance in 2025. In addition, our exclusively distributed strategy game, *San Guo: Mou Ding Tian Xia*, which was launched in 2024, served as a main driver of our mobile game revenue growth. In October 2025, we launched our in-house developed title, *Escape from Duckov*, which garnered positive market reception and achieved sales exceeding three million copies.

In addition to exclusively distributed mobile games, we also jointly operate a large number of mobile games with well-known domestic developers. Popular jointly operated mobile games on our platform include *Arknights* and *Genshin Impact*. We continued to leverage our competence in ACG entertainment with like-minded game players in overseas markets, including South Korea, Japan, and other countries.

Our Content Creators

The creation of PUGV by our content creators has been the primary source of user traffic and the key driver for the growth and engagement of our communities. We have cultivated a supportive environment to allow content creators to grow and flourish on our platform, empowering them to easily distribute content, quickly accumulate fan bases and effectively earn income. In 2025, we had approximately 4 million monthly active content creators, contributing nearly 24 million average monthly video submissions, an increase of 15% as compared to 2024.

Retaining and expanding our network of content creators who continually contribute quality content to our platform is essential to us. We have taken a number of initiatives to encourage and facilitate production of creative PUGV by content creators. We provide multiple monetization avenues for our content creators to unlock their commercialization potential, including but not limited to native advertising, virtual gifting in live broadcasting, other value-added services, customized commercial contracts and cash incentive programs. In 2025, nearly 3 million content creators earned income through our multiple monetization channels.

All of our content creators and live broadcasting hosts are bound by our community regulations and standard terms of service, which set forth various policies of conduct, content, privacy and the intellectual property right ownership, also the revenue sharing arrangements between content creators and hosts and us. Most content creators and hosts are not professional or full time. We identify certain content creators that create popular content and represent our values and beliefs and execute customized contracts with them. We also cooperate with talent agencies which recruit, manage, train, support and promote content creators and hosts. Customized host contracts are negotiated on a case-by-case basis and generally contain revenue sharing arrangements and exclusivity clauses. Except as disclosed above, we do not have other material transactions, agreements or understanding with our content creators or live broadcasting hosts, other than in their capacity as our content creators or live broadcasting hosts.

Our Community

Our community operating features

Our users are attracted to our platform because of our creative content and retained by our diverse, inclusive and vibrant community. To preserve our culture and community values, we have employed the following features in operating our communities.

Membership exam. Users need to pass our multiple-choice membership exam consisting of 100 questions in order to become our "official members," after which additional interactive and community features, such as bullet chatting and commenting, will become available to them. The membership exam includes questions on community etiquette regarding uploading videos and sending bullet chats, and a set of interest-based questions from a range of topics, such as anime, music, fashion and technology. Users need to answer a total of 60 questions correctly to pass the membership exam. As of December 31, 2025, we had approximately 284 million official members who had passed our membership exam, representing a 10% increase as compared to 2024.

Signature community management. We believe official members who have passed the membership exam tend to develop a strong sense of belonging and ownership to our platform. To protect the community values and contribute to a more harmonious community, our veteran users have voluntarily formed a community discipline committee to collectively evaluate the appropriateness of content posted on our platform, the results of which will be used to train our AI system for content and information monitoring on our platform. If we confirm that a user has uploaded content that contains inappropriate content, such as pornography, violence, provocative or hate speech, invasion of personal privacy, personal attacks, and fraudulent or other offensive information, we may temporarily suspend or permanently terminate such user's account, and display such user's account information and reason for the disciplinary action under the "Dark Chamber" tab, which is open to all users on our platform. This measure also allows users to participate in the management of our communities and helps us educate users and foster a self-regulating environment to preserve and strengthen the community values that we hold dear. See "—Content Management and Review."

Community events. Every year, we hold large festivals and community events for our users, including New Year's Eve Gala, Bilibili Up100 Award, Chinese New Year Gala, Bilibili Macro Link and Bilibili World. In July 2025, we hosted Bilibili World and Bilibili Macro Link in Shanghai, attracting a gathering of over 400,000 audiences to experience our unique community culture. We closed the year with our New Year's Eve Gala, *the Most Beautiful Night of 2025*, has emerged as an annual ritual for young audiences in China. In January 2026, we hosted the 2025 Bilibili Up100 Awards to celebrate and award the outstanding achievements of leading content creators in various categories.

Our social and interactive features

Our communities are built on creative content as well as vibrant interactions among users. Users' interactions on our platform revolve around content, and the social and interactive features of our platform allow users who share similar interests and hobbies to find, engage with and bond with each other to form an in-depth emotional connection. We provide the following social and interactive features for our users.

Bullet chatting. Bullet chatting is a commenting function that we pioneered, which enables content viewers to send comments that fly across the screen like bullets, and has become very popular among young internet users in China. Only official member who have passed our membership exam can send bullet chats on our platform. Bullet chats are context-based and can be viewed by the audiences who watch the same content, and therefore can intrigue interactive commenting among content viewers. The bullet chatting feature has transformed the video-viewing experience from one-way content display to an interactive experience by sharing with other enthusiasts who empathize with each other.

Other interactive features. Users can show appreciation in various ways to encourage content creators, such as liking, voting, following, adding to favorites, and casting coins. Users can also opt to follow a content creator so they can see the content creator's newly posted activities promptly on their own timeline. In addition, we invented a unique interaction feature, "One-Click Tri-Support." Through one long pressing on the screen, users can complete liking, coin casting and adding to favorite library in a roll to show their special appreciation, which has become a Bilibili signature interactive function and been widely used in our community.

Interacting with fans. Content creators can use moment, live broadcasting and interactive video to interact with their fans. Bilibili moment enables users to express and share their interests and stories in multimedia content such as text, pictures and video. Bilibili live broadcasting allows content creators to set up channels to interact with fans on a real-time basis and express their appreciation to live broadcasting hosts by virtual gifting.

Gifting and rewarding. Users can send free or paid virtual items to content creators and live broadcasting hosts to show their support and appreciation.

Sharing and communicating. Users can share and repost content uploaded by other users, add comments, send instant messages and view their history of interactions with other users.

Our Platform

Our platform includes our "Bilibili" mobile apps, websites, smart TV and other smart devices, Bilibili Comic, Maoer and a variety of related features, functionalities, tools and services that we provide to users and content creators. For mobile devices, users typically access our content through our Bilibili mobile apps, or a mobile website that is largely similar in terms of functionality and appearance to our mobile apps. Our mobile apps are available for user download from the Apple and Android app stores. We also provide a website at www.bilibili.com and offer quality content across on smart TV and other smart devices.

We utilize our big data analytical capabilities in our feed system to categorize and recommend content based on user data captured on our platform and analytics produced by our deep learning algorithms. The basic features we offer on our platform include content uploading, viewing and commenting. Our platform also can categorize, rank, search for, curate and recommend content uploaded and viewed to simplify the content discovery process.

Our Commercialization Model

With our engaged user base, expanding content ecosystem, and vibrant community, we are well positioned to capture users' evolving demand and increase lifetime value of our users by satisfying such demand. As we develop deep insights into user interests and behavior, we curate the right content and service offerings compatible with user demand, achieving efficient user-centric commercialization. We generate revenues primarily from VAS, advertising, mobile games, and IP derivatives and others. In 2025, our total net revenues were RMB30.3 billion, representing a 13.1% increase from RMB26.8 billion in 2024.

In 2025, we further advanced our commercialization strategy and improved our products to meet users' evolving content and consumption needs. Throughout the year, solid growth in our high-margin advertising and mobile games businesses accelerated our total revenue growth and expanded our margins. Our gross profit increased by 26.7% as compared to 2024, driving our gross profit margin increased from 32.7% in 2024 to 36.6% in 2025. We recorded net profits of RMB1.2 billion (US$170.3 million) in 2025. We plan to further unlock the value embedded within our community with more efficient commercialization products and services to drive sustainable profitability over the long run.

VAS

We provide various types of VAS offerings, including premium membership program, live broadcasting, audio drama on Maoer, comics on Bilibili Comic, and other PUGV and community related VASs, such as fan charging program, Bilibili premium courses and community-based avatar decoration.

We extend diversified live broadcasting content covering a broad range of interests. We offer various virtual items for sale on our live broadcasting. Users can purchase in-app virtual items and send them as virtual gifts to their favorite hosts to show appreciation and provide them with monetary rewards. As we continue to integrate our live broadcasting ecosystem within our PUGV ecosystem, more content creators transit to live broadcasting hosts to monetize their talents, which is expected to drive the continued growth of revenue generated from sales of virtual items.

We share revenues from the sales of virtual items generated on our live broadcasting with our hosts and talent agencies. We encourage our content creators to host live broadcasting on our platform to interact with their fans on a real time basis, enhance their popularity and in turn attract and retain users. We have entered into exclusive cooperation agreements with certain hosts with top popularity on our platform, pursuant to which we offer these hosts more attractive rewards in addition to the revenue-sharing arrangements. The top ten content creators and live broadcasting hosts contributed to less than 1% of our total revenues during 2023, 2024 and 2025, respectively.

Our premium membership program allows paying members to enjoy exclusive or advance access to certain high-quality OGV content. We charge our premium members' membership fees monthly, quarterly or annually, based on the service package that they select. As of December 31, 2025, we had 25.3 million premium members, representing a 12% increase from 2024. Nearly 80% of them were annual or auto-renew premium membership package subscribers, which illustrates our users' trust in our brand and content offerings.

We offer anime and comic content through the mobile app, Bilibili Comic, and offered audio drama through Maoer audio to expand our content offerings. As a natural extension from our core ACG content offerings, we see synergy effects between our main platform and each of the Bilibili Comic and Maoer platform.

We have upgraded our fan charging program by granting paid subscribers exclusive access to premium PUGV content from our content creators, available through monthly subscription. We further expanded our portfolio with pay-per-view premium courses and community avatar decoration. These initiatives resonated strongly with our user base, establishing a scalable revenue stream capitalized on the depth and quality of our PUGV content ecosystem.

Advertising

Our typical users are the Gen Z+ population, many of whom are well educated and have decent disposable income and strong purchasing power. This group of users are a golden cohort that advertisers pursue very strongly. Our growing community and increasing brand awareness make Bilibili an appealing platform for advertisers wishing to gain more exposure to this highly coveted group.

We offer various advertising formats including performance-based, brand, and native advertising. Performance-based advertisements appear in various formats, such as video or picture feeds alongside organic feeds, a banner underneath the video-playing frame, a link, banner or pop-up in the Story Mode, and a link in the comment section appearing below the video. Brand advertisements primarily appear on the app opening page, the top banner, the website home page banner and the inline video feed alongside organic feeds. Brand advertisements can also be customized according to advertisers' need and appear in Bilibili-produced OGV or events. Native advertisements are customized according to advertisers' needs, produced by our content creators and embedded naturally in their video creations.

In addition, we offer integrated marketing campaigns to provide a one-stop marketing solution for our advertisers. Advertisers can leverage our brand advertisements to raise their brand awareness, use native advertisements to influence user's purchase decision and convert sales through our performance-based advertisements. These marketing campaigns were well received by the users and brought satisfactory results for our advertisers. In 2025, we further advanced our advertising infrastructure and products on multiple fronts, particularly by integrating AI into our commercial algorithms, ad creative generation and smart delivery system. By deploying resources to develop a more efficient advertising platform and products, we believe these strategic enhancements will effectively capitalize on the potential of our platform's high-value user base.

The price of our advertising service is determined on a case-by-case basis and depends upon various factors, including the format and duration of the advertisement, targeting scope, display location and so on. We provide various sales incentives to our advertising customers, including cash incentives in the form of commissions to certain third-party advertising agencies and non-cash incentives such as discounts and advertising services provided free of charge in certain bundled arrangements, which are negotiated on a contract-by-contract basis with customers. The incentives are based on revenue volume and incentive rate, which are negotiated on a contract-by-contract basis. We account for these incentives granted to customers as variable consideration in accordance with ASC 606 that is net of our revenues. The amount of variable consideration is measured based on the most likely amount of incentive to be provided to customers. We do not have other material transactions, agreements or understanding with our advertising customers, other than in their capacity as our advertising customers.

Mobile games

As a key component of ACG culture, games is the most popular category of our PUGV and live broadcasting content based on watch time in 2025. A substantial portion of our users are game lovers. Mobile games have therefore become a natural extension of our video content offerings and a part of our commercialization strategy since 2014. We offer our game lovers with exclusive distributed mobile games, jointly operated mobile games, as well as self-developed mobile games.

Driven by the continued strong performance of our exclusively distributed strategy game, *San Guo: Mou Ding Tian Xia*, launched in 2024, and the successful launch of our in-house developed game, *Escape from Duckov*, in October 2025, our mobile games delivered solid full-year performance. We derived 17.8%, 20.9% and 21.1% of our total net revenues from mobile games in 2023, 2024 and 2025, respectively.

The majority of mobile games on our platform are developed by third-party developers and we select and curate mobile games on our platform based on content, themes, cultural characteristics and features that appeal to our users. Our users access the mobile games on our platform, and log into and play with their Bilibili accounts. Users' purchase of in-game virtual items to enhance their game-playing experiences is the primary source of our revenue generated from mobile games. As of December 31, 2025, we operated multiple exclusively distributed mobile games and hundreds of jointly operated mobile games.

For our exclusively distributed mobile games, we generally were granted royalty bearing license with the exclusive right to market and distribute mobile games in China and other countries and regions in Asia. We are responsible for game launch, hosting and maintenance of game servers, game promotions and customer services. We also develop localized versions for games licensed from overseas developers. Our exclusively distributed mobile games contributed to 63.1%, 78.9% and 79.5% of our mobile games revenues during 2023, 2024 and 2025, respectively.

For our jointly operated mobile games, we entered into joint operating agreements with game developers and distributors pursuant to which we were granted non-exclusive licenses to promote and distribute games on our platform. We negotiate revenue sharing arrangements or licensing fees with mobile game developers on a case-by-case basis and such arrangements are generally consistent with industry norms. We earn game distribution service revenue within the applicable contract periods by providing payment solutions and game promotion services, while game developers are responsible for providing game products, hosting and maintaining game servers and determining the pricing of in-game virtual items.

To cater to the young generation's game demand, we are also building up our internal game development capabilities, leveraging our deep understanding of user preferences and our rich game operation experience.

IP derivatives and others

Our IP derivatives and others business is focused on the derivative merchandise of ACG-related content. We offer ACG-related merchandise and generate revenue from sales of these products. For example, for users who are particularly interested in a certain anime, we recommend to them merchandise of the same theme, such as figure toys, and convert into sales on our e-commerce platform.

Our Strategic Partners

We collaborate with reputable industry players to enhance our content offerings and to strengthen our user-centric commercialization capabilities. We partner with domestic and overseas content partners to continually expand and deepen our content repository. We also work with talent agencies in expanding our content creator group as well as in diversifying our content offerings. We contract with talent agencies to recruit, manage, train and support our hosts and pay talent agencies a percentage of the total revenues from virtual gifting made to the hosts managed by such talent agencies. We work with advertisers in a variety of industries due to our growing community and increasing brand awareness. We enter into advertising service agreements with advertisers directly or through advertising agencies. The price of our advertising services depends upon various factors, including the duration and form of the advertisements and popularity of the content or event in which the advertisements will be placed. We cooperate with leading global and domestic mobile game developers to distribute their mobile games on our platform. Under our agreements for exclusively distributed mobile games, we are typically responsible for the launch of the games, hosting and maintenance of game servers, determination of when and how to operate in-game promotions and customer services and the pricing of in-game virtual items, and making localized versions for overseas licensed games. Under our agreements for jointly operated mobile games, we are typically responsible for distributing games and providing payment solution and market promotion service. Proceeds earned from selling in-game virtual items are shared between us and the third-party game developers pursuant to the agreements. We believe our large and diverse user base presents a prime opportunity for our strategic partners to reach a growing number of audiences. We have also entered into revenue sharing arrangements with distribution channels including iOS and Android-based app stores to distribute our mobile games. To provide multiple payment methods for our users, we contracted with online payment channels and pay fees based on the amount of payment made through the payment channel.

In October 2018, Tencent, a major shareholder of ours, further invested in our company, and we entered into a strategic collaboration agreement with Tencent for sharing and operating existing and additional anime and games on Bilibili's online platform, pursuant to which we and Tencent shall participate in the exchange and purchase of existing anime copyright, and jointly procure, produce and invest in anime projects, as well as seek investment opportunities in the anime and comic industry. In addition, we would expand our cooperation with Tencent by jointly operating more Tencent games on our platform.

Branding and Marketing

We have been retaining and expanding our user base by providing high-quality content since our inception, and we have cultivated a deep and diverse content pool well recognized among Generation Z+. In addition to viral marketing, word of mouth referrals and repeat user visits driven by superior user experience, quality content and product offerings, we implement various branding and marketing measures to promote our brand awareness among existing and potential users with prudently managed sales and marketing expenses.

In keeping with our slogan, Bilibili-*All the Videos You Like*, we held various activities to reinforce our impacts across different user demographics. For example, we closed the year of 2025 with our New Year's Eve Gala, *the Most Beautiful Night of 2025*, which emerged as a popular online New Year's celebration for the young generations in China. Our branding and marketing initiatives allow us to connect and resonate with more users and expand to broader audience.

User Privacy and Safety

The vitality and integrity of our communities are cornerstones of our business. We dedicate significant resources to the goal of strengthening our communities through developing and implementing programs designed to protect user personal information, promote a safe environment, and ensure the security of user personal information. The user privacy policy, Bilibili Privacy Policy, on our platform describes our business scenarios for handling user information and the processing rules and protection measures for personal information on our platform. Specifically, we provide users with adequate notice and authorization as to what personal information are being processed and undertake to protect and process the personal information in accordance with applicable laws and make reasonable efforts to prevent the unauthorized use, loss or leak of user personal information. Our user privacy policy, Bilibili Privacy Policy, has clearly specified the type of user personal information that will be collected under different scenarios. For example, a user will need to provide phone number to receive verification code when registering an account on our platform. When a user downloads (including the re-download after uninstallation) and opens our mobile app for the first time, or any modification is made to the Bilibili Privacy Policy, we will notify the user of the Bilibili Privacy Policy and obtain the user's explicit consent.

We update Bilibili Privacy Policy from time to time to be in line with the development of PRC laws and regulations, including modifications related to real-name authentication, information release and interactive content, customized recommendations, the necessity to maintain and enhance the security of our products and services, and dispute resolution. In addition, we have conducted comprehensive reviews and updates of the personal information processing rules for each function of our platform, including the review of the collection and processing of data in our internal business operations and the review of data usage in business operations with external business partners. We continue to strengthen support for users' rights to manage their personal information and have established standard procedures for responding to user requests.

We have a team of information security professionals dedicated to the ongoing implementation of data security practices and personal information protection. For example, we classify and categorize data according to sensitivity levels, store all user personal information in encrypted format and strictly limit the number of personnel who can access those servers that store user personal information. For our external interfaces, we also utilize firewalls to protect against potential attacks or unauthorized access.

Content Management and Review

We maintain two levels of content management and review procedures to monitor the content uploaded to our platform to help ensure that no content that may be deemed to be illegal or inappropriate under government rules and regulations is posted and to promptly remove any infringing content. The first level of review procedure is conducted through our proprietary artificial intelligence-based screening system. This system automatically flags and screens out newly uploaded videos that have piracy issues or contain illegal or inappropriate content by comparing them with copyrighted or objectionable videos stored in our own in-house "blacklist" databases and identifying those with similar codes. Once the content is processed by our technology screening system, our system then extracts fingerprint trails from the content and sends them to our content screening team for the second-level review. Leveraging the fast-developing AI large language models, we have improved our AI-based screening capabilities, which led to a significant improvement in the efficiency of our overall content management and review team. As of December 31, 2025, our content screening team consists of over 2600 employees dedicated to screening and monitoring the content uploaded on our platform to ensure that the flagged content identified by our screening system is reviewed and confirmed before it can be released. We provide initial training during the onboarding process for new hires. We also offer periodic training sessions to keep these employees apprised of any regulatory and policy changes, and supervise and monitor their work. All of the content needs to go through these two levels of review procedures before it is released on our platform.

All of the other content, primarily consisting of bullet chats posted by users, is also automatically filtered by our AI-powered screening system, which utilizes an artificial intelligence-based screening system to conduct semantic analysis on bullet chats to analyze, identify and screen out inappropriate bullet chats. With respect to live broadcasting, we have a separate monitoring team to review and monitor the content and activities of hosts of our live broadcasting as well as the bullet chats posted by viewers. The live broadcasting reviewing process is similar to the two-level review procedure described above. Further, in addition to responding to user complaints, our monitoring team frequently visit different live broadcasting rooms to ensure the appropriateness of the content.

We utilize a real-name system to authenticate the identities of our content creators and live broadcasting hosts. In addition, before each upload, the user has agreed to the terms and conditions set forth in the user agreement of our platform. Pursuant to such user agreement, each user undertakes not to upload or distribute content that violates any PRC laws or regulations or infringes the intellectual property rights of any third party, and agrees to indemnify us for all damages arising from third-party claims against us caused by violating or infringing content uploaded or linked by the user. Cooperation agreements with our popular content creators also provide for standard clauses that restrict the content creators from uploading infringing content on our platform. We also remove users' uploads when we are notified or made aware by copyright owners or from other sources authorized by copyright owners of copyright infringements, such as lists of inappropriate or infringing content that the regulatory authorities publish from time to time and market information on releases of movies and television serial drama.

Our abuse reporting infrastructure allows our users to report inappropriate, offensive or dangerous content to us through "report" links easily found on our platform. Users can also report through customer service staff or third-party organizations. In addition, if we confirm that user has uploaded content that contains provocative and hate speech, personal attacks, fraudulent information or other offensive information, we may temporarily suspend or permanently terminate such user's account, and display such user's account information and reason for the disciplinary action under the "Dark Chamber" tab, which is open to all users on our platform. To protect the community values and contribute to a more harmonious community, our veteran users have voluntarily formed a community discipline committee to collectively evaluate the appropriateness of content posted on our platform, the results of which will be used to train our AI screening system for content monitoring.

However, there can be no assurance that we can identify all the videos or other content that may violate relevant laws and regulations due to the large amount of content uploaded by our users every day. As advised by our PRC counsel, Jingtian & Gongcheng, if the content of audio-visual programs transmitted by the internet audio-visual program service provider on the internet violate the PRC laws and regulations such as the Administrative Regulations on Internet Audio-Visual Program Service, the internet audio-visual program service provider may face, among others, warnings, fines, revocation of license and even criminal investigations or penalties. "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Online Transmission of Audio-Visual Programs." If such content violates the Provisional Measures on Administration of Internet Culture, operating internet culture entities may face, among others, order to rectify, confiscation of illegal proceeds, fines, revocation of license and even criminal investigations or penalties. "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Internet Cultural Activities."

Corporate Social Responsibility

Since our establishment, we have continued to fulfill our commitments to our users, employees and society. We have integrated environmental, social and governance, or ESG, consideration into our decision-making and development, and we actively communicated these goals to all stakeholders. We believe that technology can empower society, and that positive and engaging content can make a significant impact. Our focus is to enrich the everyday life of young people, create an outstanding community for our users, provide a platform for content creators to showcase their talents, and promote Chinese original content worldwide.

On April 16, 2026, we published our 2025 ESG Annual Report, which outlines our ESG policies, outcomes and performances for that year. The report highlighted our commitment as a responsible public company to provide positive social and cultural value to our users, content creators, employees and society. As we continually dedicate ourselves to developing and enhancing our ESG initiatives, we have successfully reaffirmed our MSCI ESG rating A in 2025.

In 2025, we remained committed to fulfilling our social responsibilities through leveraging our community. Our Bilibili Charity platform, an online public fundraising platform created for charity organizations in support of the greater good of the society, launched over 100 charity fundraising programs to support a variety of underprivileged groups as of the end of 2025. Meanwhile, we continued to support and facilitate rural education by assisting in the construction of several Bilibili primary schools in Yunnan and Guizhou provinces in China. We helped establish the eighth Bilibili primary school, Bilibili Wrestling Primary School, to enable underprivileged rural students to pursue athletic excellence. Furthermore, as part of our commitment to promoting positivity and knowledge-sharing content, we utilized our content ecosystem to contribute positively to society.

As the majority of our operations are conducted online, our carbon footprint is limited, but we actively take responsibility to support sustainable operations and continue to explore ways to improve energy efficiency. In 2025, we continued to implement effective environmental protection practices. We conducted climate assessments following the TCFD (Task Force on Climate-Related Financial Disclosures) framework, further strengthening our awareness and management of climate-related risks and opportunities. We rolled out energy-efficient office facilities and encouraged our employees to conserve resources, including water, electricity, paper, and office supplies. We worked with business partners who aligned with our commitment to carbon emission reduction. All our servers complied with the industry energy standards in China. In 2025, we further refined our Scope 3 greenhouse gas emissions assessment to include key indirect emission categories such as purchased goods and services, business travel and employee commuting, improving our carbon footprint insights and supporting future carbon management efforts. Additionally, we used our content platform to raise public awareness about environmental topics.

We comply strictly with legal and regulatory requirements in our operating countries and regions. We prioritize the establishment and maintenance of risk management and internal control systems. Our risk management and internal control systems cover financial reporting, internal control, data, and technology system risk management. Cybersecurity and information security are of particular importance to us, and we have established internal policies to manage security risk. We have established a three-tier cybersecurity governance structure under the leadership of our board of directors that is responsible for our information security. To ensure governance, we have a defined structure that clarifies roles and responsibilities. We offer periodic employee training, conduct self-inspection on information security, and receive inspections from third-party organizations. We also ask our suppliers to follow our stipulations for business engagements related to security risks and approaches for security incidents.

Competition

We compete primarily with companies that operate in the video-based industry in China designed to engage users, especially the Gen Z+, and capture their time spent on mobile devices and online. We compete to attract, engage and retain users, attract and retain content creators to expand our content library and to attract and retain advertisers. Our competitors may compete with us in a variety of ways, including by leveraging a large user base to promote content offerings in different consumption scenarios, obtaining exclusive online distribution rights for popular content, conducting brand promotions and other marketing activities, and making acquisitions. We have exclusive distribution rights only for certain content on our platform. Our content creators are generally free to post their content on our competitors' platforms, which may divert user traffic from our platform.

We believe that we can compete effectively with our competitors on the basis of the following factors: (i) the strength and reputation of our brand, (ii) our ability to provide creative and quality PUGV, (iii) the demographic composition and engagement of our user base, (iv) the vibrant and inclusive community culture, (v) the performance and reliability of our platform, and (vi) our ability to develop new products and services and enhancements to existing products and services to keep up with user preferences and demands.

Most of the players in the video-based industry are focused on one or two video content formats as their primary ways of engaging with users and deriving revenues. We do not view our value proposition to users, business model or our revenue streams as directly comparable with other market players, because we operate a unique business model of operating a full-spectrum video community that offers comprehensive content offerings across short and mid-to-long form videos, PUGV, live broadcasting, OGV, mobile games and others, all on one integrated platform. This commercialization model differentiates us from other vertical-focused video streaming companies, mobile game companies, live broadcasting companies or e-commerce companies.

As we introduce new products and services on our platform, as our existing products continue to evolve, or as other companies introduce new products and services, we may become subject to additional competition.

Insurance

We consider our insurance coverage to be adequate as we have in place all the mandatory insurance policies required by Chinese laws and regulations and in accordance with the commercial practices in our industry. Our employee-related insurance consists of pension insurance, maternity insurance, unemployment insurance, work-related injury insurance, medical insurance and housing funds, as required by Chinese laws and regulations. We also purchase supplemental commercial health insurance and accident insurance for our employees.

In line with general market practice, we do not maintain insurance policies covering damages to our network infrastructures or information technology systems. We also do not maintain business interruption insurance or general third-party liability insurance, nor do we maintain product liability insurance or key-man insurance.

Regulations

This section sets forth a summary of the most significant rules and regulations that affect our business activities in mainland China or the rights of our shareholders to receive dividends and other distributions from us.

Regulations Related to Foreign Investment in the PRC

Foreign Investment Industrial Policy

Investment activities in mainland China by foreign investors are principally governed by the Catalogue for the Encouragement of Foreign Investment Industries (2025 Edition) and the Negative List (2024), which were both promulgated by the Ministry of Commerce and the NDRC and each became effective on February 1, 2026 and November 1, 2024. The catalogue and the negative list set forth the industries in which foreign investments are encouraged, restricted and prohibited. Industries that are not listed in any of these three categories are generally open to foreign investment unless otherwise specifically restricted by other PRC rules and regulations.

According to the Negative List (2024), the foreign equity interest ownership of entities that engage in value-added telecommunications business (except for e-commerce, domestic multi-party communication, storage and forwarding and call center) must not exceed 50%. In addition, foreign investments in the internet cultural business (except for music), the internet audio-visual program business, the radio and television program production and operation business, the production of audio-visual products and/or electronic publications and film production and distribution business are prohibited. However, foreign investors are allowed to hold up to 100% of equity interests in an online data processing and transaction processing business (including e-commerce business operation) in mainland China.

Company Law, Foreign Investment Law and its Implementation Measures

The PRC Company Law, promulgated by the Standing Committee of the National People's Congress, last amended in December 2023 and became effective on July 1, 2024, provides that companies established in the PRC may take the form of a limited liability company or a joint stock company with limited liability. This law imposes greater personal liability for directors, supervisors and management. Shareholders of a company must fully pay in their subscribed registered capital within five years from the date of establishment of this company, and companies established before July 1, 2024 shall gradually adjust their capital contribution to meet this new requirement. Violation of this law could lead to sanctions and penalties, including fines, orders to correct and public announcements of violations. Each company is an independent legal entity with property rights. The legitimate rights and interests of a company are protected by law and are inviolable.

On March 15, 2019, the National People's Congress of the PRC enacted the Foreign Investment Law, which came into effect on January 1, 2020. According to the Foreign Investment Law, "foreign-invested enterprises" refers to enterprises that are wholly or partly invested by foreign investors and registered under the PRC laws within mainland China, and "foreign investment" refers to any foreign investor's direct or indirect investment activities in mainland China, including: (i) establishing foreign-invested enterprises in mainland China either individually or jointly with other investors; (ii) obtaining stock shares, equity shares, shares in properties or other similar interests of Chinese domestic enterprises; (iii) investing in new projects in mainland China either individually or jointly with other investors; and (iv) investing through other methods provided by laws, administrative regulations or provisions prescribed by the State Council.

On December 26, 2019, the State Council issued Implementation Regulations for the Foreign Investment Law of the PRC, which came into effect on January 1, 2020. According to these implementation rules, in the event of any discrepancy between the Foreign Investment Law, the implementation rules and the relevant provisions on foreign investment promulgated prior to January 1, 2020, the Foreign Investment Law and its implementation rules shall prevail. These implementation rules also set forth that foreign investors who invest in sectors on the Negative List (2024) in which foreign investment is restricted shall comply with special management measures with respect to, among others, shareholding and senior management personnel qualification in the Negative List (2024). Pursuant to the Foreign Investment Law and its implementation rules, the existing foreign-invested enterprises established prior to the effective date of the Foreign Investment Law are allowed to keep their corporate organization forms for five years from the effectiveness of the Foreign Investment Law before such existing foreign-invested enterprises change their organization forms and organization structures in accordance with the PRC Company Law, the Partnership Enterprise Law of the PRC and other applicable laws.

On December 30, 2019, the Ministry of Commerce and the SAMR jointly promulgated the Measures on Reporting of Foreign Investment Information, which came into effect on January 1, 2020. Foreign investors or foreign-invested enterprises shall submit investment information to the commerce administrative authorities through the Enterprise Registration System and the National Enterprise Credit Information Publicity System.

On December 19, 2020, the NDRC and the Ministry of Commerce jointly promulgated the Measures on the Security Review of Foreign Investment, effective on January 18, 2021, setting forth provisions concerning the security review mechanism on foreign investment, including the types of investments subject to review, review scopes and procedures, among others. The Office of the Working Mechanism of the Security Review of Foreign Investment was established under the NDRC, who leads the task together with the Ministry of Commerce. Foreign investor or relevant parties in mainland China must declare the security review to this office prior to (i) the investments in the military industry, military industrial supporting and other fields relating to the security of national defense, and investments in areas surrounding military facilities and military industry facilities; and (ii) investments in important agricultural products, important energy and resources, important equipment manufacturing, important infrastructure, important transport services, important cultural products and services, important information technology and internet products and services, important financial services, key technologies and other important fields relating to national security, and obtain control in the target enterprise. Control exists when the foreign investor (i) holds over 50% equity interests in the target, (ii) has voting rights that can materially impact on the resolutions of the board of directors or shareholders meeting of the target even when it holds less than 50% equity interests in the target, or (iii) has material impact on target's business decisions, human resources, accounting and technology.

Regulations Related to Value-Added Telecommunications Services

In 2000, the State Council promulgated the Telecommunications Regulations of the PRC, most recently amended in February 2016, which provide the regulatory framework for telecommunications service providers in mainland China and require a telecommunications service provider to obtain an operating license prior to commencing its operations. The Telecommunications Regulations of the PRC categorize all telecommunications services as either basic telecommunications services or value-added telecommunications services. Providers of value-added telecommunications services are required to obtain a license for value-added telecommunications services. Pursuant to the Classification Catalogue of Telecommunications Services, an attachment to the Telecommunications Regulations of the PRC, which was most recently amended on June 6, 2019, information services provided via public telecommunication network or the internet fall within value-added telecommunications services.

The Administrative Measures on Internet Information Services, which was promulgated by the State Council on September 25, 2000, last amended on December 6, 2024 and became effective on January 20, 2025, set out guidelines on the provision of internet information services. According to these measures, a commercial operator of internet content provision services must obtain an ICP License for the provision of internet information services from the appropriate telecommunications authorities. The Administrative Measures for Telecommunications Businesses Operating Licenses, which were promulgated by the Ministry of Industry and Information Technology on July 3, 2017, and became effective on September 1, 2017, further set forth the types of licenses required to operate value-added telecommunications services and the qualifications and procedures for obtaining these licenses.

Regulations Related to Internet Cultural Activities

On February 17, 2011, the Ministry of Culture of the PRC promulgated the Provisional Measures on Administration of Internet Culture, effective on April 1, 2011, and amended on December 15, 2017, to regulate entities that engage in activities related to internet cultural products. "Internet cultural products" are classified as cultural products developed, published and disseminated via internet which mainly include: (i) online cultural products particularly developed for publishing via internet, such as, among other things, online music and entertainment, online games and online shows and programs, online performance, online artwork and online anime and cartoons; and (ii) online cultural products converted from music and entertainment, games, shows and programs, performance, artwork, anime and cartoons using certain technical means to be disseminated via internet. Pursuant to these regulations, entities are required to obtain the Online Culture Operating Permits from the applicable provincial level counterpart of the Ministry of Culture and Tourism if they intend to commercially engage in any of the following types of activities: (i) production, duplication, import, release or broadcasting of online cultural products; (ii) publishing of online cultural products on the internet or transmission over information network, such as internet or mobile telecommunication network, to end user's devices via computers, fixed-line or mobile phones, radios, television sets or online games consoles and internet cafes for the purpose of browsing, reading, reviewing, using or downloading such products by users; or (iii) exhibitions or contests related to online cultural products. If the content of audio-visual programs transmitted by the internet audio-visual program service provider on the internet violated Provisional Measures on Administration of Internet Culture, operating internet culture entities shall subject to punishment which may include an order to rectify, confiscation of illegal proceeds and a fine of RMB10,000 to RMB30,000, if such circumstances are severe judged by the competent authority, it shall be subject to punishment which may include order to cease and revocation of license, if such violations constitute crime, criminal investigations or penalties may be imposed.

On August 12, 2013, the Ministry of Culture of the PRC issued the Administrative Measures for Content Self-Review by Internet Culture Business Entities, requiring the entities that engage in the internet cultural business to review the content of products and services to be provided before providing such content and services to the public. These entities shall establish content management system, set up departments for content management and employ proper personnel to ensure the legality of content. The content management system of an internet cultural business entity is required to specify the responsibilities, standards and processes for content review as well as accountability measures, and is required be filed with the provincial level counterpart of the Ministry of Culture and Tourism.

Regulations Related to Online Transmission of Audio-Visual Programs

According to the Administrative Regulations on Internet Audio-Visual Program Service, or the Audio-Visual Regulations, promulgated by State Administration of Radio, Film and Television of the PRC and the Ministry of Information Industry of the PRC, the predecessor of the Ministry of Industry and Information Technology, on December 20, 2007, and became effective on January 31, 2008, as amended on August 28, 2015, and became effective on the same day, internet audio-visual program service refers to the activities of making, editing and integrating audio-visual programs, providing them to the general public via internet, and providing such services to other people by uploading. An internet audio-visual program service provider shall obtain a License for Online Transmission of Audio-Visual Programs issued by the National Radio and Television Administration or complete certain record-filing procedures with the National Radio and Television Administration.

Pursuant to the Audio-Visual Regulations, providers of internet audio-visual program services are generally required to be either state-owned or state-controlled. According to the Official Answers to Press Questions Regarding the Internet Audio-Visual Program Regulations published on the State Administration of Radio, Film and Television of the PRC's website on February 3, 2008, the State Administration of Radio, Film and Television of the PRC and Ministry of Information Industry of the PRC clarified that the providers of internet audio-visual program services who had legally engaged in such services prior to the adoption of the Audio-visual Regulations shall be eligible to re-register their businesses and continue their operations of internet audio-visual program services so long as those providers have not been in violation of the laws and regulations. This exemption will not be granted to internet audio-visual program service providers established after the adoption of the Audio-Visual Regulations. These policies have later been reflected in the Notice on Relevant Issues Concerning Application and Approval of License for Online Transmission of Audio-visual Programs, issued by State Administration of Radio, Film and Television of the PRC on April 8, 2008, and amended on August 28, 2015.

If the content of audio-visual programs transmitted by the internet audio-visual program service provider on the internet violated the Audio-Visual Regulations, the internet audio-visual program service provider shall be subject to punishment by the competent authority which may include warning, an order to rectify and a fine up to RMB30,000, if such circumstances are severe judged by the competent authority, it shall be subject to punishment which may include order to cease, a fine of RMB10,000 to RMB50,000 and revocation of license, if such violations constitute crime, criminal investigations or penalties may be imposed.

Under the Administrative Regulations on the Introduction and Broadcasting of Foreign Television Programs promulgated in 2004, the introduction or broadcasting of foreign television programs on the television in the PRC is subject to approval of the State Administration of Press, Publication, Radio, Film and Television or its authorized entities. On March 30, 2009, the State Administration of Radio, Film and Television of the PRC promulgated the Notice on Strengthening the Administration of the Content of Internet Audio-Visual Programs, which reiterates the pre-approval from the broadcasting, film and television administrative departments requirements for the domestic and overseas films and television shows disseminating on the internet, including those on mobile networks (if applicable), and prohibits those internet audio-visual programs containing violence, pornography, gambling, terrorism, superstition or other prohibited elements. The State Administration of Radio, Film and Television of the PRC and the Cyberspace Administration of China jointly issued the Notice on Further Strengthening the Administration of Online Audio-Visual Content Including Internet Drama and Micro Films on July 6, 2012, pursuant to which, internet audio-visual programs service institutions shall report the information on self-examined and approved internet series, micro films, internet movies, film and television animation, documentaries and other internet audio-visual programs to the provincial authority of film and television administration for record-filing, such information includes but not limited to the program's title, content summary and the information of the reviewer. The State Administration of Press, Publication, Radio, Film and Television further issued the Supplemental Notice on Improving the Administration of Online Audio-Visual Content Including Internet Drama and Micro Films on January 2, 2014. This notice stresses that any entity producing online audio-visual content, such as internet drama and microfilms, must obtain a License for Production and Operation of Radio and Television Programs, and that online audio-visual content service providers shall not release any internet drama or micro films produced by any entity without such license. For internet drama or microfilms produced and uploaded by individual users, the online audio-visual service providers transmitting such content will be deemed to take responsibility as the producer. Furthermore, under this notice, online audio-visual service providers can only transmit content uploaded by an individual whose identity has been verified and such content shall comply with the relevant content management rules. This notice also requires that self-examined and transmitted online audio-visual program, including internet drama and micro films, to be filed with the relevant authorities before release.

In January 2019, China Netcasting Services Association issued the Regulations on Administration of Network Short Video Platforms, pursuant to which all content of a short video, including, but not limited to, its title, description, bullet chats and comments, may be required to be reviewed in advance before the content is broadcasted. Furthermore, the number of content reviewers a platform is required to keep must in principle be more than one-thousandth of the number of short videos newly broadcasted on the platform per day. The Censoring Criteria for Network Short Video Content issued by China Netcasting Services Association in January 2019 and last amended in December 2021 sets forth in details of the content prohibited to be broadcasted, such as violence, pornography, gambling, terrorism, superstitious and illegal or immoral content.

According to the Administrative Provisions on Online Audio-Visual Information Services, jointly promulgated by the Cyberspace Administration of China, the Ministry of Culture and Tourism and the National Radio and Television Administration on November 18, 2019, online audio-visual information service providers shall authenticate users' real identity information based on organization code, identity card number and mobile phone number. Online audio-visual information service providers shall not allow users who fail to provide their real identity to publish information. Online audio-visual information service providers shall strengthen the management of the audio-visual information posted by users, and deploy and apply identification technologies for illegal and non-real audio and video. If any user is found to produce, post or disseminate content prohibited by laws or regulations, the transmission of such information shall be ceased, and disposal measures such as deletion shall be taken to prevent the information from spreading, and such service providers shall retain records, and report to the administrations of cyberspace, culture and tourism, radio and television.

On January 16, 2023, the Ministry of Culture and Tourism promulgated the Notice on Regulating the Business Activities of Online Shows or Programs to Promote the Healthy and Orderly Development of the Industry, which stipulates that the offering of shows or programs in the form of live or recorded broadcasting via the internet shall be regulated, and the provider of such shows or programs shall establish and continually improve content management systems, staff specific personnel that meet certain requirements to manage online content, and strengthen the real-time monitoring of comments, bullet chats and other user-generated contents. If an online show or program is provided through live broadcasting, it shall be broadcasted on a time-delayed basis, and specific personnel shall be arranged to conduct real-time supervision of the online show or program.

The Cyberspace Administration of China, the National Radio and Television Administration and other relevant governmental authorities jointly promulgated the Measures for the Management of Internet Military Information Dissemination, which took effect on March 1, 2025. Under these measures, when entering into agreements with users applying to establish military-related accounts or confirming the provision of relevant services, providers of internet military information services are required to, through measures such as identity authentication and account classification, label the military attributes of such accounts, verify the users' true identity information, and inform them of the relevant rights, obligations and legal liabilities in connection with the dissemination of internet military information.

On July 28, 2025, the Secretariat Office of the Cyberspace Administration of China, the General Office of the National Health Commission, the General Office of the State Administration for Market Regulation, and the Comprehensive Department of the National Administration of Traditional Chinese Medicine jointly issued the Notice on Regulating Medical Science Popularization Conduct by Self-Media. Under the notice, "medical science popularization conduct" refers to activities aimed at improving the public's medical and health science literacy, involving the creation and dissemination of knowledge related to disease prevention or treatment through text, images, audio, video and other formats. The notice requires websites and platforms to further enhance qualification verification for self-media accounts that focus on medical content and to prominently display relevant authentication information on the account homepage. This notice further provides that self-media accounts engaged in medical science popularization are responsible for the authenticity and scientific accuracy of the medical information they publish or repost. Self-media accounts that lack the required qualifications are strictly prohibited from producing or publishing professional medical science popularization content, and the publication of advertisements in violation of applicable regulations, in any form or under any pretext, is strictly prohibited.

On December 26, 2025, eight departments, including the Cyberspace Administration of China, the Ministry of Culture and Tourism, and the National Radio and Television Administration, jointly issued the Measures for the Classification of Online Information that May Affect the Physical and Mental Health of Minors, effective March 1, 2026. These measures categorize online information that may be harmful to minors' physical and mental health into four types: (i) content that may induce or encourage minors to imitate or engage in harmful behaviors, such as sexual innuendo, cyberbullying, or irrational spending; (ii) content undermining minors' values, such as promoting extravagance, hedonism, wealth-flaunting, or vulgar aesthetics; (iii) improper use of minors' images for content creation or attention-seeking; and; and (iv) improper disclosure and use of minors' personal information, such as displaying information about the schooling, daily life, or other details of minors under the age of 14 that may expose their personal information without the consent of their guardians. Online service providers are prohibited from featuring such content in prominent locations or key sections, such as the homepage, first screen, pop-ups, hot search lists, rankings, or recommendations. Online service providers are required to offer users a labeling function with prominent visual indicators to guide and standardize users in applying labels to such information. Providers offering services such as algorithmic recommendations or generative artificial intelligence must establish and improve security management systems and technical measures, and shall not push online information that may affect minors' physical and mental health.

Regulations Related to Production of Radio and Television Programs

In July 2004, the State Administration of Radio, Film and Television of the PRC promulgated the Regulations on the Administration of Production of Radio and Television Programs, or the Radio and TV Programs Regulations, as most recently amended on June 3, 2025. Under the Radio and TV Programs Regulations, any entities that engage in the production of radio and television programs are required to apply for a license from the National Radio and Television Administration or its provincial level counterparts. Entities shall conduct their business within the permitted scope as provided in their licenses. Entities with the License for Production and Operation of Radio and Television Programs shall conduct their operations strictly in compliance with the approved scope of production and operation. Other than radio and TV stations, entities shall not produce radio and TV programs about the current political news or similar subjects and columns. In addition, television programs, including television dramas and animated programs, that are produced or distributed by entities without a Radio and Television Program Production and Operation Permit are prohibited from distribution or broadcast.

Regulations Related to The Internet Follow-Up Comment Services

According to the Administrative Provisions on Internet Follow-up Comment Services, which was promulgated by the Cyberspace Administration of China on August 25, 2017, and became effective on October 1, 2017 and most recently amended on December 15, 2022, an internet follow-up comment services provider shall strictly assume the primary responsibilities and the obligations, including but not limited to: (i) verify the real identity information of registered users; (ii) establish and improve a user information protection system; (iii) establish a system of reviewing at first and then publishing comments if they offer internet follow-up comment services to news information; (iv) furnish corresponding static information content on the same platform and page at the same time if they provide internet follow-up comment services by way of bullet chatting; (v) establish and improve an internet follow-up comment review and administration, real-time check, emergency response and other information security administration systems, timely identify and process illicit information and submit a report to the relevant cyberspace administrators; (vi) develop internet follow-up comment information protection and administration technologies, innovate internet follow-up comment administration modes, enhance the disposition capacity of illegal and harmful information, discover safety defects, loopholes, and other risks existing in the internet follow-up comment services in a timely manner, take remedial measures, and report to the relevant cyberspace administrations; (vii) equip content examination team with corresponding services and strengthen training for examination of posted comments; and (viii) coordinate with relevant supervising authorities for examination and provide necessary technology, data support and assistance.

On June 12, 2024, the Cyberspace Administration of China, the Ministry of Public Security, the Ministry of Culture and Tourism and the National Radio and Television Administration jointly issued the Provisions on Governing Cyber Violence which took effect on August 1, 2024. These provisions require an internet information service provider to take immediate actions to cease transmission upon discovering suspected illegal information involving cyber violence, or suspected harmful information involving cyber violence in prominent locations or key areas of its services that are likely to draw user attentions. These actions include deleting, blocking, or disconnecting links, preserving records, and reporting to the relevant authorities.

Regulations Related to Online Games

Regulatory Authorities

Pursuant to the Notice on Issuing the Provisions on the Main Functions, Internal Bodies and Staffing of the General Administration of Press and Publication (National Copyright Administration) promulgated by the General Office of the State Council on July 11, 2008, the Notice of the State Commission Office for Public Sector Reform on Interpretation of the State Commission Office for Public Sector Reform on Several Provisions relating to Animation and Comics, Online Game and Comprehensive Law Enforcement in Culture Market in the Three Provisions jointly promulgated by the Ministry of Culture of the PRC, State Administration of Radio, Film and Television of the PRC and the General Administration of Press and Publication, or the GAPP on September 7, 2009, the administration of anime and online game shall be conducted by the Ministry of Culture of the PRC, and the GAPP is responsible for the examination and approval process of online games prior to online publication. After the online games uploaded on the internet, online games will be administered by the Ministry of Culture and Tourism. Moreover, if an online game is launched on the internet without the prior approval of the GAPP, the Ministry of Culture and Tourism will be responsible for guiding the cultural market law enforcement team to conduct investigation and punishment. In March 2013, the State Administration of Press, Publication, Radio, Film and Television formed based on the Notice on the Institutional Reform issued by the State Council.

In March 2018, the Central Committee of the Communist Party of China issued the Plan for Deepening the Institutional Reform of the Party and State and the National People's Congress of the PRC promulgated the Decision of the First Session of the Thirteenth National People's Congress on the State Council Institutional Reform Proposal, collectively, the Institutional Reform Plans. According to the Institutional Reform Plans, effective from March 21, 2018, the State Administration of Press, Publication, Radio, Film and Television was reformed and now known as the National Radio and Television Administration under the State Council, and the responsibility of the State Administration of Press, Publication, Radio, Film and Television for administration of news, publication and films, such as the approval of online game registrations and issuance of game publication numbers has been transferred to the National Press and Publication Administration under the Propaganda Department of the Central Committee of the Communist Party of China. The National Press and Publication Administration at the national level suspended approval of game registration and issuance of publication numbers for online games since March 2018 and resumed to issue game publication numbers by batches periodically since December 2018, according to certain news reports. Beginning in December 2018, the National Press and Publication Administration at the national level started to approve new online games.

On May 14, 2019, the Ministry of Culture and Tourism promulgated the Notice on Adjusting the Scope of Examination and Approval regarding the Internet Culture Operation License to Further Regulate the Approval Work, which quotes the Regulations on the Function Configuration, Internal Institutions and Staffing of the Ministry of Culture and Tourism, or the Function Configuration Regulations, effective from July 30, 2018, and further specifies that the Ministry of Culture and Tourism no longer assumes the responsibility for administering the industry of online games. On July 10, 2019, the Ministry of Culture and Tourism issued the Abolition Decisions on the Interim Administrative Measures for the Administration of Online Games and the Administrative Measures for Tourism Development Plan, or the Abolition Decision. The Abolition Decision also cites the Function Configuration Regulations and further abolishes the Interim Measures for the Administration of Online Games, or the Online Game Measures, which means that the Ministry of Culture and Tourism will no longer regulate the industry of online games.

Online Game Publication

According to the Internet Publishing Measures, before publishing an online game, an online publishing service provider shall file an application with the competent provincial-level publishing administrative department where it is located, and the application, if reviewed and approved, shall be submitted to the National Press and Publication Administration for approval. The Notice of the General Office of the General Administration of Press, Publication, Radio, Film and Television on the Administration of Mobile Game Publishing Services, which was issued on May 24, 2016, and took effect on July 1, 2016, provides that game publishing services providers shall be responsible for examining the content of their games and applying for game publication numbers, and for the purpose of this notice, the online game publishing services providers refer to online publishing service entities that have obtained the Internet Publishing Service License with game publishing business included in their scope of business.

Online Game Operations

The Online Game Measures issued by the Ministry of Culture of the PRC on June 3, 2010, and last amended on December 15, 2017, comprehensively regulate the activities related to online game business, including the research and development and production of online games, the operation of online games, the standards for online games content, the issuance of virtual currencies used for online games and virtual currency trading services. The Online Game Measures provide that any entity engaging in online game operations must obtain an Online Culture Operating Permits, and the content of an imported online game must be examined and approved by the Ministry of Culture and Tourism prior to its launch. Domestically developed online games must be filed with the Ministry of Culture and Tourism within 30 days of its launch. The Notice of the Ministry of Culture of the PRC on the Implementation of the Interim Measures for the Administration of Online Games, which took effect on August 1, 2010, specifies the entities regulated by the Online Game Measures and procedures related to the Ministry of Culture and Tourism's review of the content of online games, and emphasizes the protection of minors playing online games and requests online game operators to promote real-name registration by their game players.

On July 10, 2019, the Ministry of Culture and Tourism issued the Abolition Decision, which specifies that the Online Game Measures was abolished by the Ministry of Culture and Tourism on July 10, 2019. On August 19, 2019, the Ministry of Culture and Tourism issued the Announcement on Results of Regulatory Documents Clean-up, which specifies that the Notice of the Ministry of Culture and Tourism on the Online Games Measures was abolished.

Virtual Currency and Virtual Items

On February 15, 2007, the Notice on Further Strengthening Administration of Internet Cafes and Online Games, or the Online Games Notice, was jointly issued by the Ministry of Culture of the PRC, the People's Bank of China and other governmental authorities with the goal of strengthening the administration of virtual currency in online games and to avoid any adverse impact on the PRC economy and financial system. The Online Games Notice imposes strict limits on the total amount of virtual currency issued by online game operators and the amount purchased by individual players and requires a clear division between virtual transactions and real transactions carried out by way of electronic commerce. The Online Games Notice further provides that virtual currency must only be used to purchase virtual items and prohibits any resale of virtual currency.

On June 4, 2009, the Ministry of Culture of the PRC and the Ministry of Commerce jointly issued the Notice on Strengthening Administration of Virtual Currency of Online Games, or the Virtual Currency Notice. According to the Virtual Currency Notice, it defines the meaning of the term "virtual currency" and places a set of restrictions on the trading and issuance of virtual currency. The Virtual Currency Notice also states that online game operators are also not allowed to give out virtual items or virtual currency through lottery-base activities, such as lucky draws, betting or random computer sampling, in exchange for players' cash or virtual money.

According to the Notice on Regulating the Operations of Online Games and Strengthening Interim and Ex Post Regulation promulgated by the Ministry of Culture of the PRC on December 1, 2016, and effective as of May 1, 2017, the virtual items, purchased by users directly with legal currency, by using the virtual currencies of online games or by exchanging the virtual currencies of online games according to a certain percentage and enabling users to directly exchange for other virtual items or value-added service functions in online games, shall be regulated pursuant to the provisions on virtual currencies of online games. Online game operators shall not provide users with services to exchange virtual currencies into legal currency or physical items. Where it provides users with the option to exchange virtual currencies into physical items of minor value, the content and value of such physical items shall be in compliance with relevant laws and regulations of the State. However, this notice has been abolished by the Ministry of Culture and Tourism as of August 19, 2019.

Anti-addiction System and Protection of Minors

In March 2007, the GAPP and several other government agencies issued a circular requiring the implementation of an anti-fatigue system and a real-name registration system by all PRC online game operators to curb addictive online game playing by minors. To identify whether a game player is a minor and thus subject to the anti-fatigue system, a real-name registration system must be adopted to require online game players to register with their real identity information before playing online games. The online game operators are also required to submit the identity information of game players to the public security authority for verification.

In July 2011, the GAPP, together with several other government agencies, jointly issued the Notice on Initializing the Verification of Real-name Registration for the Anti-Fatigue System on Online Games, or the Real-name Registration Notice, in order to strengthen the implementation of the anti-fatigue and real-name registration system. This notice indicates that the National Citizen Identity Information Center of the Ministry of Public Security will verify identity information of game players submitted by online game operators. The Real-name Registration Notice also imposes stringent penalties on online game operators that do not implement the required anti-fatigue and real-name registration systems properly and effectively, including terminating their online game operations.

In 2011, the Ministry of Culture of the PRC, together with several other government agencies, jointly issued a Circular on Printing and Distributing Implementation Scheme regarding Parental Guardianship Project for Minors Playing Online Games to strengthen the administration of online games and protect the legitimate rights and interests of minors.

This circular indicates that online game operators must have person in charge, set up specific service webpages and publish specific hotlines to provide parents with necessary assistance to prevent or restrict minors' improper game playing behavior.

On October 25, 2019, the National Press and Publication Administration issued the Notice on Preventing Minors from Indulging in Online Games which took effect on November 1, 2019. The Notice stipulates several requirements on the online game operation, including but not limited to: (i) all online game users shall register their game accounts with valid identity information; (ii) the time slot and duration for playing online games by minors shall be strictly controlled; (iii) the provision of paid services to minors shall be regulated; (iv) the regulation of the industry shall be enhanced and the requirements above shall be requisite for launching, publishing and operating online games; and (v) the development and implementation of an age-appropriate reminding system shall be explored. Online game companies shall analyze the cause of minors' addiction to games, and alter the content and features of games or game rules resulting in such addiction.

On August 30, 2021, the National Press and Publication Administration promulgated the Notice on Further Strict Management to Effectively Prevent Minors from Being Addicted to Online Games, which became effective on September 1, 2021. The notice requires that all online games enterprises including platforms providing online game services may only provide online game services to minors for one hour from 8:00 p.m. to 9:00 p.m. each day on Fridays, Saturdays, Sundays and national holidays, and may not provide online game services to minors in any form at any other time. All online games must be connected to the real-name verification system of the National Press and Publication Administration for online games to prevent addiction, all online game users must use real and valid identity information to register their game accounts and log in to online games, and online games enterprises must not provide online game services in any form (including visitor experience mode) to users who have not registered and logged in with their real names.

In October 2023, the State Council promulgated the Regulation on the Protection of Minors in Cyberspace, which took effect on January 1, 2024. This regulation enhances oversight of online content, safeguards minors' personal information, and addresses the prevention and management of minors' internet addiction. It also reinforces the responsibilities and duties of online platform service providers catering to a significant number of minor users or impacting minors extensively. This includes fully considering the physical and mental developmental needs of minors throughout all stages of internet platform services, such as in design, research and development, and operations, conducting regular evaluations of the impact of minors' online protection, and offering "teen mode" or designated areas for minors to access products or services that contribute to their physical and mental well-being. Additionally, it mandates the establishment of an external-dominant independent body to supervise the protection of minors on the internet.

In December 2023, the National Press and Publication Administration issued the Administrative Measures for Internet Games (Draft for Comment), which provided detailed regulations for the protection of minors in online gaming operations. These rules include, but are not limited to: (i) strict control over the duration and time minors spend playing online games, (ii) prohibition of minors from accessing games that may easily lead to addiction or contain inappropriate content for minors, and (iii) prohibition of certain services provided to minors, such as account rental and sale, in-game currency and virtual item trading, game boosting or game leveling services, and probability-based luck draw features. As of the date of this annual report, the draft has not been formally adopted.

On April 26, 2024, the Standing Committee of the National People's Congress revised and promulgated the Law of the PRC on the Protection of Minors (2024 Revision), pursuant to which, (i) online product and service providers are prohibited from providing minors with products and services that would induce minors to indulge, (ii) online service providers for products and services such as online games, live broadcasting, audio-video, and social networking are required to establish special management systems of user duration, access authority and consumption for minors, (iii) online games service providers must request minors to register and log into online games with their valid identity information, (iv) online games service providers must categorize games according to relevant rules and standards, notify users about the appropriate ages for the players of the games, and take technical measures to keep minors from accessing inappropriate online games functions, and (v) online games service providers may not provide online games services to minors from 10:00 p.m. to 8:00 a.m. the next day. As of the date of this annual report, we have implemented a real-name registration system and a Bilibili game health system in our mobile game platform in accordance with the relevant supervision requirements. These two systems include following measures:

(i) the real-name registration system requires users to register with valid identity information and the users without real-name authentication will not be able to log into the game after 1 hour's trial playing in visitor experience mode for 15 days;

(ii) the users are not allowed to top up or purchase game virtual items in visitor experience mode;

(iii) the accumulated time of minors playing game each day is monitored, calculated and limited to less than three hours per day on PRC statutory holidays and 1.5 hours per day during other times, and upon exceeding such time limit, a notification will pop up and the player will be forced to log out;

(iv) minors are not able to log into the game between 10:00 p.m. and 8:00 a.m.; and

(v) consumption limits for minors have been implemented as required by the relevant regulatory guidance.

In November 2024, the Cyberspace Administration of China issued the Guidelines for the Development of a Minor Protection Mode on Mobile Internet. These guidelines establish requirements for application providers to implement age-appropriate content recommendations, enhance content safety measures, and restrict certain functions available under the minor mode.

Regulations Related to Online Live Broadcasting Services

On November 4, 2016, the Cyberspace Administration of China issued the Administrative Regulations on Online Live Broadcasting Services, or the Online Live Broadcasting Regulations, which came into effect on December 1, 2016. According to the Online Live Broadcasting Regulations, all online live broadcasting service providers shall take various measures during operation of live broadcasting services, including but not limited to: (i) establishing platforms for reviewing live broadcasting content, conducting classification and grading management according to the online live broadcasting content categories, user scale and others, and adding tags to graphics, video, audio or broadcast tag information for platforms; and (ii) conducting verification on online live broadcasting users with valid identification information (for example, authentic mobile phone numbers) and validating the registration of online live broadcasting publishers based on their identification documents (such as identity documents, business licenses and organization code certificates).

On September 2, 2016, the State Administration of Press, Publication, Radio, Film and Television issued the Circular on Issues concerning Strengthening the Administration of Online Live Broadcasting of Audio-Visual Programs, or the Online Live Broadcasting Circular. According to the Online Live Broadcasting Circular, License for Online Transmission of Audio-Visual Programs is a prerequisite for online audio-visual live broadcasting of general cultural events, such as social communities, sports events, as well as important political, military, economic, social and cultural events. Relevant information about specific activities to be streamed shall be filled in advance with the provincial counterparts of the National Radio and Television Administration. Online audio-visual live broadcasting service providers shall censor and tape such programs and retain them for at least 60 days for future check by the administrative departments; and they shall have emergency plans in place to replace programs in violation of laws and regulations. Bullet chats are not allowed in the live broadcasting of major political, military, economic, social, cultural, sports and other activities and events. Special censorship shall be implemented over the bullet chats during the live broadcasting of cultural activities of general social groups, sports events and other organizational activities.

According to the Measures for the Administration of Cyber Performance Business Operations, promulgated by the Ministry of Culture of the PRC on December 2, 2016, and effective as of January 1, 2017, business engaging in cyber performance operations shall apply to the cultural administrative department at the provincial level for an Online Culture Operating Permits in accordance with the Provisional Measures on Administration of Internet Culture, and the license shall specify the scope of the cyber performance.

According to the Guidelines on Strengthening Supervision of Online Live Broadcasting Marketing Activities promulgated by the SAMR on November 6, 2020, any network platform will assume the responsibility and obligation as an e-commerce platform operator according to the E-Commerce Law; provided that this platform provides operators, who sell goods or provide services via internet live broadcasting, with services such as internet operation place, transaction matchmaking and information publication in order for the transaction parties to independently complete their transaction activities.

According to the Notice on Strengthening the Management of Online Show Live Broadcasting and E-commerce Live Broadcasting promulgated by the National Radio and Television Administration on November 12, 2020, live broadcasting platforms for online shows are requested to strengthen positive value guidance and enable those tasteful, meaningful, interesting and warm live- broadcasting programs to have good traffic, and to prevent the spread of the trends of wealth flaunting, money worshiping and vulgarity. In addition, the number of content reviewers a platform is required to keep must in principle be no less than 1:50 of the number of live broadcasting rooms. Live broadcasting platforms for online shows need to manage the hosts and “virtual gifting” users based on the real-name registration system, and users who have not registered with real names or who are minors are prohibited from virtual gifting. The live broadcasting platforms are required to implement real-name registration system by real-name verification, face recognition, manual review and other measures to prevent minors from virtual gifting. The platform shall limit the maximum amount of virtual gifting each user may give per time, day and month. Live broadcasting platforms for e-commerce shall not illegally produce and broadcast, beyond their business scope of e-commerce, any commentary programs unrelated to sales of goods.

In February 2021, the Cyberspace Administration of China and certain other governmental authorities issued Notice 3, according to which, online live broadcasting platforms providing online live broadcasting information services shall strictly abide by laws, regulations and regulatory requirements of the PRC, and shall strictly perform their statutory duties and obligations, implement the list of primary responsibilities of online live-broadcasting platforms and ensure correct orientation and content safety. Meanwhile, Notice 3 sets forth requirements for certain live broadcasting businesses with respect to real-name registration, restrictions on minors on virtual gifting and other requirements, and further strengthens the industry admittance filing management. For example, live broadcasting platforms that carry out business-oriented network performance activities must hold the internet cultural business license and complete out ICP filing; live broadcasting platforms that carry out online audio-visual program services shall hold a License for Online Transmission of Audio-Visual Programs (or complete registration with the National Internet Audio-visual Platforms Information Management System) and complete ICP filing.

On September 15, 2021, the Cyberspace Administration of China promulgated the Opinions on Further Compacting the Main Responsibility of the Website Platform on Information Content Management which further regulates the content and quality of the information and further requires the website platform to improve the content review mechanism. The website platform shall improve the manual content review system, further expand the scope of manual review, refine the review standards, improve the review process and ensure the quality of review. A dynamic update mechanism for the sample database of illegal and non-compliant information and a hierarchical classification system shall be established and regularly enriched and expanded to improve the efficiency and quality of technical review.

The Cyberspace Administration of China launched a "Fan Group Chaos Rectification" special action on June 15, 2021, followed by the issuance of the Notice on Further Strengthening the Management of Chaos in Fan Groups on August 25, 2021. Both of the special action and notice are intended to rectify chaos in online fan groups for celebrities, specifically, in features such as celebrity rankings, hot topics, fan communities, and fans interactive functions, so as to curb verbal abuse, stigmatization, instigation, confrontation, insults, slander, rumors, malicious marketing and the spread of other harmful information. This notice requested, among other things, the cancellation of all rankings of celebrities. The rankings of music, film and television works are still allowed, but the network platforms should optimize and adjust ranking rules to focus on the art works themselves and professional evaluation. Furthermore, minors are not allowed to make virtual gifting or spending money on supporting idols, or act as the organizer or manager of a fan group.

On October 26, 2021, the Office of the Central Cyberspace Affairs Commission issued the Notice on Further Strengthening the Regulation on Online Information of Entertainment Celebrities, which requests internet platforms to, among others, monitor information posted by celebrities online so as to timely identify hot topics that could involve illegal actions and to promptly report to the competent authorities in such event.

According to the Law of the PRC on the Protection of Minors (2024 Revision), which took effect on April 26, 2024, among others, live broadcasting service providers are not allowed to provide minors under age 16 with online live broadcasting publisher account registration service, and must obtain the consent from parents or guardians and verify the identity of the minors before allowing minors aged 16 or above to register live broadcasting publisher accounts.

On March 25, 2022, the Cyberspace Administration of China, the State Tax Administration and the SAMR jointly issued the Notice on Further Standardizing the Profit-Making Behavior of Live Broadcasting to Promote the Healthy Development of the Industry, which required live broadcasting platforms to authenticate the identity of each live broadcasting publisher and report various information of those publishers that have profit-making behaviors to local provincial-level network department and tax authorities semi-annually. Information required to be reported include personal identity, live broadcasting account, online nicknames, bank account to receive compensation, income type and profit level. Furthermore, live broadcasting platforms are required to (i) strictly implement classification management system over live broadcasting accounts, (ii) take appropriate measures against law-breaking accounts, including to issue warnings and notices, request to rectify, limit the account functions, suspend or terminate accounts, and prohibit re-registration, and (iii) properly keep relevant record and report timely to the relevant authorities.

On April 12, 2022, the Online Audio-visual Program Administration Division of the National Radio and Television Administration and the Publishing Bureau of the Propaganda Department of the Central Committee of the Communist Party of China jointly promulgated the Notice on Strengthening the Administration of Live Broadcasting of Game-Playing on the Online Audio-Visual Program Platform, which stipulated that (i) it is not allowed to live broadcast online games that have not been approved by the competent authorities in online audio-visual programs or attract more users to such games by any means, including through online live broadcasting, (ii) all online live broadcast platforms shall strengthen the management of online game live broadcast programs in terms of content and propaganda, establish and improve management systems for information release, comments, and emergency response related to game-playing live broadcast programs to improve program monitoring and public opinion monitoring mechanisms, (i) the online platforms shall strengthen the management of the behavior of game hosts and those who conducted illegal and immoral behavior are not allowed to be shown to the public through live broadcasting, (iv) the online live broadcast platforms are urged to establish and implement mechanisms for the protection of minors, and (v) the launch, broadcasting and layout of game-playing live programs shall be submitted to relevant radio and television administrative department in accordance with the relevant requirements of live programs, and online audio-visual platforms (including various domestic and overseas individual and institutional accounts opened on relevant platforms) live broadcasting overseas game programs or competitions should be approved in advance.

In May 2022, the Opinions on Regulating Live Broadcasting for Rewards and Enhancing the Protection of Minors was issued by the Cyberspace Administration of China and other relevant authorities, pursuant to which, minors are prohibited from participating in live broadcasting and are strictly controlled from engaging in anchoring. In addition, it requires that website platforms should strengthen the management of the registration of anchor accounts, not to provide online anchor services for minors under the age of 16; it requires the optimization and upgrading of the "teenage mode" and the website platform to establish a dedicated customer service team for minors and strengthen oversight during peak hours; and it requires that, after 22:00 every day, the services under "teenage mode" should be forced offline.

In June 2022, the Ministry of Culture and Tourism and the relevant authority issued the Code of Conduct for Online Hosts, which requires live broadcast platforms to review and record the practice qualifications of live content bloggers who require a high level of professionalism (e.g., healthcare, finance and finance, law, education).

In November 2022, the Cyberspace Administration of China issued the Circular on Effectively Strengthening the Governance of Online Violence, requiring that the review of contents of live broadcasting and short video shall be strengthened, live broadcasting rooms with concentrated cyber violence contents shall be shut down in a timely manner, anchors in violation of regulations shall be banned, short videos with cyber violence risk shall be reviewed before publishing, short videos with cyber violence information shall be reviewed, and negative barrages shall be blocked and filtered. Close attention shall be paid to the live broadcasting rooms opened by parties involved in cyber violence, and information that induces or forces self-harm and suicide shall be controlled in a timely manner.

On December 25, 2025, the Cyberspace Administration of China issued the Notice on Regulating the Management of Online Influencer Account Behavior, requiring platforms to strengthen oversight of online influencer accounts by reference to a negative list of prohibited behaviors. Platforms are required to improve their community guidelines and user agreements relating to the management of such accounts and enhance supervision of online influencers' content publication, live-broadcasting, and topic creation. Prohibited activities include the dissemination of vulgar content, the creation of negative personas that glorify ugliness, the distortion or misinterpretation of policies or public events, operation without required qualifications, and the organization of online disputes or confrontational debates.

On December 18, 2025, the Measures for the Supervision and Administration of Live-Broadcasting E-commerce were jointly promulgated by the State Administration for Market Regulation and the Cyberspace Administration of China, effective February 1, 2026. These measures clarify the responsibilities of live-broadcasting e-commerce platform operators for handling of violations, qualification verification, information reporting, training mechanisms, tiered management, dynamic oversight and information disclosure. Platform operators are required to establish and improve platform agreements and rules, strengthen identity verification and qualification reviews for live-broadcasting room operators, live-broadcasting marketing service providers and live-broadcasting marketers, enhance the handling of illegal and non-compliant activities, report data and information in accordance with applicable laws and regulations, and actively assist consumers in safeguarding their rights.

Regulations Related to Advertising Business

On October 27, 1994, the Standing Committee of the National People's Congress, promulgated the Advertising Law of the PRC, as amended most recently on April 29, 2021. The Advertisement Law of the PRC requires that advertisers, advertising operators, and advertisement publishers shall abide by the laws and administrative regulations, and by the principles of fairness and good faith while engaging in advertising activities. Administrative departments for market regulation at and above the county level are in charge of supervision and administration of advertising.

On February 25, 2023, the SAMR promulgated the Measures for the Administration of Internet Advertisement, effective from May 1, 2023. These measures are applicable to the usage of internet media such as websites, web pages, and internet applications, whether directly or indirectly, to promote commercial advertisement activities for products or services via text, images, videos or other forms, in the territory of PRC. Under the new measures, when publishing internet advertisements in the form of pop-ups or other forms, the advertiser or the publisher should prominently mark a close button to ensure that the advertisement can be closed with one click. Furthermore, operators of live broadcasting rooms who are commissioned to provide advertisement design, production, agency and publishing services shall assume legal responsibility and obligations as the advertisement operator and advertiser.

Regulations Related to E-Commerce

The Measures for the Supervision and Administration of Online Transactions was amended on March 18, 2025 and took effect on May 1, 2025. Marketplace platform providers are obligated to examine the legal status of each third-party merchant selling products or services on their platforms and display on a prominent location on a merchant's web page the information stated in the merchant's business license or a link to its business license. Online transaction operators providing services through automatic extension or automatic renewal are required to draw consumers' attention in a conspicuous manner before subscription and prior to each automatic renewal cycle. During the service period, operators are also required to provide consumers with conspicuous and convenient options to cancel or modify the service at any time, and are prohibited from charging unreasonable fees.

On December 24, 2014, the Ministry of Commerce promulgated the Provisions on the Procedures for Formulating Transaction Rules of Third-Party Online Retail Platforms (Trial) to regulate the formulation, revision and enforcement of transaction rules for online retail marketplace platforms. Measures for the Supervision and Administration of Online Transactions require that online transaction operators shall not force customers, whether or not in a disguised manner, to consent to the collection and use of information not directly related to their business activities by means of one-off general authorization, default authorization, bundling with other authorizations, or the suspension of installation and use.

On August 31, 2018, the Standing Committee of the National People's Congress promulgated the E-Commerce Law, which came into effect on January 1, 2019. The E-commerce Law imposes a series of requirements on e-commerce operators including e-commerce platform operators, merchants operating on the platform and the individuals and entities carrying out business online. According to the E-commerce Law, e-commerce operators who provide search results based on consumers' characteristics, such as hobbies and consumption habits, shall also provide consumers with options that are not targeted at their personal characteristics at the same time, respect and fairly protect the legitimate interests of the consumers. In addition, e-commerce platform operators are not allowed to impose unreasonable restrictions over or add unjustified conditions to transactions concluded on their platforms by merchants, or charge merchants operating on its platform any unreasonable fees.

An e-commerce operator shall obtain a license for value-added telecommunications services with the specification of online data processing and transaction processing business from appropriate telecommunications authorities, pursuant to the Telecommunications Regulations of the PRC and the Classification Catalogue of Telecommunications Services.

The Consumer Protection Law, which was promulgated by the Standing Committee of the National People's Congress on October 31, 1993, and last amended on October 25, 2013, effective as of March 15, 2014, sets out the obligations of business operators and the rights and interests of consumers. Business operators must guarantee the quality, function, usage and term of validity of the goods or services they sell or provide, if these goods and services are consumed under normal standards. The consumers whose interests have been damaged due to their purchase of goods or acceptance of services on online platforms may claim damages from the sellers or service providers. Online platform operators may be subject to liabilities if the lawful rights and interests of consumers are infringed in connection with consumers' purchase of goods or acceptance of services on online platforms if the platform operators fail to provide consumers with authentic contact information of the sellers or service providers. On January 6, 2017, the State Administration for Industry and Commerce of the PRC issued the Interim Measures for No Reason Return of Online Purchased Commodities within Seven Days, which came into effect on March 15, 2017 and was last amended on October 23, 2020, further clarifying the scope of consumers' rights to make returns without a reason, including exceptions, return procedures and online marketplace platform providers' responsibility to formulate seven-day no-reason return rules and related consumer protection systems, and supervise the merchants for compliance with these rules. On December 29, 2020, the SAMR promulgated the Announcement on Strengthening the Recall and Supervision of Consumer Goods Sold Online to further protect the safety of consumers' personal properties.

Pursuant to the Administrative Measures for Online Live Broadcasting Marketing (for Trial Implementation), which was promulgated in April 2021 and became effective in May 2021, when engaging in live broadcasting marketing activities, live broadcasting marketers, people that directly engage in marketing to the public in online live broadcasting marketing, must abide by laws, regulations and the relevant state provisions, follow the public order and morals, and publish product or service information truthfully, accurately and comprehensively, and must not engage in, among others, (i) the publication of false and misleading information to deceive or mislead the users, (ii) the marketing of products or goods which are fake or shoddy or would infringe upon intellectual property rights or do not fulfill the requirements for personal and property safety, or (iii) other acts in violation of the laws, regulations and relevant provisions.

In March 2022, the Supreme People's Court adopted the Provisions of the Supreme People's Court on Several Issues concerning the Application of Law in the Trial of Cases of Disputes over Online Consumption (I), which became effective on March 15, 2022. The provisions mainly provide for the rights and obligations of network consumption contracts, the recognition of liability subjects, civil liability for live-broadcasting marketing, and civil liability for takeaway and catering services. According to these provisions, even if the e-commerce platform does not actually operate the business, as long as there are signs and indications sufficient to mislead consumers to believe that the business is operated by the platform, the e-commerce platform operator shall also bear the liability as the product seller or the service provider. Where the legitimate rights and interests of a consumer are jeopardized when clicking to buy a product in an online live broadcasting program, and the operator of the live broadcasting program cannot prove that it has indicated in a sufficiently clear way to inform the consumer that it is not the seller and to indicate the actual seller, if the consumer requests the operator of the live broadcasting program to bear the responsibility as the seller of the product, the people's court shall uphold such request.

In March 2024, the State Council issued the Implementing Regulation on the Law of the People's Republic of China on the Protection of Consumer Rights and Interests, which became effective on July 1, 2024. This regulation requires operators of live broadcasting marketing platforms to establish consumer disputes resolution mechanism. When a consumer dispute arises, the operator shall, pursuant to the consumer's request, provide information on the operator of the live broadcasting room, the live broadcasting marketing personnel, the relevant business activity records, and other necessary information.

On December 18, 2025, the State Administration for Market Regulation and the Cyberspace Administration of China jointly promulgated the Measures for the Supervision and Administration of Online Transaction Platform Rules, effective February 1, 2026. Online transaction platform operators are required to continuously display platform rules, or links thereto, in a prominent position on the homepage of their websites or applications, and to ensure that businesses and consumers can conveniently and fully view and download these rules. Platform operators are also required to establish and improve communication and consultation mechanisms for significant matters relating to platform rules. In addition, platform operators are prohibited from using platform rules to impose unreasonable restrictions or conditions on the independent business operations of merchants on their platforms, or from charging unreasonable fees to such merchants.

On December 9, 2025, the National Development and Reform Commission, the State Administration for Market Regulation, and the Cyberspace Administration of China jointly issued the Rules on Pricing Behavior of Internet Platforms, which became effective on April 10, 2026 and will remain valid for a period of five years. Platform operators and merchants operating on platforms are required to exercise their independent pricing rights in accordance with laws and regulations, and set prices in a reasonable manner, and disclose rules relating to differential pricing, dynamic pricing and paid search rankings. Merchants are prohibited from engaging in unfair pricing practices, including low-price dumping, price discrimination, price collusion, price gouging and price fraud. With a focus on protecting consumers' right to know and right to make independent choices, merchants offering services such as password-free payment, bundled insurance or transportation services or products, or automatic renewal or automatic deduction arrangements, are required to present the relevant options to consumers in a conspicuous manner and provide convenient channels for cancellation.

Regulations Related to Internet Information Security and Privacy Protection

Internet content in mainland China is highly regulated and restricted from a state security point of view. The Decision Regarding the Safeguarding of Internet Security, enacted by the Standing Committee of the National People's Congress on December 28, 2000, and amended with effect on August 27, 2009, makes it unlawful to, including but not limited to: (i) gain improper entry into a computer information system of national affairs, national defense or cutting-edge science and technology; (ii) disseminate politically disruptive information; (iii) leak state secrets; (iv) spread false commercial information; or (v) infringe intellectual property rights. The Administrative Measures for the Security Protection of International Connections to Computer Information Network, implemented by the Ministry of Public Security on December 30, 1997, and amended on January 8, 2011, prohibits the use of the internet in ways that, among other things, result in a leakage of state secrets or the distribution of socially destabilizing content.

On July 1, 2015, the Standing Committee of the National People's Congress issued the National Security Law, which came into effect on the same day. The National Security Law provides that the state shall safeguard the sovereignty, national security and cyber security and development interests of the state, and that the state shall establish a national security review and supervision system to review, among other things, foreign investment, key technologies, internet and information technology products and services and other important activities that are likely to impact the national security of mainland China.

On August 1, 2022, the Administrative Provisions on Mobile Internet Applications Information Services promulgated by the Cyberspace Administration of China took effect. These provisions stipulate that mobile internet application providers shall perform their responsibilities as information content administrators, and establish and improve information content security management, information content ecological governance, data security and personal information protection, protection of minors and other management systems to ensure cyber security and maintain a good cyber ecology.

On November 7, 2016, the Standing Committee of the National People's Congress issued the Cybersecurity Law, which came into effect on June 1, 2017, was further revised on October 28, 2025 and took effect on January 1, 2026. The PRC Cybersecurity Law provides that network operators must set up internal security management systems that meet the requirements of a classified protection system for cyber security, including appointing dedicated cyber security personnel, taking technical measures to prevent computer viruses, network attacks and intrusions, taking technical measures to monitor and record network operation status and cyber security incidents, and taking data security measures such as data classification, backups and encryption. The PRC Cybersecurity Law imposes a relatively vague but broad obligation to provide technical support and assistance to the public and state security authorities in connection with criminal investigations or for reasons of national security. The PRC Cybersecurity Law also requires network operators that provide network access or domain name registration services, landline or mobile phone network access, or that provide users with information publication or instant messaging services, to require users to provide a real identity when they sign up. The PRC Cybersecurity Law explicitly requires network operators to comply with the provisions of this law, the Civil Code, the Personal Information Protection Law, and other relevant laws and regulations when processing personal information.

The Provisions on Technological Measures for Internet Security Protection, promulgated by the Ministry of Public Security on December 13, 2005, require internet service providers to keep records of certain information about their users (including, but not limited to, user registration information, log-in and log-out times, IP addresses, content and time of posts by users) for at least 60 days. Under the PRC Cybersecurity Law, network operators must also record and report any instances of publication of prohibited information and take measures to prevent such information from dissemination. A network operator fails to comply with such requirements may be imposed fines, confiscated of illegal gains, revoked of its licenses, suspended of its business, shut down of its websites or, in severe cases, take criminal liabilities. The Civil Code promulgated in 2020 also provides specific provisions regarding the protection of personal information.

On June 22, 2007, the Administrative Measures for the Graded Protection of Information Security was issued by the Ministry of Public Security and several other governmental agencies, according to which, the State shall, by developing nationally effective good practice and technical standards for the graded protection of information security, and organize citizens, legal persons and other organizations to carry out graded security protection of information system. The destruction of a Grade III information system will cause material damage to social order and public interests or will cause damage to national security. Entities operating and using Grade III information system shall protect the information system in accordance with relevant good practice and technical standards of the State. The state departments in charge of the supervision and administration of information security shall supervise and administer the graded protection work on information security of the information system of such Grade.

On December 28, 2012, the Standing Committee of the National People's Congress promulgated the Decision on Strengthening Network Information Protection to enhance the legal protection of information security and privacy on the internet. This decision requires internet service providers to take measures to ensure confidentiality of information of users.

On March 13, 2019, the Office of the Central Cyberspace Affairs Commission and the SAMR jointly issued the Notice on App Security Certification and the Implementation Rules on Security Certification of Mobile Internet Application, which encourages mobile application operators to voluntarily obtain app security certification, and search engines and app stores are encouraged to recommend certified applications to users.

PRC government authorities have enacted legislations on internet use to protect personal information from any unauthorized disclosure and prohibits an internet content provision operator from insulting or slandering a third party or infringing the lawful rights and interests of a third party. The Several Provisions on Regulating the Market Order of Internet Information Services, promulgated by the Ministry of Industry and Information Technology on December 29, 2011, and became effective on March 15, 2012, stipulate that internet content provision operators may not, without user's consent, collect user's personal information, which is defined as user information that can be used alone or in combination with other information to identify the user, and may not provide any such information to third parties without user's prior consent, unless when required by laws or regulations. In addition, an internet content provision operator may only use such user's personal information for the stated purposes under the internet content provision operator's service scope. Internet content provision operators are also required to ensure the proper security of user's personal information, and take immediate remedial measures if user's personal information has been or may be divulged.

On July 16, 2013, the Ministry of Industry and Information Technology issued the Order for the Protection of Telecommunication and Internet User Personal Information. Most requirements under the order that are relevant to internet content provision operators are consistent with pre-existing requirements but the requirements under the order are often more stringent and have a wider scope. If an internet content provision operator wishes to collect or use personal information, it may do so only if such collection is necessary for the services it provides. Internet content provision operators are further prohibited from divulging, distorting or destroying any such personal information, or selling or providing such information unlawfully to other parties.

On January 23, 2019, the Office of the Central Cyberspace Affairs Commission, the Ministry of Industry and Information Technology and the Ministry of Public Security, and the SAMR jointly issued the Notice on Special Governance of Illegal Collection and Use of Personal Information via Apps, which restates the requirement of legal collection and use of personal information, encourages app operators to conduct security certifications and encourages search engines and app stores to clearly mark and recommend those certified apps. On August 22, 2019, the Cyberspace Administration of China issued the Regulation on Cyber Protection of Children's Personal Information, effective on October 1, 2019. Network operators are required to establish special policies and user agreements to protect children's personal information, and to appoint special personnel in charge of protecting children's personal information. Network operators who collect, use, transfer or disclose personal information of children are required to, in a noticeable and clear way, notify and obtain consent from children's guardians. On November 28, 2019, the Cyberspace Administration of China, Ministry of Industry and Information Technology, the Ministry of Public Security and SAMR jointly issued the Measures to Identify Illegal Collection and Usage of Personal Information by Apps, which lists six types of illegal collection and usage of personal information, including "failure to publish rules on the collection and usage of personal information," "failure to expressly state the purpose, manner and scope of the collection and usage of personal information," "collecting and using personal information without obtaining consents from users," "collecting personal information irrelevant to the services provided," "providing personal information to other parties without obtaining consent" and "failure to provide the function of deleting or correcting personal information as required by law or failure to publish the methods for complaints and reports or other information."

According to the Law of the PRC on the Protection of Minors (2024 Revision), which took effect on April 26, 2024, information processors must follow the principles of legality, legitimacy and necessity when processing personal information of minors via internet, and must obtain consent from minors' parents or other guardians when processing personal information of minors under the age of 14. In addition, internet service providers must promptly alert upon the discovery of publishing private information by minors via the internet and take necessary protective measures.

On August 29, 2015, the Standing Committee of the National People's Congress issued the Ninth Amendment to the Criminal Law, effective on November 1, 2015. Any internet service provider that fails to comply with obligations related to internet information security administration as required by applicable laws and refuses to rectify upon order shall be subject to criminal penalty for (i) any large-scale dissemination of illegal information; (ii) any severe consequences due to the leakage of the user information; (iii) any serious loss of criminal evidence; or (iv) other severe circumstances. Furthermore, any individual or entity that (i) sells or distributes personal information in a manner which violates relevant regulations, or (ii) steals or illegally obtains any personal information is subject to criminal penalty in severe circumstances.

On July 6, 2021, the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council jointly issued the Opinions on Strictly Cracking Down Illegal Securities Activities in Accordance with the Law, which emphasized the need to strengthen the administration over illegal securities activities, and the need to strengthen the supervision over overseas listings by Chinese companies. Effective measures, such as promoting the construction of relevant regulatory systems, will be taken to deal with the risks and incidents of China-based overseas listed companies.

On June 10, 2021, for purpose of further regulating data processing activities, safeguarding data security, promoting data development and utilization, protecting the lawful rights and interests of individuals and organizations, and maintaining national sovereignty, security, and development interests, the Standing Committee of the National People's Congress published the PRC Data Security Law, which took effect on September 1, 2021. The Data Security Law requires data processing, which includes the collection, storage, use, processing, transmission, provision and publication of data, to be conducted in a legitimate and proper manner. The Data Security Law provides for data security and privacy obligations on entities and individuals carrying out data processing activities. The Data Security Law also introduces a data classification and hierarchical protection system based on the importance of data in economic and social development, and the degree of harm it may cause to national security, public interests, or legitimate rights and interests of individuals or organizations if such data are tampered with, destroyed, leaked, illegally acquired or illegally used. The appropriate level of protection measures is required to be taken for each respective category of data. For example, a processor of important data is required to designate the personnel and the management body responsible for data security, carry out risk assessments of its data processing activities and file the risk assessment reports with the competent authorities. State core data, i.e., data having a bearing on national security, the lifelines of national economy, people's key livelihood and major public interests, shall be subject to stricter management system. Moreover, the Data Security Law provides a national security review procedure for those data processing activities which affect or may affect national security and imposes export restrictions on certain data and information. In addition, the Data Security Law also provides that any organization or individual within the territory of the PRC shall not provide any foreign judicial body and law enforcement body with any data stored within the territory of the PRC without the approval of the competent PRC governmental authorities.

On August 20, 2021, the Standing Committee of the National People's Congress promulgated the Personal Information Protection Law, which integrates the scattered rules with respect to personal information rights and privacy protection and took effect on November 1, 2021. The Personal Information Protection Law raises the protection requirements for processing personal information, and specifies the rules for processing sensitive personal information, which refers to personal information that, once leaked or illegally used, may easily cause harm to the dignity of natural persons or cause harm to the safety of people or property, including information on biometric characteristics, financial accounts, individual location tracking and others, as well as personal information of minors under the age of 14. Personal information processors shall bear responsibility for their personal information processing activities, and adopt necessary measures to safeguard the security of the personal information they process. Otherwise, the personal information processors will be subject to correction of its operations, suspension or termination of the provision of services, confiscation of illegal income, fines or other penalties.

On January 4, 2022, the Cyberspace Administration of China and other twelve PRC regulatory authorities jointly revised and promulgated the Cybersecurity Review Measures, which came into effect on February 15, 2022. The Cybersecurity Review Measures requires that critical information infrastructure operators that purchase network products and services shall anticipate the potential national security risk of products and services after they enter operation. If they affect or may affect national security, a cybersecurity review shall be reported to the Cybersecurity Review Office.

The State Council promulgated the Regulations on Security Protection of Critical Information Infrastructure, which became effective on September 1, 2021. Pursuant to these regulations, critical information infrastructure refers to any important network facilities and information systems of an important industry and field such as public communication and information service, energy, transport, water conservation, finance, public services, e-government affairs and national defense related science and technology industry, and other industries and fields that may seriously endanger national security, people's livelihood and public interest in case of damage, function loss or data leakage. In addition, relevant administration departments of each important industry and field are responsible for formulating eligibility criteria and determining the critical information infrastructure in the respective industry or field. The operators will be informed about the final determination as to whether they are categorized as critical information infrastructure operators. The critical information infrastructure operator must perform certain obligations to protect the critical information infrastructure's security, including but not limited to, conducting a network security test and a risk assessment at least once a year. The security protection departments are responsible for organizing the identification of critical information infrastructure in their respective industries and areas in accordance with the identification rules, who will inform the identification results to the operators in a timely manner and report such results to the public security department of the State Council.

On December 31, 2021, the Cyberspace Administration of China, together with the Ministry of Industry and Information Technology, the Ministry of Public Security and the SAMR, jointly issued the Regulations on the Administration of Algorithm Recommendation for Internet Information Services, with effect from March 1, 2022, which provides that algorithm recommendation service providers are not allowed to use algorithms to register false user accounts, block information, give excessive recommendations, and that users should be given the option to easily turn off algorithm recommendation services, and that the providers of algorithm recommendation services with public opinion attributes or social mobilization capabilities should fill in information such as the name of the service provider, service form, application area, type of algorithm, algorithm self-assessment report, intended public content and other information through the Internet Information Services Algorithm Filing System within ten working days from the date of service provision to fulfill the filing procedures.

On September 24, 2024, the Cyberspace Administration of China published the Regulations of Internet Data Security Management which took effect on January 1, 2025. Data processors shall apply for a cybersecurity review for certain activities, including any data processing activity that affects or may affect national security. Data processors that process "important data" must conduct an annual risk assessment of their network data processing activities, and submit a risk assessment report to authorities at or above the provincial level.

In July 2022, the Cyberspace Administration of China promulgated the Measures for the Security Assessment of Outbound Data, which became effective on September 1, 2022. These measures outline the requirements and procedures for security assessments on export of important data or personal information collected within the territory of mainland China. Furthermore, these Measures provide that the security assessment shall combine pre-assessment, continuous supervision, and self-assessment to prevent data export security risks. More specifically, these measures specify that any of the circumstances below will require security assessment before any cross-border data transfer out of mainland China can occur: (i) the data transferred out of mainland China is important data; (ii) the data processor is a critical information infrastructure operator or data processor that processes personal information of more than 1 million individuals; (iii) cross-border data transfer of personal information by a data processor who has made cross-border data transfers of personal information of more than 100,000 individuals, or sensitive personal information of more than 10,000 individuals, in each case as calculated cumulatively, since 1 January of the previous year; or (iv) under other circumstances as stipulated by the Cyberspace Administration of China.

The Measures for the Standard Contractual Measures for Cross-border Transfer of Personal Information, which was issued by the Cyberspace Administration of China on February 22, 2023 and took effect on June 1, 2023, specified the applicable scope of, conditions to enter into and detailed filing requirements for standard contracts on cross-border transfer of personal information, which became a part of the compliance mechanism for personal information protection.

In March 2024, the Cyberspace Administration of China issued the Provisions on Promoting and Regulating Cross-border Data Flows, which required security assessment the following types of cross-border data transfers, (i) for critical information infrastructure operators, the outbound transfer of personal information or important data, and (ii) for data processors that are not critical information infrastructure operators, the outbound transfer of important data or the cumulative outbound transfer within one calendar year of the personal information of over one million people or the sensitive personal information of over 10,000 people. These provisions also stipulated that, when data processors that are not critical information infrastructure operators engage in the cumulative outbound transfer within one calendar year of the personal information of over 10,000 people but less than one million people or the sensitive personal information of less than 10,000 people, the data processors must enter into a standard contract for cross-border transfer of personal information with the data recipient or obtain a certification for the protection of personal information. Furthermore, these provisions clarified that data processors do not need to treat any data as “important data” the outbound transfer of which requires security assessments, if government authorities have not declared or notified them that the data are “important data.”

The Provisions on the Administration of Internet Users’ Account Information, which was issued by the Cyberspace Administration of China on June 27, 2022 and became effective on August 1, 2022, stipulate that internet information service providers must, among other things, equip themselves with professional and technical capabilities appropriate to the scale of services, establish, improve and strictly implement systems for identity authentication, account verification, information safekeeping, ecological governance, emergency response, personal information protection, among others. The provisions also require that the internet information service providers should handle and protect internet users’ account information in accordance with law, and take measures to prevent unauthorized access, as well as leakage, tampering, or loss of personal information. The internet information service providers must set up convenient portals for complaints and whistleblowing at an easily seen location, provide channels for complaints and whistleblowing, improve the acceptance, screening, disposal and feedback mechanisms, specify the handling process and feedback time limit and timely handle the complaints and whistleblowing of users and the public.

The Administrative Provisions on Internet Pop-Up Window Information Push Services, issued by the Cyberspace Administration of China, became effective on September 30, 2022. The provisions stipulate that providers of internet pop-up window information push services shall fulfill their responsibilities as information content administrators, and establish and improve management systems for information content review, ecological governance, data security and personal information protection and minors protection, and shall also comply with relevant requirements, including, but not limited to, not pushing illegal and undesirable information, especially malicious speculation on entertainment gossip, gossip and privacy, extravagance and ostentatiousness, and content that is contrary to public order and morality, or to focus on old news related to a certain topic for the purpose of malicious rehashing.

The Cyberspace Administration of China published the Measures for the Administration of Personal Information Protection Compliance Audits on February 14, 2025,effective May 1, 2025. Pursuant to these measures, companies processing personal information of more than 10 million individuals in China must conduct a compliance audit at least once every two years, with special focus on designated areas.

On October 14, 2025, the Cyberspace Administration of China and SAMR promulgated the Measures for the Certification of the Outbound Transfer of Personal Information, effective January 1, 2026. Where a personal information processor provides personal information outside the territory of the PRC by means of personal information protection certification, it shall apply for personal information exit certification to a professional certification institution. Eligibility for this pathway requires that the processor: (i) shall not be a critical information infrastructure operator; and (ii) since January 1 of the current year, has cumulatively provided personal information (excluding sensitive personal information) of more than 100,000 but fewer than 1,000,000 individuals outside the territory, or sensitive personal information of fewer than 10,000 individuals.

On November 22, 2025, the Cyberspace Administration of China and the Ministry of Public Security released the Provisions on Personal Information Protection for Large Online Platforms (Draft for Comments), which propose requiring large platforms to appoint a senior personal information protection officer, establish a dedicated personal information protection unit, store domestically collected and generated personal information within the PRC, comply with state issued regulations governing the security management of outbound data should overseas data transfer be deemed necessary, and ensure users to conveniently transfer their personal information with clear timelines for processing such requests and defined service standards. As of the date of this annual report, the draft has not been formally adopted.

On January 10, 2026, the Cyberspace Administration of China released the Provisions on the Collection and Use of Personal Information by Internet Applications (Draft for Comments) for public consultation, which propose to extend compliance obligations to all entities facilitating personal information collection within the PRC, including software development kits (SDKs), distribution platforms, and smart terminals. This draft proposes to require any large internet application, defined as an internet application with more than 50 million registered users or more than 10 million monthly active users and involving complex business types, to solicit public comments for at least seven working days when revising its rules for the collection and use of personal information, and to prohibit the use of contacts, call log, or text message permissions to access third party personal information unless strictly necessary in limited circumstances where data collection or use is necessary, such as contacting individuals in the users' address books, adding friends or data backup. As of the date of this annual report, the draft has not been formally adopted.

Regulations Related to Generative AI

In August 2019, the Ministry of Science and Technology of the PRC issued the Guidelines for the Construction of the National New Generation Artificial Intelligence Innovation and Development Pilot Zone, which was amended on September 29, 2020 and came into effect on the same date. The guidelines aim to establish a conducive environment for the innovation and development of artificial intelligence, promote the establishment of artificial intelligence infrastructure, and enhance the conditional support for the innovation and development of artificial intelligence.

In March 2021, the National People's Congress of the PRC promulgated the Outline of the 14th Five-Year Plan for the National Economic and Social Development of the People's Republic of China and the Outlines of Objectives in Perspective for the Year 2035. The outlines emphasize key focus areas including essential algorithms for artificial intelligence and sensors, and underscore the nurturing of emerging digital industries such as artificial intelligence.

In November 2022, the Cyberspace Administration of China passed the Administrative Provisions on Deep Synthesis of Internet Information Services, which was released after being approved by the Ministry of Industry and Information Technology and the Ministry of Public Security, and became effective on January 10, 2023. Pursuant to these provisions, deep synthesis service providers are required to fulfill their primary responsibilities for information security, establish and improve management systems for various aspects including user registration, algorithm mechanism review, scientific and technological ethics review, information release review, data security, personal information protection, combating telecom and online fraud, and emergency response, and implement secure and controllable technical support measures.

In July 2023, the Cyberspace Administration of China and several governmental authorities promulgated the Interim Measures for the Administration of Generative Artificial Intelligence Services, which became effective on August 15, 2023. These measures outline compliance requirements for providers of generative AI services to the public within the territory of PRC. Providers are required to conduct data processing training activities in accordance with PRC laws and regulations and assume responsibility as producers of online content, as well as fulfill online information security obligations. Other requirements under these measures include the use of legitimate data sources, no infringement on others' legitimate intellectual property rights, and obtaining consent for personal information usage. Violations may result in punishment specified under the PRC data and cybersecurity legal regime, including the PRC Cybersecurity Law, the PRC Data Security Law, the PRC Personal Information Protection Law, and the PRC Scientific and Technological Progress Law. In the absence of any specific provisions, violations may result in warnings, orders to correct, and orders to suspend the provision of services determined by competent governmental authorities.

In February 2024, the National Technical Committee on Cybersecurity Standardization issued the Basic Security Requirements for Generative Artificial Intelligence Service, which stipulated the basic safety requirements for generative artificial intelligence including requirements for training data security, model security and safety precautions, and provided requirements for safety evaluations. Service providers should conduct safety evaluations before launching or making any material change to the generative artificial intelligence services. Service providers are also required to assess whether these services are suitable for minors.

In March 2025, the Cyberspace Administration of China, the Ministry of Industry and Information Technology, the Ministry of Public Security and the National Radio and Television Administration jointly issued the Method for Identifying Synthetic Content Generated by Artificial Intelligence, which became effective on September 1, 2025. This rule requires (i) AI-generated synthetic content to be clearly labeled across various media formats to enhance transparency and mitigate misinformation risks, (ii) AI service providers to implement a labeling system, ensure compliance with national standards, and retain relevant usage logs for at least six months, and (iii) compliance with security assessments and algorithm filings.

Regulations Related to Intellectual Property Rights

Trademark

Trademarks are protected by the Trademark Law of the PRC, which was promulgated by the Standing Committee of the National People's Congress on August 23, 1982, last amended on April 23, 2019, and took effect on November 1, 2019, as well as the Implementation Regulation of the PRC Trademark Law, adopted by the State Council on August 3, 2002, and revised on April 29, 2014. In the PRC, registered trademarks include commodity trademarks, service trademarks, collective marks and certification marks. The Trademark Office of National Intellectual Property Administration handles trademark registrations and grants a term of 10 years to registered trademarks commencing from the date of registration and the registered trademarks can be renewable every 10 years where a registered trademark needs to be used after the expiration of its validity term. On January 13, 2023, the State Intellectual Property Office issued a notice of public consultation on the Draft Revision of the Trademark Law of the PRC (Draft for Comments). As of the date of this annual report, such draft has not been formally adopted.

Patent

According to the Patent Law of the PRC promulgated by the Standing Committee of the National People's Congress on March 12, 1984, and most recently amended on October 17, 2020 and became effective on June 1, 2021, the patents are divided into three types. According to the Patent Law of the PRC and the Interim Measures on the Handling of Examination Operations in relation to the Implementation of the Amended Patent Law issued by the China National Intellectual Property Administration on May 24, 2021, invention patents are valid for 20 years, utility model patents are valid for 10 years and design patents filed no later than May 31, 2021 are valid for 10 years while design patents filed on or after June 1, 2021 are valid for 15 years, from the date of application.

On June 15, 2001, the State Council promulgated the Implementation Rules for the Patent Law of the PRC, which was last amended on December 11, 2023 and became effective from January 20, 2024. According to the Patent Law of the PRC and its implementing regulations, the State Intellectual Property Office of the PRC is primarily responsible for administering patents in the PRC. The patent administration departments of provincial or autonomous regions or municipal governments are responsible for administering patents within their respective jurisdictions. The Chinese patent system adopts a "first come, first file" principle, which means that where more than one person files a patent application for the same invention, a patent will be granted to the person who files the application first. To be patentable, invention or utility models must meet three criteria: novelty, inventiveness and practicability. A third-party player must obtain consent or a proper license from the patent owner to use the patent. Otherwise, the use constitutes an infringement of the patent rights.

Copyright

The Copyright Law of the PRC, which was promulgated by the Standing Committee of the National People's Congress on September 7, 1990, last amended on February 26, 2010, became effective as of April 1, 2010, further amended on November 11, 2020, and took effect on June 1, 2021. Under the currently effective Copyright Law, Chinese citizens, legal persons, or other organizations shall, whether published or not, enjoy copyright in their works, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software. The purpose of the Copyright Law aims to encourage the creation and dissemination of works which is beneficial for the construction of socialist spiritual civilization and material civilization and promote the development and prosperity of Chinese culture.

Under the Regulation on Protection of the Right to Network Dissemination of Information that took effect on July 1, 2006, and was amended on January 30, 2013, it is further provided that an internet information service provider may be held liable under various situations, including if it knows or should reasonably have known a copyright infringement through the internet and the service provider fails to take measures to remove or block or disconnects links to the relevant content or, although not aware of the infringement, the internet information service provider fails to take such measures upon receipt of the copyright holder's notice of infringement.

Measures on Administrative Protection of Internet Copyright, that were promulgated by the Ministry of Industry and Information Technology and National Copyright Administration, and took effect on May 30, 2005; provided that an internet information service provider shall take measures to remove the relevant content, record relevant information after receiving the notice from the copyright owner that some content communicated through internet infringes upon its copyright and preserve the copyright owner's notice for six months. If an internet information service provider (i) has the knowledge of an internet content provider's tortious act of infringing upon another's copyright through internet, or (ii) fails to take measures to remove relevant content after the receipt of the copyright owner's notice (regardless of the internet information service provider's knowledge of the copyright infringement act), and if the relevant copyright infringement act harms public interests, then the infringer shall be ordered to stop the tortious act, and may be imposed of confiscation of the illegal proceeds and a fine of not more than three times the illegal business amount; and if the illegal business amount is difficult to be calculated, a fine of not more than RMB100,000 may be imposed.

The Notice on Regulating Copyright Order of Internet Reproduction, issued by the National Copyright Administration in April 2015, includes the following four major points: (i) clarify certain important issues related to internet copyrights in existing laws and regulations, including the definition of news, clarify statutory licenses that are not applicable to internet copyrights and prohibit the distortion of title and work intent; (ii) guide the press and media to further improve the internal management of copyrights, especially requesting the press to clarify the copyright sources of their content; (iii) encourage the press and internet media to actively carry out copyright cooperation; and (iv) ask the copyright administrations at all levels to strictly implement copyright supervision.

The Computer Software Copyright Registration Measures, promulgated by the National Copyright Administration on February 20, 2002, regulate registrations of software copyright, exclusive licensing contracts for software copyright and transfer contracts. The National Copyright Administration shall be the competent authority for the nationwide administration of software copyright registration and the Copyright Protection Center of China is designated as the software registration authority. The Copyright Protection Center of China shall grant registration certificates to the Computer Software Copyrights applicants which conform to the provisions of both the Computer Software Copyright Registration Measures and the Computer Software Protection Regulations (Revised in 2013).

Provisions of the Supreme People's Court on Certain Issues Related to the Application of Law in the Trial of Civil Cases Involving Disputes over Infringement of the Right of Dissemination through Information Networks, promulgated by the Supreme People's Court in December 2012 and further revised on December 29, 2020 and took effect on January 1, 2021, stipulate that internet users or internet service providers who provide works, performances or audio-video products, for which others have the right of dissemination through information networks or make these available on any information network without authorization shall be deemed to have infringed upon the right of dissemination through information networks.

Domain Names

The Administrative Measures on Internet Domain Names, which was promulgated by the Ministry of Industry and Information Technology on August 24, 2017, and became effective on November 1, 2017, regulates the ".CN" and the "zhongguo (in Chinese character)" shall be China's national top-level domains. Any party that engages in internet information services shall use its domain name in compliance with laws and regulations and in line with relevant provisions of the telecommunications authority, but shall not use its domain name to commit any illegal act.

Regulations Related to Anti-Unfair Competition and Anti-Monopoly

According to the Anti-unfair Competition Law of the PRC, as last amended on June 27, 2025 and effective October 15, 2025, unfair competition refers to that the operator disrupts the market competition order and damages the legitimate rights and interests of other operators or consumers in violation of the provisions of the Anti-unfair Competition Law in the production and operating activities. Pursuant to the Anti-unfair Competition Law, operators shall abide by the principle of voluntariness, equality, impartiality, integrity and adhere to laws and business ethics during market transactions. Operators in violation of the Anti-unfair Competition Law shall bear corresponding civil, administrative or criminal liabilities depending on the specific circumstances. Platform operators are prohibited from coercing merchants to sell goods below cost through platform pricing rules. Platform operators are required to clearly set out fair competition rules applicable to merchants on their platforms in platform service agreements and transaction rules, establish mechanisms for reporting and handling complaints and disputes relating to unfair competition, and guide merchants to engage in fair competition in accordance with applicable laws. Upon identifying unfair competition practices by merchants on their platforms, platform operators are obligated to promptly take necessary measures in accordance with the law, retain relevant records, and report to the competent governmental authority.

In March 2022, the Supreme People's Court issued the Interpretation of the Supreme People's Court on Several Issues Concerning the Application of the Anti-Unfair Competition Law of the PRC which became effective on March 20, 2022. The interpretation focuses on detailing Article 2 of the Anti-Unfair Competition Law of the PRC, including counterfeiting and confusion, false publicity and online unfair competition.

The Anti-monopoly Law of the PRC promulgated by the Standing Committee of the National People's Congress, which became effective on August 1, 2008 and latest amended on June 24, 2022, and the Provisions of the State Council on the Thresholds for Declaring Concentration of Business Operators, promulgated by the State Council on August 3, 2008 and last amended on January 22, 2024, require that where a concentration reaches one of the following thresholds, a declaration must be lodged in advance with the anti-monopoly law enforcement agency under the State Council, or otherwise the concentration shall not be implemented: (i) during the previous fiscal year, the total global turnover of all undertakings participating in the concentration exceeded RMB12 billion, and at least two of these undertakings each had a turnover of more than RMB800 million within China; or (ii) during the previous fiscal year, the total turnover within China of all the undertakings participating in the concentration exceeded RMB4 billion, and at least two of these undertakings each had a turnover of more than RMB800 million within China. Where a concentration of business operators does not satisfy the threshold for declaration as prescribed, but there is evidence proving that the concentration has or may have the effect of eliminating or restricting competition, the anti-monopoly law enforcement authorities of the State Council may request the business operators to declare the concentration. On June 24, 2022, the Standing Committee of the National People's Congress adopted the amendment on Anti-monopoly Law, which introduced a "safe harbor" for anti-competitive agreements that have a market share lower than a specific threshold to be set by SAMR, granted SAMR the power to suspend the review period in merger investigations under specified circumstances, allowed public prosecutors to bring a civil public interest lawsuit based on monopolistic behaviors, and significantly increased the penalties for violation of anti-monopoly law. This amendment emphasized the enforcement of anti-monopoly laws in internet, finance and other key industries.

On March 10, 2023, the SAMR issued the Provisions on Examination and Approval of Concentration of Business Operators, which became effective on April 15, 2023. According to these provisions, concentration refers to (i) a merger of undertakings; (ii) acquiring control over other undertakings by virtue of acquiring equities or assets; or (iii) acquisition of control over, or being able to exercise decisive influence on, an undertaking by contract or by any other means.

On March 10, 2023, the SAMR issued the Provisions on Prohibiting Monopoly Agreements, as amended on December 9, 2025 and effective February 1, 2026. These provisions mandate exemption thresholds for certain types of vertical monopoly agreements. Specifically, vertical agreements involving the fixing or restriction of resale prices of goods are exempt if relevant operator's market share during the term of the agreement is below 5% and the turnover of the goods covered by the agreement is under RMB100 million, while other types of vertical agreements are exempt if the relevant operator's market share during the term of the agreement remains below 15%.

In February 2021, the Anti-monopoly Commission of the State Council published the Anti-Monopoly Guidelines for the Internet Platform Economy Sector, which provides that the calculation of turnover in the field of platform economy may be different depending on the business model of the operators: for platform operators who only provide information matchings and collect commissions, their turnovers should be calculated including the service fee charged by the platform and other platform income; for the platform operators who participate in the market competition on the platform side, their turnovers shall be calculated including the transaction amount involved in the platform and other platforms. The concentration of undertakings involving the agreement control (VIE) structure falls within the scope of the antitrust review of concentration of undertakings. Where the concentration of undertakings meets the declaration standards set by the State Council, the operators shall declare to the anti-monopoly law enforcement agency of the State Council in advance, and the concentration shall not be implemented if the concentration is not declared. According to the currently effective Anti-Monopoly Law of the PRC, if business operators fail to comply with the mandatory declaration requirement, the anti-monopoly authority is empowered to order to terminate and/or unwind the transaction, dispose of relevant assets, shares or businesses within certain periods, adopt other necessary measures to reinstate the pre-concentration status and impose fines of up to 10% of the previous year's sales volume where such concentration has or may have the effect of excluding or restricting competition, or a fine of up to RMB5,000,000 where such concentration does not have the effect of excluding or restricting competition.

In May 2024, the SAMR issued the Interim Provisions on Anti-Unfair Competition on the Internet, which came into effect on September 1, 2024. These provisions provided a detailed framework for implementing the PRC Unfair Competition Law, explicitly identifying and prohibiting specific forms of unfair competition within the internet domain. Platform operators are required to enhance the management of competition-related activities on their platforms, including by taking prompt and necessary measures to address any issues and maintaining relevant records. Platform operators are required to report any instances of unfair competition, illegal sales, or violations of consumer rights to the market regulation department at or above the county level where the platform operator is located. Additionally, platform operators with competitive advantages are prohibited from using technical means to exploit transaction data, traffic and other information as well as management rules to interfere with the operations of other businesses, distort product displays, or disrupt fair market competition without justified reasons.

Regulations Related to Labor and Social Security

According to the Labor Law of the PRC, which was promulgated by the Standing Committee of the National People's Congress on July 5, 1994, came into effect on January 1, 1995, and was last amended on December 29, 2018, the Labor Contract Law of the PRC, which was promulgated by the Standing Committee of the National People's Congress on June 29, 2007, came into effect on January 1, 2008, and was amended on December 28, 2012, and came into effect on July 1, 2013, and the Implementation Regulations on Labor Contract Law of the PRC, which was promulgated and came into effect on September 18, 2008, by the State Council, labor contracts in written form shall be executed to establish labor relationships between employers and employees. In addition, wages cannot be lower than local minimum wage. The employers must establish a system for labor safety and sanitation, strictly abide by State rules and standards, provide education regarding labor safety and sanitation to its employees, provide employees with labor safety and sanitation conditions and necessary protection materials in compliance with State rules and carry out regular health examinations for employees engaged in work involving occupational hazards.

The PRC Law on the Protection of Rights and Interests of Women was promulgated by the Standing Committee of the National People's Congress in April 1992, which was last amended on October 30, 2022 and the amendment took effect on January 1, 2023. Pursuant to the law, women enjoy the same labor and social security rights as men do; equal pay for equal work shall be applied to men and women alike; and women shall be equal with men in the enjoyment of welfare benefits. An employer shall, according to the characteristics of women, protect the safety and health of women during work and labor service and their right of rest according to the law.

According to the Social Insurance Law of the PRC, which was promulgated by the Standing Committee of the National People's Congress on October 28, 2010, came into effect on July 1, 2011, and was amended on December 29, 2018, the Provisional Regulations on the Collection and Payment of Social Insurance Premium, which was promulgated by the State Council on January 22, 1999, and amended on March 24, 2019, and the Regulations on the Administration of Housing Provident Fund, which was promulgated by the State Council on April 3, 1999, came into effective on the same date and was last amended on March 24, 2019, employers are required to contribute, on behalf of their employees, to a number of social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, occupational injury insurance, maternity insurance and to housing provident funds. Any employer who fails to contribute may be fined and ordered to make up for the deficit within a stipulated time limit.

On July 31, 2025, the Supreme People's Court of the PRC issued an interpretation on legal issues in the trial of labor disputes, effective September 1, 2025. This interpretation clarifies that the people's court will deem any agreement between an employer and an employee to waive social insurance contribution as invalid. If an employer fails to pay social insurance contributions in accordance with the law, the people's court will rule in favor of the employee who requests to terminate the labor contract and demands the employer to pay economic compensation as required by law.

Regulations Related to Taxation

Enterprise Income Tax

According to the Enterprise Income Tax Law, which was promulgated on March 16, 2007 and last amended on December 29, 2018, and the Implementation Regulations on the Enterprise Income Tax Law, which was promulgated by the State Council on December 6, 2007, last amended by the State Council on December 6, 2024, and came into effect on January 20, 2025, a uniform income tax rate of 25% will be applied to resident enterprises and non-resident enterprises that have established production and operation facilities in China. Besides enterprises established within the PRC, enterprises established in accordance with the laws of other judicial districts whose "de facto management bodies" are within the PRC are considered "resident enterprises" and subject to the uniform 25% enterprise income tax rate for their global income. A non-resident enterprise refers to an entity established under foreign law whose "de facto management bodies" are not within the PRC but which have an establishment or place of business in the PRC, or which do not have an establishment or place of business in the PRC but have income sourced within the PRC. An income tax rate of 10% will normally be applicable to dividends declared to or any other gains realized on the transfer of shares by non-PRC resident enterprise investors that do not have an establishment or place of business in the PRC, or that have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends are derived from sources within the PRC.

According to the Arrangement for the Avoidance of Double Taxation and Tax Evasion between the mainland of China and Hong Kong entered into between the mainland of China and the HKSAR on August 21, 2006, if the non-PRC parent company of a PRC enterprise is a Hong Kong resident which directly owns 25% or more of the equity interest of the PRC foreign-invested enterprise which pays the dividends and interests, the 10% withholding tax rate applicable under the Enterprise Income Tax Law may be lowered to 5% for dividends and 7% for interest payments if a Hong Kong resident enterprise is determined by the competent PRC tax authority to have satisfied the relevant conditions and requirements under such Double Tax Avoidance Arrangement and other applicable laws. However, according to the Notice on the Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties, which was promulgated by the State Tax Administration on February 20, 2009, and came into effect on the same date, if the relevant PRC tax authorities determine, in their discretion, that a company benefits unjustifiably from such reduced income tax rate due to a transaction or arrangement that is primarily tax-driven, such PRC tax authorities may adjust the preferential tax treatment; and based on the Announcement of the Certain Issues with Respect to the "Beneficial Owner" in Tax Treaties, issued by the State Tax Administration on February 3, 2018, and effective on April 1, 2018, if an applicant's business activities do not constitute substantive business activities, it could result in the negative determination of the applicant's status as a "beneficial owner," and consequently, the applicant could be precluded from enjoying the above-mentioned reduced income tax rate of 5% under the Double Tax Avoidance Arrangement.

VAT

The Provisional Regulations on Value-added Tax, which was promulgated on December 13, 1993, came into effect on January 1, 1994, last amended on November 19, 2017, and the Detailed Implementing Rules of the Provisional Regulations on Value-added Tax, which was promulgated on December 18, 2008, and amended on October 28, 2011, came into effect on November 1, 2011, set out that all taxpayers selling goods or providing processing, repairing or replacement labor services, sales of services, intangible assets and immovable assets and importing goods in China shall pay a value-added tax.

The State Council approved, and the State Tax Administration and the Ministry of Finance officially launched a pilot value-added tax reform program starting from January 1, 2012, applicable to businesses in selected industries. Businesses in this pilot program would pay value-added tax instead of business tax. This pilot program was initiated in Shanghai, then further applied to 10 additional regions such as Beijing and Guangdong province. On November 19, 2017, the State Council promulgated the Decisions on Abolishing the Provisional Regulations of the PRC on Business Tax and Amending the Provisional Regulations of the PRC on Value-added Tax, according to which, all enterprises and individuals engaged in the sale of goods, the provision of processing, repairing and replacement labor services, sales of services, intangible assets, real property and the importation of goods within the territory of the PRC are the taxpayers of value-added tax. The value-added tax rates generally applicable are simplified as 17%, 11%, 6% and 0%, and the value-added tax rate applicable to the small-scale taxpayers is 3%. According to the Notice of the Ministry of Finance and the State Tax Administration on Adjusting Value-added Tax Rates, issued on April 4, 2018, and became effective on May 1, 2018, the deduction rates of 17% and 11% applicable to the taxpayers who have value-added tax taxable sales activities or imported goods are adjusted to 16% and 10%, respectively. According to the Notice of the Ministry of Finance, the State Tax Administration and the General Administration of Customs on Relevant Policies for Deepening Value Added Tax Reform, as amended on September 1, 2025, the value added tax rate was reduced to 13% and 9%, respectively.

In December 2024, the Standing Committee of the National People's Congress promulgated the Value-Added Tax Law of the PRC, which took effect on January 1, 2026, replacing the Provisional Regulations on Value-added Tax. The Regulations for the Implementation of the Value-Added Tax Law of the PRC were promulgated on December 19, 2025, effective January 1, 2026. The Value-Added Tax Law of the PRC outlines the framework of the value-added tax system, including clarifying and adjusting the scope of taxable transactions, the rate structure of VAT, the criteria and tax calculation method for small-scale taxpayers, the determination and calculation of taxable amount, and tax incentives. According to Value-Added Tax Law of the PRC, (i) for taxpayers selling goods, processing, repair and replacement services, and tangible movable property leasing services, or importing goods, the tax rate is 13%; (ii) for taxpayers selling transportation, postal, basic telecommunications, construction, or immovable property leasing services, selling immovable property, transferring land-use rights, or selling or importing the following goods, the tax rate is 9%; (iii) for taxpayers selling services or intangible assets, the tax rate is 6%; (iv) for taxpayers exporting goods, the tax rate is zero, except as otherwise stipulated by the State Council; (v) for domestic entities and individuals engaged in cross-border sales of services or intangible assets within the scope prescribed by the State Council, the tax rate is zero.

Regulations Related to Foreign Exchange Control

The principal regulations governing foreign currency exchange in China are the Regulation on the Foreign Exchange Control of the PRC, promulgated by the State Council on January 29, 1996, came into effect on April 1, 1996, and last amended on August 5, 2008, and the Regulations on the Administration of Foreign Exchange Settlement, Sale and Payment, promulgated by the People's Bank of China in June 1996 and came into effect on July 1, 1996, according to which, Renminbi for current account items is freely convertible, including the distribution of dividends, interest payments, trade and service-related foreign exchange transactions, but not for capital account items, such as direct investments, loans and investments in securities outside of the PRC, unless the prior approval or record-filing of the SAFE or its local counterpart is obtained.

The SAFE Circular 19, promulgated on March 30, 2015, came into effect on June 1, 2015, and last amended on December 30, 2019, allows foreign-invested enterprises to make equity investments by using RMB fund converted from foreign exchange capital. Under the SAFE Circular 19, the foreign exchange capital in the capital account of foreign-invested enterprises upon the confirmation of rights and interests of monetary contribution by the local foreign exchange bureau (or the book-entry registration of monetary contribution by the banks) can be settled at the banks based on the actual operation needs of the enterprises. The proportion of willingness-based foreign exchange settlement of capital for foreign-invested enterprises is temporarily set at 100%. The SAFE can adjust such proportion in due time based on the circumstances of the international balance of payments. However, SAFE Circular 19 and the Circular on Reforming and Regulating the Management Policies on the Settlement of Capital Projects, promulgated on June 9, 2016, continues to prohibit foreign-invested enterprises from, among other things, using RMB fund converted from its foreign exchange capitals for expenditure beyond its business scope, investing and financing directly or indirectly in securities and other investments except for bank's principal-secured products, providing loans to non-affiliated enterprises or constructing or purchasing real estate not for self-use.

On October 23, 2019, the SAFE released the Circular 28, according to which besides foreign-invested enterprises engaged in investment business, non-investment foreign-invested enterprises are also permitted to make domestic equity investments with their capital funds in foreign currency provided that such investments do not violate the Negative List and the target investment projects are genuine and in compliance with laws. According to the Circular on Optimizing Administration of Foreign Exchange to Support the Development of Foreign-related Business, issued by the SAFE on April 10, 2020, eligible enterprises are allowed to make domestic payments by using their capital funds, foreign credits and the income under capital accounts of overseas listing, without submitting the evidentiary materials concerning authenticity of such capital for banks in advance; provided that their capital use is authentic and in compliance with administrative regulations on the use of income under capital accounts. The bank in charge shall conduct post spot checking in accordance with the relevant requirements.

According to the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plans of Overseas Publicly Listed Companies, which was promulgated by SAFE in February 2012, PRC citizens or non-PRC citizens residing in China for a continuous period of not less than one year (except for foreign diplomatic personnel in China and representatives of international organizations in China) who participate in any stock incentive plan of an overseas publicly listed company shall, through the domestic company to which the said company is affiliated, collectively entrust a domestic agency (may be the Chinese affiliate of the overseas publicly listed company which participates in stock incentive plan, or other domestic institutions qualified for asset trust business lawfully designated by such company) to handle foreign exchange registration, and entrust an overseas institution to handle issues like exercise of options, purchase and sale of corresponding stocks or equity and transfer of corresponding funds. In addition, the domestic agency is required to amend the SAFE registration with respect to the stock incentive plan if there is any material change to the stock incentive plan.

The SAFE Circular 37, promulgated by the SAFE on July 4, 2014, and came into effective on the same date, states that (i) a PRC resident, including a PRC resident natural person or a PRC legal person, shall register with the local branch of the SAFE before it contributes its assets or equity interest in domestic enterprises or offshore assets or interests into a special purpose vehicle for the purpose of investment and financing; and (ii) when the special purpose vehicle undergoes change of basic information, such as change in PRC resident natural person shareholder, name or operating period, or occurrence of a material event, such as change in share capital of a PRC resident natural person, performance of merger or split, the PRC resident shall register such change with the local branch of the SAFE in a timely manner. According to the SAFE Circular 13 which was promulgated by SAFE on February 13, 2015, came effective on June 1, 2015, and amended on December 30, 2019, banks are required to review and carry out foreign exchange registration under offshore direct investment directly. The SAFE and its branches shall implement indirect supervision over foreign exchange registration of direct investment via the banks.

Regulations Related to Dividend Distributions

The principal laws and regulations regulating the dividend distribution of dividends by foreign-invested enterprises in China include the PRC Company Law, last amended in 2023 and became effective in July 2024, and the Foreign Investment Law. Under the current regulatory regime in the PRC, foreign-invested enterprises in the PRC may pay dividends only out of their accumulated profit, if any, determined in accordance with PRC accounting standards and regulations. A PRC company, including foreign-invested enterprise, is required to set aside as general reserves at least 10% of its after-tax profit, until the cumulative amount of such reserves reaches 50% of its registered capital unless the provisions of laws regarding foreign investment otherwise provided, and shall not distribute any profits until any losses from prior fiscal years have been offset. Profits retained from prior fiscal years may be distributed together with distributable profits from the current fiscal year.

Regulations Related to M&A and Overseas Listings

The M&A Rules was jointly promulgated by six PRC governmental authorities including the Ministry of Commerce, the State Tax Administration, the SAFE, the SAMR, the State-owned Assets Supervision and Administration Commission of the State Council and the CSRC on August 8, 2006 and amended on June 22, 2009. Foreign investors must comply with the M&A Rules when they purchase equity interests of a domestic company or subscribe the increased capital of a domestic company, and thus changing of the nature of the domestic company into a foreign-invested enterprise; or when the foreign investors establish a foreign-invested enterprise in mainland China, purchase the assets of a domestic company and operate the asset; or when the foreign investors purchase the assets of a domestic company by agreement, establish a foreign-invested enterprise by injecting such assets, and operate the assets.

On February 17, 2023, the CSRC released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and five supporting guidelines, effective March 31, 2023. On May 26, 2023, the CSRC promulgated another supporting guideline, which came into effect on the same date. These measures establish a new filing-based regime to regulate overseas offerings and listings by domestic companies. Under these measures, the overseas offering and listing by a domestic company, whether directly or indirectly, shall be filed with the CSRC. The overseas offering or listing shall be considered as an indirect overseas offering and listing by a domestic enterprise, if the issuer meets both of the following conditions: (i) the operating revenue, gross profit, total assets, or net assets of the domestic operating entities in the most recent fiscal year accounts more than 50% of the relevant line item in the issuer's audited consolidated financial statement for that year; and (ii) the business operation is mainly carried out in the PRC or the main places of business are located in the PRC, or senior management personnel responsible for business operations and management are mostly PRC citizens or are ordinarily resident in the PRC. The determination of an indirect offering and listing will be conducted on a "substance over form" basis.

According to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and the supporting guidelines, an overseas offering and listing is prohibited under any of the following circumstances: (i) if the intended securities offering and listing is specifically prohibited by national laws and regulations and relevant provisions; (ii) if the intended securities offering and listing constitutes endangers to national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) if, in the past three years, the domestic enterprise or its controlling shareholders or actual controllers have committed corruption, bribery, embezzlement, misappropriation of property, or other criminal offenses disruptive to the order of the socialist market economy; (iv) if the domestic enterprise is under investigation according to law for suspected crimes or major violations of laws and regulations, but no clear conclusions have been reached; or (v) if there are material ownership disputes over the equity held by the controlling shareholder or by other shareholders that are controlled by the controlling shareholder and/or actual controller.

The Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and the supporting guidelines require the issuer or its main operational entity in the PRC to: (i) file with the CSRC for its initial public offering or listing within three working days after the submission of listing application documents outside mainland China; (ii) file with the CSRC for its follow-on securities offerings in the same offshore market within three working days after the completion of such offerings; (iii) file with the CSRC for its offerings or listing in offshore stock market other than the stock market of its initial public offering or listing within three working days after the submission of offering application outside mainland China; and (iv) report material events to the CSRC within three working days after the occurrence and announcement of such events, including, among other things, the change of control, investigation or penalties imposed by relevant authorities, the conversion of listing status or the transfer of listing board.

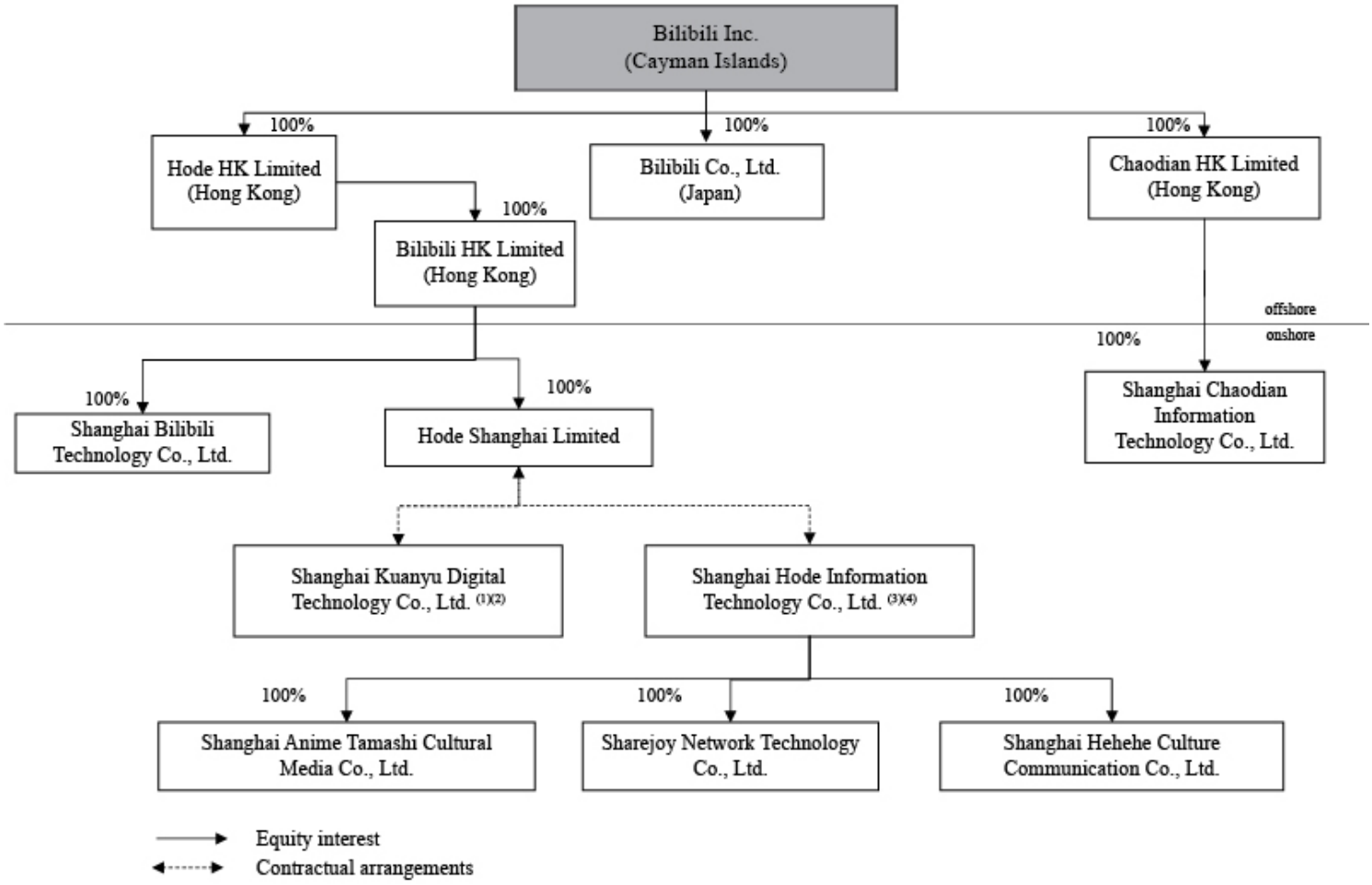
On February 17, 2023, the CSRC held a press conference for the release of the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and issued the Notice on Administration for the Filing of Overseas Offering and Listing by Domestic Companies, which clarifies that the domestic companies that have already been listed overseas before March 31, 2023 shall be deemed as the existing applicants who are not required to complete the filing procedures immediately but shall be required to file with the CSRC when subsequent matters such as refinancing are involved. Furthermore, for the overseas listing of companies with VIE contractual arrangements, the CSRC will solicit opinions from relevant regulatory authorities and complete the filing of the overseas listing of companies with these domestic companies which meet their compliance requirements and support their development and growth by enabling them to utilize both markets and their resources. Nevertheless, it does not specify what qualify as a compliant VIE structure and what relevant domestic laws and regulations are required to be complied with.

Violation of the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies may result in (i) an order requiring the associated mainland China enterprise to correct the violations, a warning and a fine of RMB1 million to RMB10 million imposed on this entity; (ii) a warning and a fine of RMB500,000 to RMB5,000,000 imposed on the directly responsible supervisors and other directly responsible person(s); and (iii) if the controlling shareholder or the actual controller of the associated mainland China enterprise organized or incited the violations, such person may face a fine of RMB1 million to RMB10 million, and the directly responsible supervisors and other directly responsible person(s) may face a fine of RMB500,000 to RMB5,000,000.

On February 24, 2023, the CSRC and other relevant government authorities promulgated the Provision on Confidentiality of Overseas Securities Issuance and Listing which became effective on March 31, 2023. Pursuant to the Provision on Confidentiality of Overseas Securities Issuance and Listing, where a domestic enterprise provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall report the same to the competent department with the examination and approval authority for approval in accordance with the law, and submit the same to the secrecy administration department of the same level for filing. Domestic enterprises providing accounting archives or copies thereof to entities and individuals concerned such as securities companies, securities service institutions and overseas regulatory authorities shall perform the corresponding procedures pursuant to the relevant provisions of the State. The working papers formed within the territory of the PRC by the securities companies and securities service institutions that provide corresponding services for the overseas issuance and listing of domestic enterprises shall be kept within the territory of the PRC, and those that need to leave the PRC shall go through the examination and approval formalities in accordance with the relevant provisions of the State.

C. Organizational Structure

The following chart illustrates our company's organizational structure, including our principal subsidiaries and principal Consolidated Affiliated Entities as of the date of this annual report:



Notes:

(1) Mr. Rui Chen holds 100% equity interests in Shanghai Kuanyu. He is also the chairman of our board of directors and our chief executive officer.

(2) Shanghai Kuanyu has three subsidiaries.

(3) Mr. Rui Chen, Ms. Ni Li and Mr. Yi Xu hold 52.3%, 3.4% and 44.3% equity interests in Hode Information Technology, respectively, as of the date of this annual report. Mr. Chen is our controlling shareholder, the chairman of our board of directors and our chief executive officer. Ms. Li is the vice chairwoman of our board of directors and chief operating officer. Mr. Xu is our founder, director and president.

(4) Hode Information Technology has 29 subsidiaries.

Contractual Arrangements with the Relevant VIEs and their Respective Individual Shareholders

Reasons for Adopting the Contractual Arrangements

PRC laws and regulations restrict and impose conditions on foreign ownership and investment in certain internet-based businesses.

Certain consolidated affiliated entities with which we have contractual arrangements and their subsidiaries, namely, Shanghai Kuanyu, Hode Information Technology, Chaodian Culture, Shanghai Hehehe Culture Communication Co., Ltd., Sharejoy Network Technology Co., Ltd. and Shanghai Anime Tamashi Cultural Media Co., Ltd., currently operate the following businesses: (i) internet audio-visual program services, (ii) radio and television program production and operation business, and (iii) internet cultural business. PRC laws and regulations prohibit direct foreign investment in operating companies in these sectors. Certain consolidated affiliated entities with which we have contractual arrangements and their subsidiaries, namely, Shanghai Kuanyu, Hode Information Technology, Chaodian Culture, Sharejoy Network Technology Co., Ltd. and Shanghai Hehehe Culture Communication Co., Ltd., currently operate the internet information services. PRC laws and regulations restrict direct foreign investment in operating companies in this sector.

Since foreign investment in these businesses in which the VIEs currently operate are subject to the restrictions under the current PRC laws and regulations, as advised by our PRC counsel, Jingtian & Gongcheng, we determined that it was not viable for our company to hold the consolidated affiliated entities or their subsidiaries that are operating these businesses directly through equity ownership. Instead, we decided that, in line with common practice in industries in the PRC subject to foreign investment restrictions, we would gain effective control over, and have the right to receive all the economic benefits generated by the businesses which are currently operated by these entities through contractual arrangements. We believe that these contractual arrangements are fair and reasonable because: (i) they were freely negotiated and entered into by the contracting parties; (ii) by entering into the exclusive business cooperation agreements, the VIEs will enjoy better economic and technical support from us and better market reputation; and (iii) a number of other companies use similar arrangements to accomplish the same purpose.

The following is a summary of the currently effective contractual arrangements (i) by and among our wholly owned subsidiary, Hode Shanghai, the principal VIEs and their respective shareholders, and (ii) by and among Chaodian Technology, Chaodian Culture and the individual shareholders of Chaodian Culture. These contractual arrangements enable us to (i) exercise effective control over the relevant VIEs; (ii) receive substantially all of the economic benefits of the relevant VIEs; and (iii) have an exclusive option to purchase all or part of the equity interests in and assets of them when and to the extent permitted by PRC law.

Agreements that provide us effective control over the relevant VIEs

Powers of Attorney

Mr. Rui Chen executed a power of attorney on August 24, 2021, pursuant to which Mr. Rui Chen irrevocably appoints Hode Shanghai or its designated person (including, but not limited to, directors and their successors and liquidators replacing the directors but excluding those non-independent or who may give rise to conflict of interests) as his attorney-in-fact to exercise such shareholder's rights in Shanghai Kuanyu, including, without limitation, to, the rights to (i) convene and participate in shareholders' meeting pursuant to the articles of Shanghai Kuanyu in the capacity of a proxy of Mr. Rui Chen; (ii) exercise the voting rights pursuant to the relevant PRC laws and regulations and the articles of Shanghai Kuanyu, on behalf of Mr. Rui Chen, and adopt resolutions, on matters to be discussed and resolved at shareholders' meetings and the appointment and election of directors of Shanghai Kuanyu, and manage the company and exercise the rights of Mr. Rui Chen in the event of liquidation of Shanghai Kuanyu; (iii) sign or submit any required document to any company registry or other authorities in the capacity of a proxy of Mr. Rui Chen; (i) nominate, elect, designate or appoint and remove the legal representative, directors, supervisors and other senior officers of Shanghai Kuanyu pursuant to the articles of association of Shanghai Kuanyu; (v) raise lawsuits or other legal proceedings against the directors, supervisors and senior officers of Shanghai Kuanyu when their behaviors harm the interest of its shareholders; (vi) sign and execute any related documents including, but not limited to, share transfer agreement, asset transfer agreement and board resolutions when Mr. Rui Chen exercises his right to transfer his equity in Shanghai Kuanyu in accordance with exclusive option agreement; and (vii) instruct the directors and senior officers to act in accordance with our attention.

Mr. Rui Chen has undertaken that he will refrain from any action or omission that may cause any conflict of interest between himself and Hode Shanghai or its shareholders.

The power of attorney has an indefinite term commencing from August 24, 2021 and will be terminated in the event that (i) the power of attorney is unilaterally terminated by Hode Shanghai; or (ii) it is legally permissible for Hode Shanghai, Bilibili or any of its subsidiaries to hold equity interests directly or indirectly in Shanghai Kuanyu and Hode Shanghai or its designated person is registered to be the sole shareholder of Shanghai Kuanyu.

On December 23, 2020, each of the shareholders of Hode Information Technology executed a power of attorney, which contains terms substantially similar to the power of attorney executed by Mr. Rui Chen as described above.

On September 30, 2020, each of the individual shareholders of Chaodian Culture executed a power of attorney, which contains terms substantially similar to the power of attorney executed by Mr. Rui Chen as described above.

Equity Pledge Agreements

Hode Shanghai, Shanghai Kuanyu and Mr. Rui Chen entered into an equity pledge agreement on August 24, 2021, pursuant to which Mr. Rui Chen agreed to pledge all of his equity interests in Shanghai Kuanyu to Hode Shanghai as a security interest to guarantee the performance of contractual obligations and the payment of outstanding debts under the Contractual Arrangements.

Under the equity pledge agreement, Shanghai Kuanyu and Mr. Rui Chen represent and warrant to Hode Shanghai that appropriate arrangements have been made to protect Hode Shanghai's interests in the event of death, restricted capacity or incapacity, divorce of Mr. Rui Chen or any other event which causes his inability to exercise his rights as a shareholder of Shanghai Kuanyu to avoid any practical difficulties in enforcing the equity pledge agreement and shall procure or use its reasonable efforts to procure any successors of Mr. Rui Chen to comply with the same undertakings as if they were parties to the equity pledge agreement. If Shanghai Kuanyu declares any dividend during the term of the pledge, Hode Shanghai is entitled to receive all such dividends, bonus issue or other income arising from the pledged equity interests, if any. If Mr. Rui Chen or Shanghai Kuanyu breaches or fails to fulfill the obligations under any of the aforementioned agreements, Hode Shanghai, as the pledgee, will be entitled to escrow of the pledged equity interests, entirely or partially. In addition, pursuant to the equity pledge agreement, Mr. Rui Chen has undertaken to Hode Shanghai, among other things, not to transfer his equity interests in Shanghai Kuanyu and not to create or allow any pledge thereon that may affect the rights and interest of Hode Shanghai without its prior written consent.

The equity pledge under the equity pledge agreement takes effect upon the completion of registration with the relevant local branch of the SAMR and shall remain valid until (i) all the obligations under the Contractual Arrangements have been fulfilled; (ii) Mr. Rui Chen has transferred all of his equity interests in Shanghai Kuanyu in accordance with the exclusive option agreement and Hode Shanghai can legally conduct the businesses held by Shanghai Kuanyu; (iii) Shanghai Kuanyu has transferred all of its assets in accordance with the exclusive option agreement and Hode Shanghai can legally conduct the businesses held by Shanghai Kuanyu; (iv) the equity pledge agreement has been unilaterally terminated by Hode Shanghai; or (v) all of it is terminated as required by applicable PRC laws and regulations.

The registration of the equity pledge agreement as required by the relevant laws and regulations has been completed in accordance with the terms of the equity pledge agreement and PRC laws and regulations.

On December 23, 2020, Hode Shanghai, Hode Information Technology and each of the shareholders of Hode Information Technology entered into an equity pledge agreement, which contains terms substantially similar to the equity pledge agreement described above.

On September 30, 2020, Chaodian Technology, Chaodian Culture and each of the individual shareholders of Chaodian Culture entered into an equity pledge agreement, which contains terms substantially similar to the equity pledge agreement described above.

Letter of Undertakings

Pursuant to the letter of undertakings, dated December 23, 2020, the spouse of Mr. Rui Chen, the sole shareholder of Shanghai Kuanyu, unconditionally and irrevocably agreed that (i) she will not claim any Mr. Rui Chen's direct or indirect equity interests in Shanghai Kuanyu and thus the enforcement, revision or termination of the Contractual Arrangements shall not subject to her authorization or consent, (ii) she will sign all necessary documents and take all necessary acts to ensure the proper performance of the Contractual Arrangements, and (iii) in the event that she obtains any direct or indirect equity interests in Shanghai Kuanyu, she will be subject to and be abided by any obligations as the shareholders of Shanghai Kuanyu regarding the Contractual Arrangements, and at the request of Hode Shanghai, she will sign any documents in the form and substance consistent with agreements under the Contractual Arrangements.

On December 23, 2020, the respective spouse of Mr. Rui Chen and Mr. Yi Xu, each a shareholder of Hode Information Technology, executed a letter of undertakings, which contains terms substantially similar to the letter of undertakings described above.

On September 30, 2020, the respective spouse of Mr. Rui Chen, Mr. Yi Xu and Mr. Xujun Chai, each an individual shareholder of Chaodian Culture, executed a letter of undertakings, which contains terms substantially similar to the letter of undertakings described above.

Agreements that allow us to receive economic benefits from the relevant VIEs

Exclusive Business Cooperation Agreements

Shanghai Kuanyu and Hode Shanghai entered into an exclusive business cooperation agreement on December 23, 2020, pursuant to which Shanghai Kuanyu agreed to engage Hode Shanghai as its exclusive service provider of comprehensive business support, technical services and consultation services, including, but not limited to, the following services:

- research and development on relevant technologies required for Shanghai Kuanyu's business;
- technical application and implementation in relation to Shanghai Kuanyu's business operations;
- technical services including advertising design solutions, software design, page production, and management consulting advice in relation to Shanghai Kuanyu's advertising business operations;
- daily maintenance, monitoring, debugging and troubleshooting of computer network equipment;
- consultancy services for the procurement of relevant equipment and software and hardware systems required by Shanghai Kuanyu to carry out its network operations;
- providing appropriate training and technical support and assistance to Shanghai Kuanyu's employees;
- giving advice and solutions to technical questions raised by Shanghai Kuanyu; and
- other relevant services requested by Shanghai Kuanyu from time to time to the extent permitted under PRC laws and regulations.

Pursuant to the exclusive business cooperation agreement, the service fee shall be equivalent to the total consolidated net profit of Shanghai Kuanyu of each financial year, after offsetting the prior-year loss (if any), costs, expenses, taxes and other statutory contributions incurred in the corresponding financial year. Notwithstanding the foregoing, Hode Shanghai shall have the right to adjust the level of the service fee based on (a) the complexity of the services provided; (b) the time required for providing the services; (c) the content and commercial value of the services provided; and (d) the market price of the same type of services. Shanghai Kuanyu has agreed to pay the service fee to the bank account designated by Hode Shanghai within five (5) business days after Hode Shanghai issues the payment notice, as amended by Hode Shanghai from time to time. In addition, pursuant to the exclusive business cooperation agreement, without the prior written approval from Hode Shanghai, Shanghai Kuanyu shall not, and/or shall procure its consolidated affiliated entities not to, enter into any transactions (save as those transactions entered into in the ordinary course of business) that may materially affect its assets, obligations, rights or operation, including but not limited to:

- the sale, transfer, mortgage or otherwise dispose of any assets (except for those of value less than RMB1 million in the ordinary course of business of the consolidated affiliated entities), business, management right or beneficial interest of income or create any security interest on any assets, including, but not limited to, any mortgage, pledge, share options or other guarantee arrangements;
- the provision of any guarantee or any fees to third parties or the occurrence of any indebtedness (except for those reasonable costs incurred in the ordinary course of business);
- the entering into of any material contracts (except for those where contract amount is less than RMB1 million and those which are entered into within the ordinary course of business of the consolidated affiliated entities between Shanghai Kuanyu and Hode Shanghai and its related parties);

- any merger, acquisition, restructuring or liquidation; and
- cause any conflict of interest between Shanghai Kuanyu and Hode Shanghai as well as its shareholders.

The exclusive business cooperation agreement also provides that Hode Shanghai has the exclusive proprietary rights in any and all intellectual property rights developed or created by the consolidated affiliated entities during the performance of the exclusive business cooperation agreement. The exclusive business cooperation agreement has an indefinite term commencing from December 23, 2020, being the date of the exclusive business cooperation agreement. The exclusive business cooperation agreement may be terminated by Hode Shanghai (i) by giving Shanghai Kuanyu a thirty (30) days' prior written notice of termination; (ii) upon the transfer of the entire equity interests in or the transfer of all assets of Shanghai Kuanyu to Hode Shanghai or its designated person pursuant to the exclusive option agreement; (iii) when Shanghai Kuanyu ceases to operate any business, becomes insolvency, bankruptcy or subject to liquidation or dissolution procedures; (iv) when it is legally permissible for Hode Shanghai to hold equity interests directly in Shanghai Kuanyu and Hode Shanghai or its designated person is registered to be the shareholder of Shanghai Kuanyu; or (v) Shanghai Kuanyu breaches the exclusive business cooperation agreement. Shanghai Kuanyu is not contractually entitled to unilaterally terminate the exclusive business cooperation agreement with Hode Shanghai unless otherwise required by PRC laws and regulations.

On December 23, 2020, Hode Shanghai and Hode Information Technology entered into an exclusive business cooperation agreement, which contains terms substantially similar to the exclusive business cooperation agreement described above.

On September 30, 2020, Chaodian Technology and Chaodian Culture entered into an exclusive business cooperation agreement, which contains terms substantially similar to the exclusive business cooperation agreement described above.

Agreements that provide us with the option to purchase the equity interests in the relevant VIEs

Exclusive Option Agreements

Hode Shanghai, Shanghai Kuanyu and Mr. Rui Chen, the shareholder of Shanghai Kuanyu, entered into an exclusive option agreement on December 23, 2020, pursuant to which Mr. Rui Chen granted irrevocably to Hode Shanghai the rights to require Mr. Rui Chen to transfer any or all his equity interests and to require Shanghai Kuanyu to transfer any or all of its assets to Hode Shanghai and/or a third party designated by it, in whole or in part at any time and from time to time, at a minimum purchase price permitted under PRC laws and regulations. If not explicitly specified in PRC laws and regulations or required by the relevant government authority, the transfer price shall be free or the nominal price. Mr. Rui Chen has also undertaken that, subject to the relevant PRC laws and regulations, he will return to Hode Shanghai any consideration he receives in the event that Hode Shanghai exercises the options under the exclusive option agreement to acquire the equity interests and/or assets in Shanghai Kuanyu.

Pursuant to the exclusive option agreement, Mr. Rui Chen and Shanghai Kuanyu have undertaken to perform certain acts or refrain from performing certain other acts unless they have obtained prior approval from Hode Shanghai, including, but not limited to, the following matters:

- Shanghai Kuanyu shall not in any manner supplement, change or alter its constitutional documents or increase or decrease its registered capital or change the structure of its registered capital in other manner;
- Shanghai Kuanyu shall prudently and effectively operate its business and transactions in accordance with the good financial and business standards;
- Shanghai Kuanyu shall not sell, transfer, mortgage or otherwise dispose of any assets, business, legal or beneficial interest of its income or allow any guarantee or security to be created on its assets except for those of value less than RMB 1 million required for normal business operations;
- Shanghai Kuanyu shall not incur, inherit, guarantee or allow any indebtedness other than those having been disclosed to and consented by Hode Shanghai in writing or those made during the ordinary course of its business;

- Shanghai Kuanyu shall not enter into any material contracts with an amount more than RMB1 million without Hode Shanghai's prior written consent, except the contracts executed in the ordinary course of business or contracts entered between Shanghai Kuanyu and Bilibili (or any of its subsidiaries);
- Shanghai Kuanyu shall operate its business in order to maintain its asset value or not allow any acts or omission which adversely affects its business or assets value;
- Shanghai Kuanyu shall immediately inform Hode Shanghai if its assets or business involved in any disputes, litigations, arbitrations or administrative proceedings;
- Shanghai Kuanyu shall not distribute any dividend to its shareholder without Hode Shanghai's written consent. To the extent permitted under the relevant PRC laws and regulations, Mr. Rui Chen shall inform and transfer all distributable receivable by him to Hode Shanghai as soon as possible after receiving such interests;
- Shanghai Kuanyu and its affiliates shall provide its operation and financial information to Hode Shanghai or its designated person upon Hode Shanghai's request;
- Shanghai Kuanyu shall not separate, or merge, or enter into joint operation agreements with other entities, or acquire or be acquired by other entities, or invest in any entities without Hode Shanghai's written consent;
- Shanghai Kuanyu shall sign all necessary and appropriate documents, take all necessary and proper acts, bring up all necessary and proper requests, or raise necessary and proper defenses against claims to maintain Shanghai Kuanyu and its affiliates' ownership for all the assets;
- if Mr. Rui Chen or Shanghai Kuanyu fails to perform the tax obligations under applicable laws and results in obstacles for Hode Shanghai to exercise its exclusive option right, Shanghai Kuanyu or Mr. Rui Chen shall pay the taxes or pay the same amount to Hode Shanghai so Hode Shanghai may pay the taxes instead; and
- Shanghai Kuanyu shall take all necessary and proper acts to ensure that all government permits, licenses, authorizations, and approvals required by Shanghai Kuanyu and its affiliates to conduct their businesses are valid and make all necessary changes as required by the relevant PRC laws and regulations.

The exclusive option agreement has an indefinite term commencing from December 23, 2020, being the date of the exclusive option agreement, until it is terminated (i) by Hode Shanghai through giving Shanghai Kuanyu and Mr. Rui Chen a prior written notice of termination; or (ii) upon the transfer of the entire equity interests held by Mr. Rui Chen and/or the transfer of all the assets of Shanghai Kuanyu to Hode Shanghai or its designated person and the completion of registration with the relevant local branch of the SAMR. Neither Shanghai Kuanyu nor Mr. Rui Chen is contractually entitled to terminate the exclusive option agreement unless otherwise required by PRC laws and regulations.

On December 23, 2020, Hode Shanghai, Hode Information Technology and each of the shareholders of Hode Information Technology entered into an exclusive option agreement, which contains terms substantially similar to the exclusive option agreement described above.

On September 30, 2020, Chaodian Technology, Chaodian Culture and each of the individual shareholders of Chaodian Culture entered into an exclusive option agreement, which contains terms substantially similar to the exclusive option agreement described above.

We have also entered into contractual arrangements with several other affiliated entities and their respective nominee shareholders through some of our subsidiaries other than Hode Shanghai or Chaodian Technology, which result in our company or relevant subsidiaries, as the case may be, being the primary beneficiaries of the relevant affiliated entities. As a result of these contractual arrangements, there exists a parent-subsidiary relationship between us and the relevant affiliated entities, and we consolidate these affiliated entities through the subsidiaries.

However, there are substantial uncertainties regarding the interpretation and application of current and future PRC laws, regulations and rules. Accordingly, the PRC regulatory authorities may in the future take a view that is contrary to or otherwise different from the above opinion of our PRC counsel. If the PRC government finds that the agreements that establish the structure for operating our online entertainment business do not comply with PRC government restrictions on foreign investment in our businesses, we could be subject to severe penalties including being prohibited from continuing operations. See "Item 3. Key Information—D. Risk Factors—Risks Related to Our Corporate Structure—We rely on contractual arrangements with the VIEs and their shareholders for our operations in mainland China, which may not be as effective in providing operational control as direct ownership."; "Item 3. Key Information—D. Risk Factors—Risks Related to Our Corporate Structure—Substantial uncertainties exist with respect to how the Foreign Investment Law may impact the viability of our current corporate structure and operations."; and "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—If we fail to obtain and maintain the licenses and approvals required within the complex regulatory environment applicable to our businesses in mainland China, or if we are required to take compliance actions that are time-consuming or costly, our business, financial condition and results of operations may be materially and adversely affected."

D. Property, Plants and Equipment

Our headquarters is located at Wujiaochang commercial district in Shanghai. We lease and occupy office buildings with an aggregate floor area of approximately 105,000 square meters. A substantial majority of our employees are based at our headquarters in Shanghai. Our servers and network facilities for internal administrative functions are located at our headquarters. We have sales and marketing, and anime production personnel at our regional offices in Beijing and Tokyo. We lease and occupy approximately 5,100 square meters of office space in Beijing, approximately 5,700 square meters of office space in Chengdu and approximately 700 square meters of office space in Tokyo. These leases vary in duration from one to five years.

In 2020, we established an entity together with two entities each controlled by Mr. Rui Chen and Ms. Ni Li, and an independent third party to acquire the land use rights for a parcel of land in Shanghai. We hold 30.01% of the shares of this entity. The total investment for the acquisition of land use rights is approximately RMB9.0 billion. As of the date of this annual report, this entity has obtained the land use rights and we have paid RMB2.8 billion to fund the acquisition of land use rights, including interest-bearing guaranteed loans of RMB1.3 billion in principal. For a detailed description of these loans, see "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Other Related Party Transactions." Construction of certain buildings on this parcel of land has commenced and is expected to complete in or around 2026. We may use space in one of the buildings as our office space following the completion of this construction project.

As of the date of this annual report, some of our leased properties are subject to mortgage, and we have not registered any of our lease agreements with the relevant government authorities due to the lack of cooperation from our landlords in registering the relevant lease agreements. The failure to register the lease agreements for our leased properties will not affect the validity of these lease agreements, but the competent housing authorities may order us to register the lease agreements in a prescribed period of time and impose a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease agreement if we fail to complete the registration within the prescribed timeframe. As of the date of this annual report, we have not received any notification from any competent authority in the PRC in relation to the non-registration of lease agreements.

ITEM 4A. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our consolidated financial statements and the related notes included elsewhere in this annual report on Form 20-F.

This discussion may contain forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Item 3. Key Information—D. Risk Factors" or in other parts of this annual report on Form 20-F.

A. Operating Results

Key Factors Affecting Our Results of Operations

User growth and engagement

Our ability to grow our user base and maintain and increase user engagement is critical to our success. We have experienced solid user growth in the past two years. The following table sets forth our average DAUs and MAUs for each of the quarters indicated:

	For the Three Months Ended							
	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025
	(In millions)							
Average DAUs[1][3]	102.4	102.3	107.3	103.0	106.7	109.4	117.3	113.0
Average MAUs[2][3]	341.5	335.8	347.8	339.6	367.6	362.8	376.2	366.2

Note:

(1) Average DAU is calculated by dividing the sum of DAU during the specified period by the number of days in such period.
(2) Average MAU is calculated by dividing the sum of MAU during the specified period by the number of months in such period.
(3) We count our active users as the sum of active users on mobile apps and on PC during a given period. Active users on mobile apps refer to the number of mobile devices (including smart TV and other smart devices) that have launched our mobile apps during a given period. Active users on PC refer to the sum of valid logged-in users who visit our website at www.bilibili.com on PC and who engage in PC application during a given period, after eliminating duplicates.

Our active users generally view and consume a multitude of content offered on our platform, including videos, live broadcasting, mobile games and other content. The number of our users and the level of their engagement on our platform affect our revenues. We had solid growth in the revenues generated from VAS mainly due to the increasing numbers of active viewers of our live broadcasting and subscribers of our premium membership program and our other value-added services. Our advertising revenue is driven by the size of our user base, the engagement of our users and our brand equity. Mobile game user base growth and engagement are primarily driven by the launch of new games and the release of content updates of our existing games.

We believe DAU reflects the quality and sustainability of our community, which is also directly linked to our commercial prospects. We will continue to drive DAU growth and expand our reach across Generation Z+ and wider demographics by discovering and promoting more high-quality PUGV content. To that end, We will continue to support our content creators, enrich video content, strengthen our brand recognition and invest in content-driven user acquisition.

Our provision and commercialization of diversified product and service offerings

Our revenues and results of operations depend on our ability to convert more users to paying users and to increase their spending on our platform, which is driven by our provision of diversified product and service offerings appealing to our users.

The following table sets forth our average monthly paying users, and average monthly revenue per paying user for each of the quarters indicated:

	For the Three Months Ended							
	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025
	(In millions)							
Average monthly paying users[(1)]	29.1	28.8	30.1	29.5	32.2	31.3	35.1	35.7
	(In RMB)							
Average monthly revenue per paying user[(2)]	40.2	41.3	51.5	55.2	47.0	47.3	43.1	44.9

Note:

(1) Average monthly paying users is calculated by dividing the sum of monthly paying users during the specified period by the number of months in such period. Paying users on our platform refer to users who make payments for various products and services on our platform, including purchases in games and payments for VAS (excluding purchases on our e-commerce platform). A user who makes payments across different products and services offered on our platform using the same registered account is counted as one paying user and we add the number of paying users of Maoer and the number of paying users of smart TVs toward our total paying users without eliminating duplicates.

(2) Average monthly revenue per paying user is calculated by dividing the sum of revenues from mobile games and VAS during the specified period by the total number of monthly paying users during such period.

We are striving to refine our commercialization avenues without compromising user experience. We will continue our efforts to enrich our content library and product offerings, including PUGV, VAS and mobile games, to convert more users to paying users. We plan to launch more high-quality games to satisfy our users' evolving needs. We will also continue to develop our VAS to increase the number of our paying users. In addition, we expect to see increased revenues from advertising, as advertisers across different industries are turning to Bilibili to tap into the coveted Generation Z+ demographic in China. Our revenue growth will be affected by our ability to effectively execute our commercialization strategies and expand our paying user base.

Our brand recognition and market leadership

Our brand recognition as a leading video community among the Generation Z+ in China is crucial for us to attract and retain users, content creators and our business partners, and increase our revenues. We will continue to promote our brand name among broader young generations and increase our appeal to mass market.

Our ability to manage our costs and expenses

Our results of operations depend on our ability to manage our costs and expenses. Our cost of revenues consists primarily of revenue-sharing costs, content costs, server and bandwidth service costs, staff costs and IP derivatives and other costs. We expect our revenue-sharing costs to increase in absolute amount due to our business expansion in advertising, mobile games and VAS. We will remain disciplined in managing costs and operating expenses, including controlling content investment and staff costs, while optimizing resource efficiency related to server and bandwidth expenses. We intend to implement a more selective approach to content investment, which we believe will enable us to manage the volatility of content costs. In addition, we will control our sales and marketing expense, further streamline our personnel and improve our research and development efficiency.

Investment in technology and talents

Our technology is critical for us to better understand our users, improve user experience, maintain a vibrant community, and execute our commercialization strategy. Our current research and development efforts in technology are primarily focused on enhancing our artificial intelligence technology, big data analytics capabilities, cloud technology and game development capability, which we believe are crucial for us to develop user insights so as to provide more relevant and engaging content to our users and to improve our operating efficiency. In addition, there is a strong demand in China's internet industry for talented and experienced personnel. We must recruit, retain and motivate talented employees while controlling our personnel-related expenses, including share-based compensation expenses.

Key Components of Results of Operations

Net revenues

The following table sets forth the components of our net revenues by amounts and percentages of our total net revenues for the periods presented:

	For the Year Ended December 31,						
	2023		2024		2025		
	RMB	%	RMB	%	RMB	US$	%
	(in thousands, except for percentages)						
Net revenues:							
VAS	9,910,080	44.0%	10,999,137	41.0%	11,928,286	1,705,722	39.3%
Advertising	6,412,040	28.5%	8,189,175	30.5%	10,058,430	1,438,336	33.1%
Mobile games	4,021,137	17.8%	5,610,323	20.9%	6,394,638	914,421	21.1%
IP derivatives and others	2,184,730	9.7%	2,032,890	7.6%	1,966,412	281,194	6.5%
Total net revenues	**22,527,987**	**100.0%**	**26,831,525**	**100.0%**	**30,347,766**	**4,339,673**	**100.0%**

VAS. We primarily generate VAS revenues from (i) sales of in-channel virtual items for use in our live broadcasting so that users can send them to hosts to show their support, which comprise either consumable items, such as gifts and items that create special visual effects, or time-based items, such as privileges and titles, and (ii) subscription fees of our premium membership program, which offers paying members benefits including exclusive or advance access to certain high-quality OGV content. We also generate revenues from other VAS including sales of paid content and virtual items on our video, audio and comic platforms. In addition, we generate revenues from our fan charging program and premium courses, where users pay for access to creators' premium PUGV content and video courses. We expect revenues from VAS to continue to grow in the foreseeable future, driven by the further expansion of high-quality content and product offerings.

Advertising. We generate advertising revenues primarily from performance-based, brand, and native advertisements. Performance-based advertisements appear in various formats, such as video or picture feeds alongside organic feeds, a banner underneath the video-playing frame, a link, banner or pop-up in the Story Mode, and a link in the comment section appearing below our videos. Brand advertisements primarily appear on the app opening page, the top banner, the website home page banner and the inline video feed alongside organic feeds. Brand advertisements can also be customized according to advertisers' needs and appear in Bilibili-produced OGV or events. Native advertisings are customized according to advertisers' needs, produced by our content creators and embedded naturally in their video creations. We expect our advertising revenues to increase in the foreseeable future as we continue to integrate advertising products into our content ecosystem, improve our advertising infrastructure, and attract more advertisers by optimizing advertising efficiency.

Mobile games. We primarily offer exclusively distributed mobile games and jointly operated mobile games developed by third-party game developers. For exclusively distributed mobile games, we are responsible for game launch, hosting and maintenance of game servers, game promotions and customer services. We also develop localized versions for games licensed from overseas developers. For jointly operated mobile game services, we provide our mobile game platform for mobile games developed by third-party developers. We earn game distribution service revenue within the applicable contract periods by providing payment solutions and game promotion services, while game developers are responsible for providing game products, hosting and maintaining game servers and determining the pricing of in-game virtual items. As of December 31, 2025, we operated multiple exclusively distributed mobile games and hundreds of jointly operated mobile games. Our revenues from mobile games depend on the number of paying users, and ultimately are determined by our ability to develop, select, procure and offer engaging games tailored to our platform and our user preferences. We plan to continue introducing new mobile games and enhancing our existing portfolio, which we believe will stabilize revenues from mobile games and contribute to their sustainable growth in the foreseeable future amid evolving market dynamics beyond our control.

IP derivatives and others. Our IP derivatives and others primarily consist of sales of derivative merchandise of ACG IPs on our e-commerce platform. We expect revenues from IP derivatives and others to fluctuate in the foreseeable future but remain as a decent stream of revenues.

Cost of revenues

The following table sets forth the components of our cost of revenues by amounts and percentages of cost of revenues for the periods presented:

	For the Year Ended December 31,						
	2023		2024		2025		
	RMB	%	RMB	%	RMB	US$	%
	(in thousands, except for percentages)						
Cost of revenues:							
Revenue-sharing costs	9,507,483	55.6%	10,803,944	59.8%	12,091,094	1,729,003	62.9%
Content costs	3,195,620	18.7%	2,729,520	15.1%	2,441,575	349,141	12.7%
Server and bandwidth costs	1,477,116	8.7%	1,643,678	9.1%	1,868,364	267,172	9.7%
IP derivatives and others	2,905,903	17.0%	2,880,420	16.0%	2,832,621	405,060	14.7%
Total cost of revenues	**17,086,122**	**100.0%**	**18,057,562**	**100.0%**	**19,233,654**	**2,750,376**	**100.0%**

Revenue-sharing costs consist of fees paid to game developers, distribution channels (app stores) and payment channels, and fees we share with hosts of our live broadcasting and content creators in accordance with our revenue-sharing arrangements. Content costs mainly consist of amortized costs of purchased licensed content from copyright owners or content distributors and our production costs. Server and bandwidth costs are the fees we pay to telecommunication carriers and other service providers for telecommunication services, hosting our servers at their internet data centers, and providing content delivery network and application services. IP derivatives and others consist of cost of goods sold associated with our e-commerce business, staff cost, depreciation and others.

Operating expenses

The following table sets forth the components of our operating expenses by amounts and percentages of operating expenses for the periods presented:

	For the Year Ended December 31,						
	2023		2024		2025		
	RMB	%	RMB	%	RMB	US$	%
	(in thousands, except for percentages)						
Operating expenses:							
Sales and marketing expenses	3,916,150	37.3%	4,401,655	43.5%	4,394,107	628,348	44.0%
General and administrative expenses	2,122,432	20.2%	2,031,063	20.1%	2,062,066	294,872	20.6%
Research and development expenses	4,467,470	42.5%	3,685,214	36.4%	3,533,488	505,282	35.4%
Total operating expenses	**10,506,052**	**100.0%**	**10,117,932**	**100.0%**	**9,989,661**	**1,428,502**	**100.0%**

Sales and marketing expenses. Sales and marketing expenses consist primarily of marketing and promotional expenses, salaries and other compensation-related expenses for our sales and marketing personnel. We will keep implementing our cost control strategy to further discipline our sales and marketing expenses, including rationalizing our promotional expense and improving our expense efficiency.

General and administrative expenses. General and administrative expenses consist primarily of salaries and other compensation-related expenses for our general and administrative personnel, professional fees, rental expenses and allowance for expected credit losses. We will keep implementing our cost control strategy, including improving our workforce efficiency.

Research and development expenses. Research and development expenses consist primarily of salaries and benefits, including share-based compensation expenses, for research and development personnel dedicated to the development and enhancement of our app/websites and development of online games. We will continue to invest in our research and development, enhance our artificial intelligence technology, big data analytics capabilities, cloud technology and game development capacity, and develop new features and functionalities on our platform.

Results of Operations

The following table sets forth a summary of our consolidated results of operations for the periods presented, both in absolute amount and as a percentage of our revenues for the periods presented. This information should be read together with our consolidated financial statements and related notes included elsewhere in this annual report. The results of operations in any period are not necessarily indicative of our future trends.

	For the Year Ended December 31,						
	2023		2024		2025		
	RMB	%	RMB	%	RMB	US$	%
	(in thousands, except for percentages)						
Net revenues	22,527,987	100%	26,831,525	100%	30,347,766	4,339,673	100.0%
Cost of revenues(1)	(17,086,122)	(75.8)%	(18,057,562)	(67.3)%	(19,233,654)	(2,750,376)	(63.4)%
Gross profit	**5,441,865**	**24.2%**	**8,773,963**	**32.7%**	**11,114,112**	**1,589,297**	**36.6%**
Operating expenses:							
Sales and marketing expenses(1)	(3,916,150)	(17.4)%	(4,401,655)	(16.4)%	(4,394,107)	(628,348)	(14.5)%
General and administrative expenses(1)	(2,122,432)	(9.4)%	(2,031,063)	(7.6)%	(2,062,066)	(294,872)	(6.8)%
Research and development expenses(1)	(4,467,470)	(19.9)%	(3,685,214)	(13.7)%	(3,533,488)	(505,282)	(11.6)%
Total operating expenses	**(10,506,052)**	**(46.7)%**	**(10,117,932)**	**(37.7)%**	**(9,989,661)**	**(1,428,502)**	**(32.9)%**
(Loss)/Profit from operations	**(5,064,187)**	**(22.5)%**	**(1,343,969)**	**(5.0)%**	**1,124,451**	**160,795**	**3.7%**
Other expenses:							
Investment loss, net (including impairments)	(435,644)	(1.9)%	(470,081)	(1.8)%	(242,288)	(34,647)	(0.8%)
Interest income	542,472	2.4%	434,980	1.6%	431,847	61,753	1.4%
Interest expense	(164,927)	(0.7)%	(89,193)	(0.3)%	(150,572)	(21,532)	(0.5)%
Exchange losses	(35,575)	(0.2)%	(68,715)	(0.3)%	(80,172)	(11,464)	(0.3)%
Debt extinguishment gain/(loss)	292,213	1.3%	(38,629)	(0.1)%	(2)	*	0.0%
Others, net	132,640	0.6%	175,412	0.7%	124,822	17,850	0.5%
(Loss)/Profit before income tax expenses	**(4,733,008)**	**(21.0)%**	**(1,400,195)**	**(5.2)%**	**1,208,086**	**172,755**	**4.0%**
Income tax (expense)/benefit	(78,705)	(0.4)%	36,544	0.1%	(17,145)	(2,452)	(0.1)%
Net (loss)/profit	**(4,811,713)**	**(21.4)%**	**(1,363,651)**	**(5.1)%**	**1,190,941**	**170,303**	**3.9%**

* Less than 1.

Note:

(1) Share-based compensation expenses were allocated as follows:

	For the Year Ended December 31,			
	2023	2024	2025	
	RMB	RMB	RMB	US$
	(In thousands)			
Cost of revenues	63,724	84,178	104,684	14,970
Sales and marketing expenses	56,649	60,460	76,605	10,954
General and administrative expenses	596,950	568,194	561,330	80,269
Research and development expenses	415,321	403,380	427,916	61,191
Total	**1,132,644**	**1,116,212**	**1,170,535**	**167,384**

Year ended December 31, 2025 compared to year ended December 31, 2024

Net revenues

Our net revenues increased by 13.1% from RMB26.8 billion in 2024 to RMB30.3 billion (US$4.3 billion) in 2025.

VAS. Our net revenues from VAS increased by 8.4% from RMB11.0 billion in 2024 to RMB11.9 billion (US$1.7 billion) in 2025, mainly attributable to increased revenues from other value-added services and premium memberships.

Advertising. Our net revenues from advertising increased by 22.8% from RMB8.2 billion in 2024 to RMB10.1 billion (US$1.4 billion) in 2025, mainly attributable to our improved advertising product offerings and enhanced advertising efficiency.

Mobile games. Our net revenues from mobile games increased by 14.0% from RMB5.6 billion in 2024 to RMB6.4 billion (US$914.4 million) in 2025, primarily driven by the full-year contribution of our exclusively licensed game, *San Guo: Mou Ding Tian Xia*, in 2025, and the launch of our in-house developed game, *Escape from Duckov*, in the fourth quarter of 2025.

IP derivatives and others. Our net revenues from IP derivatives and others decreased by 3.3% from RMB2.0 billion in 2024 to RMB2.0 billion (US$281.2 million) in 2025.

Cost of revenues

Our cost of revenues increased by 6.5% from RMB18.1 billion in 2024 to RMB19.2 billion (US$2.8 billion) in 2025. The increase was mainly attributable to higher revenue-sharing costs, partially offset by lower content costs.

Revenue-sharing costs increased by 11.9% from RMB10.8 billion in 2024 to RMB12.1 billion (US$1.7 billion) in 2025, primarily due to higher cost of fees paid to distribution channels and game developers and an increase in cost to content creators on our platform.

Content costs decreased by 10.5% from RMB2.7 billion in 2024 to RMB2.4 billion (US$349.1 million) in 2025, as we continued to implement a more selective strategy in content investment while maintaining the quality of content provided to our users.

Server and bandwidth costs increased by 13.7% from RMB1.6 billion in 2024 to RMB1.9 billion (US$267.2 million) in 2025, primarily due to an increased investment in server and bandwidth capacity to better serve our evolving community.

IP derivatives and others related costs decreased by 1.7% from RMB2.9 billion in 2024 to RMB2.8 billion (US$405.1 million) in 2025.

Gross profit

As a result of the foregoing, our gross profit increased by 26.7% from RMB8.8 billion in 2024 to RMB11.1 billion (US$1.6 billion) in 2025.

Operating expenses

Our total operating expenses decreased by 1.3% from RMB10.1 billion in 2024 to RMB10.0 billion (US$1.4 billion) in 2025.

Sales and marketing expenses.

Our sales and marketing expenses decreased by 0.2% from RMB4.4 billion in 2024 to RMB4.4 billion (US$628.3 million) in 2025.

General and administrative expenses.

Our general and administrative expenses increased by 1.5% from RMB2.0 billion in 2024 to RMB2.1 billion (US$294.9 million) in 2025.

Research and development expenses.

Our research and development expenses decreased by 4.1% from RMB3.7 billion in 2024 to RMB3.5 billion (US$505.3 million) in 2025.

Profit/(Loss) from operations

As a result of the foregoing, we generated profit from operations of RMB1.1 billion (US$160.8 million) in 2025, compared to loss from operations of RMB1.3 billion in 2024.

Other income/(expenses)

Investment loss, net (including impairments). Net investment loss, net (including impairments) primarily includes return earned on financial products issued by banks and other financial institutions and the fair value change of investments. We had net investment loss of RMB470.1 million and RMB242.3 million (US$34.6 million) in 2024 and 2025, respectively.

Interest income. Interest income primarily represents interest earned on cash and cash equivalents and time deposits. We had interest income of RMB435.0 million and RMB431.8 million (US$61.8 million) in 2024 and 2025, respectively.

Interest expense. Interest expense primarily represents interest payment related to our long-term bank loans. We had interest expense of RMB89.2 million and RMB150.6 million (US$21.5 million) in 2024 and 2025, respectively. The increase was primarily attributable to the full-year impact of our long-term bank loans in 2025.

Debt extinguishment loss. We recorded debt extinguishment loss of RMB38.6 million and RMB 2.0 thousand (US$0.3 thousand) in 2024 and 2025, respectively. The difference between the purchase price and the net carrying amount of the repurchased notes was accounted for under "Debt extinguishment loss" in the consolidated statements of operations.

Income tax (expense)/benefit

We recorded income tax expense of RMB17.1 million (US$2.5 million) in 2025, compared to income tax benefit of RMB36.5 million in 2024.

Net profit/(loss)

As a result of the foregoing, we generated net profit of RMB1.2 billion (US$170.3 million) in 2025, compared to net loss of RMB1.4 billion in 2024.

Year ended December 31, 2024 compared to year ended December 31, 2023

Net revenues

Our net revenues increased by 19.1% from RMB22.5 billion in 2023 to RMB26.8 billion in 2024.

VAS. Our net revenues from VAS increased by 11.0% from RMB9.9 billion in 2023 to RMB11.0 billion in 2024, mainly attributable to increases in revenues from live broadcasting and other value-added services.

Advertising. Our net revenues from advertising increased by 27.7% from RMB6.4 billion in 2023 to RMB8.2 billion in 2024, mainly attributable to our improved advertising product offerings and enhanced advertising efficiency.

Mobile games. Our net revenues from mobile games increased by 39.5% from RMB4.0 billion in 2023 to RMB5.6 billion in 2024. The increase was mainly attributable to the strong performance of our exclusively licensed game, *San Guo: Mou Ding Tian Xia* launched in June 2024.

IP derivatives and others. Our net revenues from IP derivatives and others decreased by 6.9% from RMB2.2 billion in 2023 to RMB2.0 billion in 2024.

Cost of revenues

Our cost of revenues increased by 5.7% from RMB17.1 billion in 2023 to RMB18.1 billion in 2024. The increase was mainly attributable to higher revenue-sharing costs, partially offset by lower content costs.

Revenue-sharing costs increased by 13.6% from RMB9.5 billion in 2023 to RMB10.8 billion in 2024, primarily due to higher fees paid to distribution channels and game developers and an increase in payments made to hosts of live broadcasting programs and content creators on our platform.

Content costs decreased by 14.6% from RMB3.2 billion in 2023 to RMB2.7 billion in 2024, as we continued to implement a more selective strategy in content investment while maintaining the quality of content provided to our users.

Server and bandwidth costs increased by 11.3% from RMB1.5 billion in 2023 to RMB1.6 billion in 2024, primarily due to increased server and bandwidth capacity to keep pace with the increasing volume of data and video watch time on our platform.

IP derivatives and others related costs slightly decreased by 0.9% from RMB2.9 billion in 2023 to RMB2.9 billion in 2024.

Gross profit

As a result of the foregoing, our gross profit increased by 61.2% from RMB5.4 billion in 2023 to RMB8.8 billion in 2024.

Operating expenses

Our total operating expenses decreased by 3.7% from RMB10.5 billion in 2023 to RMB10.1 billion in 2024, primarily as a result of our reduced expenses related to platform operations, as we improved our expenses efficiency.

Sales and marketing expenses.

Our sales and marketing expenses increased by 12.4% from RMB3.9 billion in 2023 to RMB4.4 billion in 2024. The increase was primarily attributable to increased marketing expenses for our exclusively licensed games.

General and administrative expenses.

Our general and administrative expenses decreased by 4.3% from RMB2.2 billion in 2023 to RMB2.0 billion in 2024. The decrease was primarily attributable to the workforce efficiency optimization in 2024.

Research and development expenses.

Our research and development expenses decreased by 17.5% from RMB4.5 billion in 2023 to RMB3.7 billion in 2024. The decrease was mainly attributable to a decrease in research and development personnel headcount in 2024 and the one-off termination expenses of certain game projects that occurred in the fourth quarter of 2023.

Loss from operations

As a result of the foregoing, we narrowed loss from operations by 73.5% from RMB5.1 billion in 2023 to RMB1.3 billion in 2024.

Other income/(expenses)

Investment loss, net (including impairments). Net investment loss, net (including impairments) primarily includes return earned on financial products issued by banks and other financial institutions and the fair value change of investments. We had net investment loss of RMB435.6 million and RMB470.1 million in 2023 and 2024, respectively.

Interest income. Interest income primarily represents interest earned on cash and cash equivalents and time deposits. We had interest income of RMB542.5 million and RMB435.0 million in 2023 and 2024, respectively. The decrease was primarily driven by the decrease in time deposits held in 2024 compared to 2023.

Interest expense. Interest expense primarily represents interest payment and amortized issuance costs related to our convertible senior notes. We had interest expense of RMB164.9 million and RMB89.2 million in 2023 and 2024, respectively. The decrease was primarily attributable to a decrease in interest expense related to our convertible senior notes from RMB110.2 million in 2023 to RMB35.5 million in 2024.

Debt extinguishment (loss)/gain. We recorded debt extinguishment loss of RMB38.6 million in 2024, compared to debt extinguishment gain of RMB292.2 million in 2023. The difference between the purchase price and the net carrying amount of the repurchased notes was accounted for under "Debt extinguishment gain/(loss)" in the consolidated statements of operations.

Income tax benefit/(expense)

We recorded income tax benefit of RMB36.5 million in 2024, compared to income tax expense of RMB78.7 million in 2023.

Net loss

As a result of the foregoing, we narrowed net loss by 71.7% from RMB4.8 billion in 2023 to RMB1.4 billion in 2024.

Seasonality

Our results of operations are subject to seasonal fluctuations. For example, the growth of active users tends to accelerate during school holidays, such as summer and winter breaks, which typically fall in the middle of the third and first quarters of each year, and slow down at the beginning and during certain parts of the school year. We usually experience increase in video watch time and hence the number of active users following the release of phenomenally popular content. Seasonal fluctuations have not thus far posed material operational and financial challenges to us, as such periods tend to be brief and predictable, allowing us to re-allocate resources and improve efficiency ahead of time.

Taxation

Cayman Islands

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty.

There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or brought within the jurisdiction of the Cayman Islands, or produced before a court. In addition, the Cayman Islands does not impose withholding tax on dividend payments. No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands. The Cayman Islands is not a party to any double tax treaties that are applicable to any payments made to or by our company. There are no exchange control regulations or currency restrictions in the Cayman Islands.

Hong Kong

The majority of our subsidiaries incorporated in Hong Kong, such as Hode HK and Bilibili HK Limited, are subject to 16.5% Hong Kong profit tax on their taxable income generated from operations in Hong Kong. The first HK$2 million of profits earned by one of our subsidiaries incorporated in Hong Kong could be taxed at half the current tax rate (i.e., 8.25%) while the remaining profits will continue to be taxed at the existing 16.5% tax rate. Under the Hong Kong tax laws, we are exempted from the Hong Kong income tax on our foreign-derived income. In addition, payments of dividends from our Hong Kong subsidiaries to us are not subject to any Hong Kong withholding tax.

PRC

Our PRC subsidiaries are subject to PRC enterprise income tax on their taxable income in accordance with the relevant PRC income tax laws.

Effective from January 1, 2008, the statutory corporate income tax rate is 25%, except for certain entities eligible for preferential tax rates.

For example, Hode Information Technology has qualified as a High and New Technology Enterprise, which allowed it to enjoy a 15% preferential enterprise income tax rate for three years from 2023 to 2025, and we have applied for renewal of the High and New Technology Enterprise status. Shanghai Bilibili Technology Co., Ltd. has qualified as a High and New Technology Enterprise, which allowed it to enjoy a 15% preferential enterprise income tax rate for three years starting from 2024 to 2026.

Our other major PRC subsidiaries are subject to enterprise income tax on their taxable income in mainland China at a statutory rate of 25%. The enterprise income tax is calculated based on the entity's global income as determined under PRC tax laws and accounting standards.

We are subject to value-added tax mainly at a rate of 6% for services rendered and value-added tax mainly at a rate of 13% for goods sold, although the rate varies depending on their categories in different periods. We are subject to surcharges on value-added tax payments in accordance with PRC law. Our advertising and marketing revenues (valued-added tax included) are subject to culture business construction fee at a rate of 3%, which was reduced to 1.5% since July 1, 2019, valid until December 31, 2027.

Dividends paid by our wholly foreign-owned subsidiaries in mainland China to our intermediary holding company in Hong Kong will be subject to a withholding tax rate of 10%, unless the relevant Hong Kong entity satisfies all the requirements under the Arrangement between mainland China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes on Income and Capital and receives approval from the relevant tax authority. If our Hong Kong subsidiary satisfies all the requirements under the tax arrangement and receives approval from the relevant tax authority, then the dividends paid to the Hong Kong subsidiary would be subject to withholding tax at the standard rate of 5%. Effective from November 1, 2015, the above-mentioned approval requirement has been abolished, but a Hong Kong entity is still required to file application package with the relevant tax authority, and settle the overdue taxes if the preferential 5% tax rate is denied based on the subsequent review of the application package by the relevant tax authority. On October 14, 2019, Measures for Non-Resident Taxpayers to Enjoy Treatments under Tax Treaties (SAT Announcement (2019) No. 35) was issued to simplify the procedures for claiming mainland China tax treaty benefits by non-resident taxpayers. See "Item 3. Key Information—D. Risk Factors—Risks Related to Our Corporate Structure—We may rely on dividends paid by our PRC subsidiaries to fund cash and financing requirements. Any limitation on the ability of our PRC subsidiaries to pay dividends to us could have a material adverse effect on our ability to conduct our business and to pay dividends to our shareholders and ADS holders."

If Bilibili, a holding company in the Cayman Islands or any of its subsidiaries outside of mainland China were deemed to be a "resident enterprise" under the PRC Enterprise Income Tax Law, it would be subject to enterprise income tax on its worldwide income at a rate of 25%. See "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC shareholders or ADS holders."

B. Liquidity and Capital Resources

The following table sets forth a summary of our cash flows for the periods presented:

	For the Year Ended December 31,			
	2023	2024	2025	
	RMB	RMB	RMB	US$
		(in thousands)		
Summary of Consolidated Statements of Cash Flows Data:				
Net cash provided by operating activities	266,622	6,014,854	7,147,108	1,022,023
Net cash provided by/(used in) investing activities	1,762,148	(138,087)	(9,340,614)	(1,335,690)
Net cash (used in)/provided by financing activities	(5,074,685)	(2,825,383)	4,087,283	584,474
Effect of exchange rate changes on cash and cash equivalents held in foreign currencies	100,349	6,177	41,179	5,888
Net (decrease)/increase in cash, cash equivalents and restricted cash	(2,945,566)	3,057,561	1,934,956	276,695
Cash, cash equivalents and restricted cash at beginning of the year	10,187,387	7,241,821	10,299,382	1,472,792
Cash, cash equivalents and restricted cash at end of the year	7,241,821	10,299,382	12,234,338	1,749,487

As of December 31, 2023, 2024 and 2025, our cash, cash equivalents and restricted cash were RMB7.2 billion, RMB10.3 billion and RMB12.2 billion (US$1.7 billion), respectively. Our cash and cash equivalents primarily consist of cash on hand, demand deposits placed with large reputable banks in the United States of America and China, and highly liquid investments that are readily convertible to known amounts of cash and with original terms of three months or less. We entered into several one-year revolving loan facilities provided by certain financial institutions with an aggregate principal amount of RMB920.0 million (US$131.6 million) as of December 31, 2025. We have not utilized such facilities as of December 31, 2025.

Our principal sources of liquidity have been the proceeds we received from our public offerings of ordinary shares and net cash provided by operating activities. In January 2023, we completed the offering of 15,344,000 ADSs at US$26.65 per ADS. The amount of net proceeds from this offering (after deducting all applicable costs and expenses including but not limited to selling commission) was approximately US$396.9 million. Shortly thereafter, we completed the repurchase of an aggregate principal amount of US$384.8 million of our convertible senior notes due December 2026 with an aggregate purchase price of US$331.2 million, which was funded by the net proceeds from this ADS offering. We have used the remaining proceeds of this ADS offering in the amount of US$68.8 million to replenish our cash reserve.

Between 2019 and 2021, we issued three batches of convertible senior notes, with an aggregate principal amount of US$500 million, US$800 million and US$1,600 million, respectively, that are due in April 2026, 2027 and December 2026, respectively. Following a series of repurchases, including the repurchase of US$429.3 million of the convertible senior notes due April 2026 in 2024, the repurchase of US$419.1 million of the convertible senior notes due December 2026 in 2024 and the repurchase of US$66 thousand of the convertible senior notes due April 2027 in 2025, substantially all of the convertible senior notes that were originally issued between 2019 and 2021 have been repurchased. As of the date of this annual report, the convertible senior notes due April 2026 were fully paid at maturity. As of December 31, 2025, an aggregate principal amount of US$13.3 million of our convertible senior notes originally issued between 2019 and 2021 remained outstanding.

In May 2025, we completed the offering of US$690 million in aggregate principal amount of 0.625% convertible senior notes due June 1, 2030, or the 2030 Notes. The 2030 Notes bear interest at a rate of 0.625% per year, payable semi-annually in arrears on June 1 and December 1 of each year, beginning on December 1, 2025. Holders of the 2030 Notes will have the right to require us to repurchase their notes on June 1, 2028, and upon the occurrence of a fundamental change, in each case, at a repurchase price equal to 100% of the principal amount of the 2030 Notes to be repurchased, plus accrued and unpaid interest, if any. The indenture governing the 2030 Notes defines a “fundamental change” to include, among others: (i) any person or group gaining control of Bilibili Inc., (ii) any recapitalization, reclassification or change of the ordinary shares or ADSs as a result of which these securities would be converted into, or exchanged for, stock, other securities, other property or assets; (iii) the shareholders of Bilibili Inc. approving any plan or proposal for the liquidation or dissolution of Bilibili Inc.; (iv) the Class Z ordinary shares cease to be listed or admitted to trading or are suspended for trading for a period equal to or exceeding 30 consecutive trading days on the Hong Kong Stock Exchange; or (v) any change in or amendment to the laws, regulations and rules of the PRC resulting in our company being legally prohibited from operating substantially all of the business operations conducted by our company and being unable to continue to derive substantially all of the economic benefits from the business operations conducted by these entities. As of December 31, 2025, there was no such event of default or fundamental change.

We believe that our current cash and cash equivalents and our anticipated cash flows from operations will be sufficient to meet the cash requirements to fund our operations and other commitments for at least the next 12 months. However, we may enhance our liquidity position or increase our cash reserve for future investments through additional capital and finance funding. The issuance and sale of additional equity would result in further dilution to our shareholders. The incurrence of indebtedness would result in increased fixed obligations and could result in operating covenants that would restrict our operations. We cannot assure you that financing will be available in amounts or on terms acceptable to us, if at all.

As of December 31, 2025, 71.6% of our cash and cash equivalents were held in mainland China, including 16.5% of our cash and cash equivalents that were held by the VIEs and denominated in Renminbi. Although we consolidate the results of the VIEs and their subsidiaries, we only have access to the assets or earnings of the VIEs and their subsidiaries through our contractual arrangements with the VIEs and their shareholders. See "Item 4. Information on the Company—C. Organizational Structure." For restrictions and limitations on liquidity and capital resources as a result of our corporate structure, see "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Holding Company Structure."

In utilizing the proceeds we receive from our financing activities, we may make additional capital contributions to our PRC subsidiaries, establish new PRC subsidiaries and make capital contributions to these new PRC subsidiaries, make loans to our PRC subsidiaries, or acquire offshore entities with operations in mainland China in offshore transactions. However, most of these uses are subject to PRC regulations.

We expect that a substantial majority of our future revenues will be denominated in Renminbi. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior SAFE approval as long as certain routine procedural requirements are fulfilled. Therefore, our PRC subsidiaries are allowed to pay dividends in foreign currencies to us without prior SAFE approval by following certain routine procedural requirements. However, approval from or registration with competent government authorities is required where the Renminbi is to be converted into foreign currency and remitted out of mainland China to pay capital expenses such as the repayment of loans denominated in foreign currencies. The PRC government may at its discretion restrict access to foreign currencies for current account transactions in the future.

Operating activities

Net cash provided by operating activities in 2025 was RMB7.1 billion (US$1.0 billion), as compared to net profit of RMB1.2 billion (US$170.3 million) in the same period. The difference was primarily due to an increase of RMB859.6 million in deferred revenue, an increase of RMB585.8 million in accounts payable, an increase of RMB568.4 million in accrued liabilities and other payables, and a decrease of RMB192.0 million in prepayments and other assets. The changes in working capital were attributable to our increased mobile games revenues and advertising revenues. The principal non-cash items affecting the difference between our net profit and our net cash provided by operating activities in 2025 were RMB2.0 billion (US$289.7 million) in depreciation and amortization of property and equipment and intangible assets, RMB1.2 billion (US$167.4 million) in share-based compensation expenses and RMB343.7 million (US$49.2 million) in impairments and loss of long-term investments.

Net cash provided by operating activities in 2024 was RMB6.0 billion, as compared to net loss of RMB1.4 billion in the same period. The difference was primarily due to an increase of RMB848.2 million in deferred revenue, an increase of RMB779.3 million in accrued liabilities and other payables, an increase of RMB615.2 million in accounts payable, and a decrease of RMB251.2 million in accounts receivable. The changes in working capital were attributable to our increased mobile games revenues and advertising revenues. The principal non-cash items affecting the difference between our net loss and our net cash provided by operating activities in 2024 were RMB2.3 billion in depreciation and amortization of property and equipment and intangible assets, RMB1.1 billion in share-based compensation expenses and RMB486.5 million in impairments of long-term investments.

Net cash provided by operating activities in 2023 was RMB266.6 million, as compared to net loss of RMB4.8 billion in the same period. The difference was primarily due to an increase of RMB341.1 million in accrued liabilities and other payables, a decrease of RMB342.5 million in prepayments and other assets and a decrease of RMB185.8 million in other long-term assets, partially offset by an increase of RMB262.2 million in accounts receivable, a decrease of RMB182.2 million in salary and welfare payable and a decrease of RMB141.6 million in other long-term liabilities. The changes in working capital were attributable to our business expansion, particularly, diversification of other value-added services offerings and increased advertising revenues. The principal non-cash items affecting the difference between our net loss and our net cash provided by operating activities in 2023 were RMB2.7 billion in depreciation and amortization of property and equipment and intangible assets, RMB1.1 billion in share-based compensation expenses and RMB354.8 million in termination of certain game projects.

Investing activities

Net cash used in investing activities in 2025 was RMB9.3 billion (US$1.3 billion), primarily due to purchase of short-term investments of RMB85.6 billion (US$12.2 billion) and cash paid for placements of time deposits of RMB10.5 billion (US$1.5 billion), partially offset by maturities of short-term investment of RMB81.8 billion (US$11.7 billion) and maturities of time deposits of RMB8.4 billion (US$1.2 billion).

Net cash used in investing activities in 2024 was RMB138.1 million, primarily due to purchase of short-term investments of RMB37.0 billion and cash paid for placements of time deposits of RMB5.8 billion, partially offset by proceeds from maturities of short-term investments of RMB37.0 billion and maturities of time deposits of RMB7.5 billion.

Net cash provided by investing activities in 2023 was RMB1.8 billion, primarily due to proceeds from maturities of short-term investments of RMB16.3 billion and maturities of time deposits of RMB9.7 billion, partially offset by purchase of short-term investments of RMB13.5 billion and placements of time deposits of RMB10.0 billion.

Financing activities

Net cash provided by financing activities in 2025 was RMB4.1 billion (US$584.5 million), primarily attributable to proceeds from issuance of convertible notes of RMB4.9 billion (US$698.8 million), partially offset by repurchase of shares of RMB822.7 million (US$117.6 million).

Net cash used in financing activities in 2024 was RMB2.8 billion, primarily attributable to the repurchase of convertible senior notes, net of issuance costs, of RMB6.0 billion, partially offset by proceeds of short-term and long-term loans of RMB5.1 billion.

Net cash used in financing activities in 2023 was RMB5.1 billion, primarily attributable to the repurchase of convertible senior notes, net of issuance costs, of RMB7.7 billion and the repayment of short-term loan of RMB2.0 billion, partially offset by the proceeds from issuances of ordinary shares net of issuance costs of RMB2.7 billion and proceeds of short-term loans of RMB2.0 billion.

Material cash requirements

Our material cash requirements as of December 31, 2025 primarily include our long-term loans, capital expenditures and operating lease commitments.

We intend to fund our existing and future material cash requirements with our existing cash balance, cash generated from operating activities, and other financing alternatives. We will continue to make cash commitments, including capital expenditures, to support the growth of our business.

Convertible senior notes obligations

Our convertible senior notes obligations mainly consist of the principal amount and cash interests in connection with our 2030 notes.

Holders of the 2030 Notes will have the right to require us to repurchase their notes on June 1, 2028, and upon the occurrence of a fundamental change, in each case, at a repurchase price equal to 100% of the principal amount of the 2030 Notes to be repurchased, plus accrued and unpaid interest, if any.

As of December 31, 2025, US$17.7 million, US$13.0 million and US$691.8 million in aggregate principal amount and interest expenses related to the above unsecured senior notes are expected to be repaid within one year, in 1-3 years and 3 years afterwards, respectively, unless earlier converted, redeemed or repurchased.

Long-term bank loans

Our long-term bank loans were RMB3.1 billion (US$438.9 million) in aggregate. As of December 31, 2025, the entire balance of RMB3.1 billion, representing the current portion due within one year, was classified as short-term loans and the non-current portion was nil. Our long-term bank loans were substantially credit borrowing and the interest rates were 2.3% as of December 31, 2025. We were in compliance with all of the loan covenants as of December 31, 2025. For additional information, see "Notes to Consolidated Financial Statements—Note 12. Short-Term Loan and Current Portion of Long-Term Debt" and "—Note 14. Long-Term Debt" of our audited consolidated financial statements included elsewhere in this annual report.

Capital expenditures

Our capital expenditures are primarily incurred for purchases of intangible assets and property and equipment. Our capital expenditures were RMB1.3 billion, RMB1.8 billion and RMB1.8 billion (US$261.3 million) in 2023, 2024 and 2025, respectively. Purchases of intangible assets, which primarily consist of licensed copyrights of video content, accounted for 86.3%, 73.5% and 71.9% of our total capital expenditures in 2023, 2024 and 2025, respectively.

Operating lease commitments

Our operating lease commitments consist of the commitments under the lease agreements for our office premises. As of December 31, 2025, the amount of total future lease payments under operating leases, whose weighted average remaining lease term is 1.6 years, was RMB187.0 million (US$26.7 million), of which RMB150.7 million (US$21.5 million) was short term.

Other than as discussed above, we did not have any significant capital and other commitments, long-term obligations or guarantees as of December 31, 2025.

Holding Company Structure

Bilibili Inc. is a holding company with no material operations of its own. We conduct our operations primarily through our PRC subsidiaries, the VIEs and their subsidiaries in mainland China. As a result, Bilibili Inc.'s ability to pay dividends depends upon dividends paid by our PRC subsidiaries. If our existing PRC subsidiaries or any newly formed ones incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends to us. In addition, our wholly foreign-owned subsidiaries in mainland China are permitted to pay dividends to us only out of its retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. Under PRC law, each of our subsidiaries and the VIEs in mainland China is required to set aside at least 10% of its after-tax profits each year, if any, to fund certain statutory reserve funds until such reserve funds reach 50% of their registered capital. In addition, our wholly foreign-owned subsidiaries in mainland China may allocate a portion of their after-tax profits based on PRC accounting standards to enterprise expansion funds and staff bonus and welfare funds at their discretion, and the VIEs may allocate a portion of its after-tax profits based on PRC accounting standards to a surplus fund at their discretion. The statutory reserve funds and the discretionary funds are not distributable as cash dividends. Remittance of dividends by a wholly foreign-owned company out of mainland China is subject to examination by the banks designated by SAFE. Our PRC subsidiaries have not paid dividends and will not be able to pay dividends until they generate accumulated profits and meet the requirements for statutory reserve funds.

C. Research and Development, Patents and Licenses, Etc.

Technology, Research and Development

Our technology platform has been designed for reliability, scalability and flexibility and is administered by our in-house technology department. As of December 31, 2025, we had access to a nationwide network of over 59,000 servers that we own and over 6,000 servers we lease, with power supply and power generator backup. This structure, along with other features described below, contributes to the reliability, scalability and efficiency of our network.

AI and big data analytics. AI is particularly suitable for reviewing and screening content by recognizing and analyzing patterns and connections. As the varieties and quantity of content and user interactions continue to increase, AI capabilities are critical for us to control our operating costs and enhance user experience. We utilize big data analytics to create an interest profile for each user account based on user's actions such as post, bullet chatting, comment, like and follow, and demographic data such as age, gender and geography. Empowered by our AI capabilities, our interest profile allows us to personalize user interface and push content to our users that they are more likely to find interesting and relevant.

We also leverage AI technology in content management and review procedures to monitor the content uploaded to our platform to detect inappropriate or illegal content and to promptly remove any infringing content. Our proprietary AI-based screening system automatically flags and screens out newly uploaded videos that have privacy issues or contain illegal or inappropriate content by comparing them with copyrighted or objectionable videos stored in our own in-house "blacklist" databases and identifying those with similar codes, i.e., the key words in the video contents. Utilizing various technology models and samples gathered internally or based on regulatory requirements, we build, maintain and continuously update our databases to meet the changing regulatory requirements. Once the content is processed by this technology screening system, the system then extracts fingerprint trails (the technical features that identify and distinguish a video) from the content and sends them to our content screening team for the second-level review. All of the other content, primarily consisting of bullet chats posted by users, is also automatically filtered by our screening system, which utilizes an AI-based screening system to conduct semantic analysis on bullet chats to analyze, identify and screen out inappropriate bullet chats. Utilizing our proprietary technology, upon user's instruction to block certain key words in the bullet chats, our platform can execute this instruction while still streaming the video on a real-time basis without re-loading the entire video. We employ our proprietary technology to conduct semantic analysis of each user's favorites, blocks and comments settings, so as to understand each user's unique preference and customarily filter the bullet chats, so that each user's bullet chatting viewing experience is customized.

We have developed a series of big data analytics technology and obtained a number of patents in relation to big data storage and computation, interactive query, real-time computation, and other infrastructure, so as to process and analyze a huge amount of data real time with accuracy and stability. For example, we invented a system and methodology to monitor real-time data stream in multi-link transmission which can accurately analyze big data real-time transmission, spot inconsistency in the system within minutes, and promptly react to and report such issues. This technology is applied in data integration, an infrastructure in the big data analytics field, to ensure the completeness of data integration and to facilitate the accuracy of big data analytics, as big data storage, calculation, visualization, application and other upper modules are all computed based on the data generated from the data integration. We also invented a methodology and middleware to access data by combining centralized database, centralized memory cache, local memory cache and local documents cache, so as to improve the stability of the system upon centralized access to data and the efficiency of the system upon large amount of data access, while preventing data inconsistency.

Cloud. Due to the nature of the products and services we offer, we have a high demand for storage and computing capacities to enhance the functionalities of our video player, including running algorithms to produce content recommendations. We have developed an advanced cloud system that meets the operational needs of our platform while reducing operating costs.

Content distribution network. Our web server technology focuses on reducing bandwidth use while enhancing user experience through utilizing our content distribution network, or CDN, system. Our CDN components are strategically deployed in the cities where our users concentrate, enabling users to access a copy of the content closest to them so that content loading time is minimized. Our proprietary CDN system enhances network efficiency by managing and optimizing the workload of the servers through real-time optimization and distribution. This technology allows users to upload content without compression and enables viewing of content in higher definition.

Real-time monitoring and support. We have a network operation support team responsible for the stability and security of our network on a 24-hour, seven-days-a-week basis. The primary responsibilities of the team members consist of monitoring system performance, troubleshooting, detecting system error, random sample testing on servers, maintaining equipment, and testing, evaluating and installing hardware and software.

Intellectual Property

We seek to protect our technology, including our proprietary technology infrastructure and core software system, through a combination of patents, copyrights, trademarks, trade secrets and confidentiality agreements. As of December 31, 2025, we have registered approximately 2,548 patents, 3,238 registered copyrights, 360 registered domain names, including www.bilibili.com, and 9,064 registered trademarks, including "." In addition, we had submitted approximately 2,011 additional patent applications and 254 trademark applications.

We intend to protect our technology and proprietary rights vigorously, but there can be no assurance that our efforts will be successful. Even if our efforts are successful, we may incur significant costs in defending our rights. From time to time, third parties may initiate litigation against us alleging infringement of their proprietary rights or declaring their non-infringement of our intellectual property rights. See "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—We may be subject to intellectual property infringement claims or other allegations, which could result in material damage to our reputation and brand, payment of substantial damages, penalties and fines, removal of relevant content from our platform or seeking license arrangements which may not be available on commercially reasonable terms" and "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—We may not be able to prevent others from engaging in unauthorized use of our intellectual property, unfair competition, defamation or other violations of our rights, which could harm our business and competitive position."

D. Trend Information

Other than as disclosed elsewhere in this annual report, we are not aware of any trends, uncertainties, demands, commitments or events since January 1, 2026 that are reasonably likely to have a material adverse effect on our net sales or revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

E. Critical Accounting Estimates

We prepare our financial statements in conformity with U.S. GAAP, which requires us to make judgments, estimates and assumptions. We continually evaluate these estimates and assumptions based on the most recently available information, our own historical experiences and various other assumptions that we believe to be reasonable under the circumstances. Since the use of estimates is an integral component of the financial reporting process, actual results could differ from our expectations as a result of changes in our estimates. Our critical accounting estimates require a higher degree of judgment than others in their application and involve a significant level of uncertainty at the time the estimate was made, and changes in them have had or are reasonably likely to have a material effect on our financial condition or results of operations. For a detailed discussion of our significant accounting policies and related judgments, see "Notes to Consolidated Financial Statements—Note 2. Significant Accounting Policies" of our audited consolidated financial statements included elsewhere in this annual report.

Revenue recognition for in-game virtual items

We recognize revenue from the sale of in-game virtual items in exclusively distributed mobile games over the estimated average playing period of paying players, starting from the point-in-time when related in-game virtual items are delivered to the paying players' accounts.

Nature of Estimates Required—average playing period of paying players. The average playing period of paying player is subjected to period assessment. Considering the events or circumstances may change that indicate the change of the estimate, we assessed the average playing period of paying player on a quarterly basis. We make a qualitative and quantitative assessment to determine the average playing period of paying players for each game. If a qualitative and quantitative assessment identifies the change of the average playing period of paying players based on newly available paying players information, we may prospectively apply the change of estimate.

Assumptions Used. Changes in assumptions or estimates can materially affect average playing period of paying players and, therefore, can affect the test results. The following are key assumptions we use in making the average playing period of paying player for each game:

Paying players' churn rates. To compute the estimated average playing period for paying players, we consider the initial purchase date as the starting point of a paying player's lifespan. We track the population of paying players who made their initial purchases during the interval period, or the Cohorts, and tracks each Cohort to understand the subsequent churn rate of the paying players of each Cohort, i.e. the number of paying players from each Cohort who left subsequent to their initial purchases, or the churn rate. To determine the ending point of a paying player's lifespan beyond the date for which observable data are available, we extrapolate the historical churn rate to arrive at an average playing period for paying players of the selected games.

Similarities between newly launched games and existing games. We make assumption regarding similarities between newly launched games and existing games included in and affected our assumptions regarding playing patterns for paying players for other games with similar characteristics with the new games. If a new game is launched and only a limited period of paying player data is available, we consider the estimated average playing period of our other mobile games which have similar characteristics with the new game. When we believe that we can reasonably estimate average playing period of new games based on newly available paying players information, we may prospectively apply the change of estimate.

In connection with our periodic reviews of the estimate, the assumptions are evaluated accordingly considering historical players' churn rates, playing patterns for paying players and management judgment. Updates to these assumptions will impact the estimated average playing period of paying players and the revenue recognized accordingly. If the estimated average playing period of paying players is extended, the revenue will be recognized over a longer period and vice versa. See "Notes to Consolidated Financial Statements—Note 2. Significant Accounting Policies" of our audited consolidated financial statements included elsewhere in this annual report for additional information regarding the revenue recognition of mobile game services.

Recent Accounting Pronouncements

A list of recently issued accounting pronouncements that are relevant to us is included in "2. (ee)" of our audited consolidated financial statements included elsewhere in this annual report on Form 20-F.

Safe Harbor

This annual report on Form 20-F contains forward-looking statements. These statements are made under the "safe harbor" provisions of Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "may," "intend," "is currently reviewing," "it is possible," "subject to" and similar statements. Among other things, the sections titled "Item 3. Key Information—D. Risk Factors," "Item 4. Information on the Company" and "Item 5. Operating and Financial Review and Prospects" in this annual report on Form 20-F, as well as our strategic and operational plans, contain forward-looking statements. We may also make written or oral forward-looking statements in our filings with the SEC, in our annual report to shareholders, in press releases and other written materials and in oral statements made by our officers, directors or employees to third parties. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements and are subject to change, and such change may be material and may have a material and adverse effect on our financial condition and results of operations for one or more prior periods. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those contained, either expressly or impliedly, in any of the forward-looking statements in this annual report on Form 20-F.

All information provided in this annual report on Form 20-F and in the exhibits is as of the date of this annual report on Form 20-F, and we do not undertake any obligation to update any such information, except as required under applicable law.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following table sets forth information regarding our directors and executive officers as of the date of this annual report.

Directors and Executive Officers	Age	Position/Title
Rui Chen	48	Chairman of the Board of Directors and Chief Executive Officer
Ni Li	40	Vice Chairwoman of the Board of Directors and Chief Operating Officer
Yi Xu	36	Founder, Director and President
JP Gan	54	Independent Director
Eric He	66	Independent Director
Feng Li	52	Independent Director
Guoqi Ding	56	Independent Director
Xin Fan	47	Chief Financial Officer

Rui Chen has served as our chairman of the board of directors and chief executive officer since November 2014. He is a serial entrepreneur with more than 20 years of experience in the internet and technology-related industries in China. Mr. Chen led our strategic development since our founding. With long-term thinking, he spearheaded a series of strategic initiatives which transformed our company to a full-spectrum video community covering a wide array of content categories and diverse video consumption scenarios. Mr. Chen formulated the strategy of "community first," and continuously investing in high-quality content. Under his leadership, Bilibili built a healthy and prosperous content ecosystem, which was crucial for us to stay attractive to young generations. At the same time, Mr. Chen led the construction of our business model, and guided the rapid development in multiple business areas.

Prior to joining us, Mr. Chen co-founded Cheetah Mobile Inc., a mobile internet company listed on the New York Stock Exchange (NYSE: CMCM). In 2009, Mr. Chen founded Beike Internet Security Co., Ltd. and served as its chief executive officer from 2009 to 2010. Prior to that, Mr. Chen served as general manager of internet security research and development at Kingsoft Corporation Limited (HKEX: 3888), a leading software and internet service company listed on the Hong Kong Stock Exchange, from 2001 to 2008. Mr. Chen received his bachelor's degree from Chengdu University of Information Technology in 2001.

Ni Li has served as our chief operating officer since November 2014 and vice chairwoman of our board of directors since January 2015. Ms. Li oversees our overall operations and leads the strategic functions including content ecosystem development, monetization initiatives, strategic planning, investments and brand marketing. In the past years, Ms. Li has built a strong business and operational team. Under her leadership, the team successfully expanded our revenue streams and significantly enhanced our brand awareness. Starting from 2021, Ms. Li also chairs our Environmental, Social and Governance Committee. In the last three years preceding the date of this report, Ms. Li was also a non-executive director of Huanxi Media Group Limited (HKEX: 1003). Prior to joining us, Ms. Li was in charge of human resources operations at Cheetah Mobile (NYSE: CMCM) from 2013 to 2014. Previously, Ms. Li founded Goalcareer, a consulting firm serving Fortune 500 companies and startups with a focus in the semiconductor, telecommunication and internet sectors, and worked as its chief executive officer from 2008 to 2012. Ms. Li received her bachelor's degree in law from Lingnan Normal University in 2008.

Yi Xu founded our website in 2009 (which culminated into the commencement of our commercial operations in 2011 and the founding of our company in 2013) and has served as our director and president since December 2013. Mr. Xu has guided the technological development of our company and played an instrumental role in developing various ground-breaking interactive features such as bullet chatting. Throughout the years, Mr. Xu has sought innovative ways to refine, and add new functions to, bullet chatting, which remains one of the most significant interactive features on our online platform. He has also contributed to constant design improvements of the user interface of our online platform. Mr. Xu has also been an opinion leader in our online communities since our inception and led the prosperity of community culture among users, thereby strengthening a strong sense of belonging among users and fostering a vibrant "Bilibili" community. Mr. Xu received his associate degree from Beijing University of Posts and Telecommunications in 2010.

JP Gan has served as our director since January 2015. Mr. Gan has been a founding partner of INCE Capital Limited since 2019. From 2006 to 2019, Mr. Gan was a managing partner of Qiming Venture Partners. Mr. Gan is also an independent director of Trip.com Group Ltd. (Nasdaq: TCOM; HKEX: 9961). Mr. Gan received his bachelor's degree in business administration from the University of Iowa in 1994 and his MBA degree from the University of Chicago Booth School of Business in 1999.

Eric He has served as our director since March 2018. He currently also serves as an independent director of Agora, Inc. (Nasdaq: API) since 2020. Mr. He had served as chief financial officer of JOYY Inc. (previously known as YY Inc.) (Nasdaq: JOYY) from August 2011 to May 2017. Prior to that, Mr. He served as chief financial officer of Giant Interactive Group, Inc. from March 2007 to August 2011. He served as chief strategy officer of Ninetowns Internet Technology Group from 2004 to 2007. Mr. He received a bachelor's degree in accounting from National Taipei University and an MBA degree from the Wharton School of Business at the University of Pennsylvania. Mr. He is a Chartered Financial Analyst in the United States and was certified as a member of American Institute of Certified Public Accountants in 1991.

Feng Li previously served as our director from November 2014 to May 2016, and started to serve as our director again in February 2019. Mr. Li is the founder and CEO of Shanghai Ziyou Investment Management Limited, also known as FreeS Fund, a venture capital firm that manages funds primarily investing in early and growth stage startups in China and overseas, and focuses on the industries of upgraded consuming, key sensors, A.I. and biotech. Prior to founding FreeS Fund, Mr. Li worked as a partner in the venture capital department in IDG Capital, a global network of private equity and venture capital firms. Prior to that, Mr. Li served as deputy vice president of New Oriental School, a leading English teaching and learning school in China. Mr. Li is an independent non-executive director of Dida Inc. (HKEX: 2559). Mr. Li currently also serves as a board member of several private internet and technology companies based in China. In the last three years preceding the date of this report, Mr. Li was an independent director of Arashi Vision Inc. (Shanghai Stock Exchange: 688775). Mr. Li received his bachelor's degree in chemistry from Peking University in 1996 and his master's degree in chemistry from the University of Rochester in 1998.

Guoqi Ding has served as our director since May 2020. Since 2019, Mr. Guoqi Ding has served as chairman of the board of Zhiqin Management Consulting Ltd., a China-based consulting service provider. Between 2017 and 2023, Mr. Ding served as an independent director on the board of Dian Diagnostics Group Co., Ltd., (Shenzhen Stock Exchange: 300244), a China-based medical diagnosis outsourcing service provider. Between 2004 and 2017, Mr. Ding held various positions, including chief financial officer, at Fosun International Limited, one of the largest investment groups in China. Between 2012 and 2017, Mr. Ding also served as a board member of several companies based in China, including Shanghai Forte Land Company Limited, one of China's largest real estate developers. Mr. Ding received his bachelor's degree in finance and economics from Shanghai University of Finance and Economics, and was recognized as an accountant by Ministry of Finance of the People's Republic of China in 1997.

Xin Fan has served as our chief financial officer since September 2017. Prior to that, Mr. Fan served as our vice president of finance since April 2016. Before joining our company, Mr. Fan served as a finance director at NetEase (Nasdaq: NTES; HKEX: 9999) from 2011 to 2016. Prior to 2011, Mr. Fan held various positions at KPMG Huazhen for an aggregate of eight years and served as a senior manager there from 2008 to 2011. Mr. Fan has also served as an independent director of Sipai Health Technology Co., Ltd. (HKEX: 0314) since May 2023 and as an independent director of MicroPort NeuroScientific Corporation (HKEX: 2172) since June 2024. Mr. Fan received his bachelor's degree in international accounting from Shanghai University of Finance and Economics in 2001. Mr. Fan is a regular member of the American Institute of Certified Public Accountants and a certified public accountant in China. He also holds licenses as chartered global management accountant and chartered certified accountant in the United Kingdom.

B. Compensation

For the fiscal year ended December 31, 2025, we paid an aggregate of approximately RMB16.1 million (US$2.3 million) in cash to our executive officers, and approximately RMB1.7 million (US$0.2 million) in cash to our non-executive directors. We have not set aside or accrued any amount to provide pension, retirement or other similar benefits to our executive officers and directors.

Our PRC subsidiaries and the VIEs are required by law to make contributions equal to certain percentages of each employee's salary for his or her pension insurance, medical insurance, unemployment insurance and other statutory benefits and a housing provident fund.

Share Incentive Plans

In November 2014, our board of directors adopted a global share incentive plan, or the Global Share Plan, to attract and retain the best available personnel, provide additional incentives to employees, directors and consultants and promote the success of our business. We subsequently terminated our Global Share Plan in October 2022 by unanimous written approval of our board of directors. The awards previously granted and outstanding and the evidencing original award agreements shall survive the termination of the Global Share Plan and remain effective until the expiration of their original terms, as may be amended from time to time.

In February 2018, our shareholders and board of directors adopted the 2018 share incentive plan, or the 2018 Plan, to attract and retain the best available personnel, provide additional incentives to employees, directors and consultants and promote the success of our business. We subsequently amended our 2018 Plan in March 2020, October 2022 and June 2024. Following the latest amendment in June 2024, the maximum aggregate number of Class Z ordinary shares which may be issued pursuant to all awards under the 2018 Plan, or the Scheme Limit, was refreshed to be 41,413,503 Class Z ordinary shares. The awards previously granted and outstanding and the evidencing original award agreements shall survive the June 2024 amendment and remain effective until the expiration of their original terms, as may be amended from time to time, and the ordinary shares underlying these awards shall not count towards the refreshed Scheme Limit.

In May 2024, our board of directors adopted the 2024 share incentive plan, or the 2024 Plan, to attract and retain the best available personnel, provide additional incentives to employees, directors and consultants and promote the success of our business. The maximum aggregate number of Class Z ordinary shares which may be issued pursuant to all awards under the 2024 Plan is 41,272,920 Class Z ordinary shares.

The 2018 Plan

The aggregate number of Class Z ordinary shares available for future grant under the 2018 Plan was 27,755,082 as of March 31, 2026.

The Class Z ordinary shares that may be issued pursuant to the awards under the 2018 Plan may be in the form of new shares to be issued by us or in the form of shares or ADSs that may be purchased in the open market by us or a third-party trust from time to time in connection with the 2018 Plan.

The following paragraphs describe the principal terms of the 2018 Plan.

Types of Awards. The 2018 Plan permits the awards of options, restricted shares, and restricted share units.

Plan Administration. Our board of directors or a committee of one or more members of the board of directors will administer the 2018 Plan. The committee or the full board of directors, as applicable, will determine the participants to receive awards, the type and number of awards to be granted to each participant, and the terms and conditions of each award under the 2018 Plan.

Award Agreement. Awards granted under the 2018 Plan are evidenced by an award agreement that sets forth terms, conditions and limitations for each award, which may include the term of the award, the provisions applicable in the event that the grantee's employment or service terminates, and our authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind the award.

Eligibility. Eligible participants include employee participants, related party participants and service provider participants, as determined by the plan administrator.

Vesting Schedule. Under the 2018 Plan, in general, the plan administrator determines the vesting schedule, which is specified in the relevant award agreement.

Exercise of Options. Under the 2018 Plan, the plan administrator determines the exercise price for each option, which is stated in the award agreement and shall be no less than the higher of (i) the closing price of the underlying shares as quoted on the principal exchange or system on which the shares are listed on the date of grant (which must be a business day), and (ii) the average closing price of the underlying shares as quoted on the principal exchange or system on which the shares are listed for the five trading days immediately preceding the date of grant, provided that the shares are listed on one or more established stock exchanges or national market systems (including the Nasdaq Stock Market and the Main Board of the Hong Kong Stock Exchange). The vested portion of option will expire if not exercised prior to the time as the plan administrator determines at the time of its grant. However, the maximum exercisable term is ten years from the date of a grant.

Transfer Restrictions. Under the 2018 Plan, awards may not be transferred in any manner by the participant unless, subject to applicable laws and regulations or under the specific exceptions provided in the 2018 Plan.

Termination and Amendment. Unless terminated earlier, the 2018 Plan has a term of ten years. Our board of directors has the authority to amend or terminate the 2018 Plan. However, shareholders' approval is required for any amendments that (i) are necessary and desirable to comply with applicable laws or stock exchange rules, (ii) alter the material terms of the 2018 Plan relating to the matters set out in Rule 17.03 of the Hong Kong Listing Rules to the advantage of eligible participants, and (iii) change the authority of our board of directors or committee responsible for administering the plan to amend the terms of the 2018 Plan.

The 2024 Plan

The aggregate number of Class Z ordinary shares available for future grant under the 2024 Plan was 41,272,920 as of March 31, 2026.

The Class Z ordinary shares that may be issued pursuant to the awards under the 2024 Plan will be in the form of shares or ADSs that are purchased by a third-party trust from time to time through legally permissible means in connection with the 2024 Plan. 2024 Plan does not involve the issuance of new shares of our company.

The following paragraphs describe the principal terms of the 2024 Plan.

Types of Awards. The 2024 Plan permits the awards of options, restricted shares, and restricted share units.

Plan Administration. Our board of directors or a committee of one or more members of the board of directors will administer the 2024 Plan. The committee or the full board of directors, as applicable, will determine the participants to receive awards, the type and number of awards to be granted to each participant, and the terms and conditions of each award under the 2024 Plan.

Award Agreement. Awards granted under the 2024 Plan are evidenced by an award agreement that sets forth terms, conditions and limitations for each award, which may include the term of the award, the provisions applicable in the event that the grantee's employment or service terminates, and our authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind the award.

Eligibility. Eligible participants include employee participants, related party participants and consultants, as determined by the plan administrator.

Vesting Schedule. Under the 2024 Plan, in general, the plan administrator determines the vesting schedule, which is specified in the relevant award agreement.

Exercise of Options. Under the 2024 Plan, the plan administrator determines the exercise price for each option, which is stated in the award agreement and shall be no less than the fair market value of the shares on the date of grant, which must be a business day. The vested portion of option will expire if not exercised prior to the time as the plan administrator determines at the time of its grant. However, the maximum exercisable term is ten years from the date of a grant.

Transfer Restrictions. Under the 2024 Plan, awards may not be transferred in any manner by the participant other than in accordance with the exceptions provided in the relevant award agreement or otherwise determined by the plan administrator, such as transfers by will or the laws of descent and distribution.

Termination and Amendment. Unless terminated earlier, the 2024 Plan has a term of ten years. Our board of directors has the authority to amend or terminate the 2024 Plan. Except with respect to amendments made by the plan administrator, no termination, amendment or modification may adversely affect in any material way any awards previously granted pursuant to the 2024 Plan unless agreed by the participant.

The following table summarizes, as of March 31, 2026, the number of ordinary shares underlying outstanding options and restricted share units granted to several of our directors and executive officers and to other individuals as a group under the Global Share Plan, the 2018 Plan and the 2024 Plan, excluding awards that were forfeited or cancelled after the relevant grant dates.

Name	Ordinary Shares Underlying Options and Restricted Share Units Awarded	Exercise Price (US$/Share)**	Date of Grant	Date of Expiration**
Rui Chen	1,000,000	0.0001	March 2020	March 2028
	1,000,000	10.47	March 2020	March 2028
	3,000,000	0.0001	November 2020	November 2028
	412,000	N/A	December 2025	N/A
Ni Li	2,000,000	0.0001	November 2020	November 2028
	1,000,000	N/A	March 2023	N/A
	412,000	N/A	December 2025	N/A
JP Gan	13,463	0.0001	July 2022	July 2028
	12,632	N/A	June 2025	N/A
Eric He	12,632	N/A	June 2025	N/A
Xin Fan	60,000	0.0001	March 2020	March 2028
	60,000	10.47	March 2020	March 2028
	210,000	N/A	March 2023	N/A
Other grantees			Various dates from June 2019	Various dates from June 2026
	20,327,102	From nominal to US$10.47	To March 2026	to December 2028
Total	29,519,829			

Notes:

* Exercise price and date of expiration are not applicable to the granted restricted share units.

Equity Incentive Trusts

Bilibili Inc. Global Share Incentive Trust and Bilibili Inc. Special Share Incentive Trust, which we collectively refer to as the Equity Incentive Trusts, were established under their respective trust deeds, each dated November 28, 2017, between us and Ark Trust (Hong Kong) Limited, or Ark Trust, as trustee of each of the Equity Incentive Trusts. Through the Equity Incentive Trusts, our ordinary shares and other rights and interests under awards granted pursuant to our Global Share Plan may be provided to certain of recipients of equity awards. The participants in the Equity Incentive Trusts include our employees and certain of our executive officers.

Participants in the Equity Incentive Trusts transfer their equity awards to Ark Trust to be held for their benefit. Upon satisfaction of vesting conditions and request by grant recipients, Ark Trust will exercise the equity awards and transfer the relevant ordinary shares and other rights and interest under the equity awards to the relevant grant recipients with the consent of the trust administrator. Each of the trust deeds provides that Ark Trust shall not exercise the voting rights attached to such ordinary shares unless otherwise directed by the trust administrator, which is an authorized representative of our company.

C. Board Practices

Board of Directors

Our board of directors consists of seven directors. A director is not required to hold any shares in Bilibili by way of qualification. Subject to the Nasdaq Stock Market rules, a director may vote with respect to any contract, proposed contract or arrangement in which he is materially interested provided (a) such director, if his interest in such contract or arrangement is material, has declared the nature of his interest at the earliest meeting of the board at which it is practicable for him to do so, either specifically or by way of a general notice and (b) if such contract or arrangement is a transaction with a related party, such transaction has been approved by the audit committee. The directors may exercise all the powers of the company to borrow money, mortgage its undertaking, property and uncalled capital, and issue debentures or other securities whenever money is borrowed or as security for any obligation of the company or of any third party. None of our non-executive directors has a service contract with us that provides for benefits upon termination of service.

Committees of the Board of Directors

We have established four committees under the board of directors: an audit committee, a compensation committee, a nomination committee and a corporate governance committee. We have adopted a charter for each of the four committees. Each committee's members and functions are described below.

Audit Committee. Our audit committee consists of Eric He, JP Gan and Feng Li. Eric He is the chairman of our audit committee. We have determined that Eric He, JP Gan and Feng Li each satisfies the "independence" requirements of Rule 5605(c)(2) of the Nasdaq Stock Market Rules and meets the independence standards under Rule 10A-3 under the Exchange Act, as amended. We have determined that Eric He qualifies as an "audit committee financial expert." The audit committee oversees our accounting and financial reporting processes and the audits of the financial statements of our company. The audit committee is responsible for, among other things:

- appointing the independent registered public accounting firms and pre-approving all auditing and non-auditing services permitted to be performed by the independent registered public accounting firms;
- reviewing with the independent registered public accounting firms any audit problems or difficulties and management's response;
- discussing the annual audited financial statements with management and the independent registered public accounting firms;
- reviewing the adequacy and effectiveness of our accounting and internal control policies and procedures and any steps taken to monitor and control major financial risk exposures;
- reviewing and approving all proposed related party transactions;
- meeting separately and periodically with management and the independent registered public accounting firms; and
- monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance.

Compensation Committee. Our compensation committee consists of JP Gan, Eric He and Feng Li. JP Gan is the chairman of our compensation committee. We have determined that JP Gan, Eric He and Feng Li each satisfies the "independence" requirements of Rule 5605(a)(2) of the Nasdaq Stock Market Rules. The compensation committee assists the board in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers. Our chief executive officer may not be present at any committee meeting during which his compensation is deliberated. The compensation committee is responsible for, among other things:

- reviewing and approving, or recommending to the board for its approval, the compensation for our chief executive officer and other executive officers;
- reviewing and recommending to the board for determination with respect to the compensation of our non-employee directors;
- reviewing periodically and approving any incentive compensation or equity plans, programs or similar arrangements; and
- selecting compensation consultant, legal counsel or other adviser only after taking into consideration all factors relevant to that person's independence from management.

Nomination Committee. Our nomination committee consists of JP Gan, Eric He, Feng Li and Ni Li. JP Gan is the chairman of our nomination committee. We have determined that JP Gan, Eric He and Feng Li each satisfies the "independence" requirements of Rule 5605(a)(2) of the Nasdaq Stock Market Rules. The nomination committee assists the board of directors in selecting individuals qualified to become our directors and in determining the composition of the board and its committees. The nomination committee is responsible for, among other things:

- selecting and recommending to the board nominees for election by the shareholders or appointment by the board;
- reviewing annually with the board the current composition of the board with regards to characteristics such as independence, knowledge, skills, experience and diversity; and
- making recommendations on the frequency and structure of board meetings and monitoring the functioning of the committees of the board.

Corporate Governance Committee. Our corporate governance committee consists of JP Gan, Eric He and Feng Li. JP Gan is the chairman of our corporate governance committee. We have determined that JP Gan, Eric He and Feng Li each satisfies the "independence" requirements of Rule 5605(a)(2) of the Nasdaq Stock Market Rules. The corporate governance committee ensures that we are operated and managed for the benefit of all shareholders and to ensure our company's compliance with the Nasdaq Stock Market rules and the Hong Kong Listing Rules, and develops and recommends to the board a set of corporate governance guideline. The corporate governance committee is responsible for, among other things:

- advising the board periodically with regards to significant developments in the law and practice of corporate governance as well as our compliance with applicable laws and regulations, and making recommendations to the board on all matters of corporate governance and on any remedial action to be taken; and
- developing and reviewing periodically, and at least annually, the corporate governance principles and practices on corporate governance to assure that they are appropriate for our company and comply with the requirements of the Nasdaq Stock Market and the Hong Kong Listing Rules, and recommending any desirable changes to the board.

Duties of Directors

Under Cayman Islands law, our directors have a duty to act honestly, in good faith and with a view to our best interests. Our directors also have a duty to exercise the care, diligence and skills that a reasonably prudent person would exercise in comparable circumstances. In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association, as amended and restated from time to time, and the class rights vested thereunder in the holders of the shares. A shareholder may in certain circumstances have rights to damages if a duty owed by the directors is breached.

Our board of directors has all the powers necessary for managing, and for directing and supervising, our business affairs. The functions and powers of our board of directors include, among others:

- convening shareholders' annual general meetings and reporting its work to shareholders at such meetings;
- declaring dividends and distributions;
- appointing officers and determining the term of office of the officers;
- exercising the borrowing powers of our company and mortgaging the property of our company; and
- approving the transfer of shares in Bilibili, including the registration of such shares in our share register.

You should refer to "Item 10. Additional information—B. Memorandum and Articles of Association—Differences in Corporate Law" for additional information on our standard of corporate governance under Cayman Islands law.

Terms of Directors and Officers

Our officers are elected by and serve at the discretion of the board of directors. At each annual general meeting one-third of the directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring director shall be eligible for re-election. Bilibili Inc. at the general meeting at which a director retires may fill the vacated office. The directors to retire by rotation shall include (so far as necessary to obtain the number required) any director who wishes to retire and not to offer himself for re-election. Any director who has not been subject to retirement by rotation in the three years preceding the annual general meeting shall retire by rotation at such annual general meeting. Any further directors so to retire shall be those who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A director is not required to retire upon reaching any particular age. A director will be removed from office automatically if, among other things, the director (i) becomes bankrupt or makes any arrangement or composition with his creditors; or (ii) is found by our company to be or becomes of unsound mind.

D. Employees

We had 8,801 employees as of December 31, 2023, 8,088 employees as of December 31, 2024, and 8,423 employees as of December 31, 2025. The following table sets forth the numbers of our employees categorized by function as of December 31, 2025:

Function:	As of December 31, 2025
Products and technology	3,458
Content audit	2,624
Operations	1,755
Management, sales, finance and administration	586
Total	8,423

As of December 31, 2025, we had 5,597 employees in Shanghai, 772 employees in Chengdu, 438 employees in Nanjing, 460 employees in Wuhan and 1,156 employees in other locations.

As required under PRC regulations, we participate in housing funds and various employee social security plans that are organized by applicable local municipal and provincial governments, including housing funds, pension, maternity, medical, work-related injury and unemployment benefit plans, under which we make contributions at specified percentages of the salaries of our employees. We also purchase commercial health and accidental insurance for our employees. Bonuses are generally discretionary and based in part on employee performance and in part on the overall performance of our business. We have granted and plan to continue to grant share-based incentive awards to our employees in the future to incentivize their contributions to our growth and development.

We enter into standard confidentiality and employment agreements with our key employees. The contracts with our key personnel typically include a standard non-compete agreement that prohibits the employee from competing with us, directly or indirectly, during his or her employment and for at least one year after the termination of his or her employment.

E. Share Ownership

Except as otherwise noted, the following table sets forth information with respect to the beneficial ownership of our ordinary shares as of March 31, 2026 by:

- each of our directors and executive officers; and
- each person known to us to own beneficially more than 5% of our ordinary shares.

The calculations in the table below are based on 79,700,010 Class Y ordinary shares and 336,923,637 Class Z ordinary shares outstanding as of March 31, 2026 (excluding 8,410,463 Class Z ordinary shares issued and reserved for future issuance upon the exercising or vesting of awards granted under our share incentive plans).

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, we have included shares that the person has the right to acquire within 60 days after March 31, 2026, including through the exercise of any option, warrant or other right or the conversion of any other security. These shares, however, are not included in the computation of the percentage ownership of any other person.

	Ordinary Shares Beneficially Owned				
	Class Y Ordinary Shares	Class Z Ordinary Shares	Total Ordinary	% of Beneficial Ownership	% of Aggregate Voting Power
Directors and Executive Officers:**					
Rui Chen(1)	48,032,802	4,505,000	52,537,802	12.5%	42.4%
Ni Li(2)	7,200,000	2,120,000	9,320,000	2.2%	6.3%
Yi Xu(3)	24,467,208	2,945,000	27,412,208	6.6%	21.6%
JP Gan(4)	—	284,479	284,479	0.1%	0.0%
Eric He(5)	—	169,779	169,779	0.0%	0.0%
Feng Li(6)	—	—	—	—	—
Guoqi Ding(7)	—	—	—	—	—
Xin Fan	—	165,000	165,000	0.0%	0.0%
All Directors and Executive Officers as a Group	79,700,010	10,189,258	89,889,268	21.2%	70.3%
Principal Shareholders:					
Entities affiliated with Rui Chen(8)	48,032,802	—	48,032,802	11.5%	42.4%
Tencent entities(9)	—	43,749,518	43,749,518	10.5%	3.9%
Entity affiliated with Yi Xu(10)	24,467,208	2,900,000	27,367,208	6.6%	21.6%

Notes:

† For each person and group included in this column, percentage of voting power is calculated by dividing the voting power beneficially owned by such person or group by the voting power of all of our Class Y and Class Z ordinary shares as a single class. Each holder of Class Z ordinary shares is entitled to one vote per share and each holder of our Class Y ordinary shares is entitled to ten votes per share on all matters submitted to them for a vote. Our Class Y ordinary shares and Class Z ordinary shares vote together as a single class on all matters submitted to a vote of our shareholders, except as may otherwise be required by law. Our Class Y ordinary shares are convertible at any time by the holder thereof into Class Z ordinary shares on a one-for-one basis.

* Except as otherwise indicated below, the business address of our directors and executive officers is Building 3, Guozheng Center, No. 485 Zhengli Road, Yangpu District, Shanghai, People's Republic of China.

(1) Represents (i) 48,032,802 Class Y ordinary shares directly held by Vanship Limited, a business company limited by shares incorporated in British Virgin Islands, and (ii) 4,505,000 Class Z ordinary shares issuable to Mr. Rui Chen upon exercise of options within 60 days after March 31, 2026. Vanship Limited is controlled by The Le Petit Prince Trust, a trust established under the laws of Cayman Islands and managed by TMF (Cayman) Ltd. as the trustee. Mr. Chen is the settlor of The Le Petit Prince Trust, and Mr. Chen and his family members are the trust's beneficiaries. Under the terms of this trust, Mr. Chen has the power to direct the trustee with respect to the retention or disposal of, and the exercise of any voting and other rights attached to, the shares held by Vanship Limited in Bilibili, and, except for Mr. Chen, the other beneficiaries of the trust have no voting rights attached to such shares. There are certain limited circumstances in which the trustee would not be required to comply with such a direction (for example, where a direction may make the trustee subject to criminal sanction or civil liability or where a direction involves a transaction which might have an adverse impact on the reputation of the trustee). The above position would also not apply if Mr. Chen is incapacitated, has released his authority or nominated another person to have such authority in his place.

(2) Represents (i) 7,200,000 Class Y ordinary shares directly held by Saber Lily Limited, a business company limited by shares incorporated in British Virgin Islands, and (ii) 2,120,000 Class Z ordinary shares issuable to Ms. Ni Li upon exercise of options within 60 days after March 31, 2026. Saber Lily Limited is controlled by The Fortuna Trust, a trust established under the laws of Cayman Islands and managed by TMF (Cayman) Ltd. as the trustee. Ms. Li is the settlor of The Fortuna Trust, and Ms. Li and her family members are the trust's beneficiaries. Under the terms of this trust, Ms. Li has the power to direct the trustee with respect to the retention or disposal of, and the exercise of any voting and other rights attached to, the shares held by Saber Lily Limited in Bilibili, and, except for Ms. Li, the other beneficiaries of the trust have no voting rights attached to such shares. There are certain limited circumstances in which the trustee would not be required to comply with such a direction (for example, where a direction may make the trustee subject to criminal sanction or civil liability or where a direction involves a transaction which might have an adverse impact on the reputation of the trustee). The above position would also not apply if Ms. Li is incapacitated, has released her authority or nominated another person to have such authority in her place.

(3) Represents (i) 24,467,208 Class Y ordinary shares and 2,900,000 Class Z ordinary shares in the form of ADSs directly held by Kami Sama Limited, a business company limited by shares incorporated in British Virgin Islands, and (ii) 45,000 Class Z ordinary shares in the form of ADSs held by Mr. Xu. Kami Sama Limited pledged an aggregate of 2,900,000 ADSs to secure its obligations under several prepaid variable forward sale contracts with an unaffiliated third party buyer, including its obligation to deliver to such third party up to an aggregate of 2,900,000 ADSs on the respective maturity dates of these contracts. This information is based on the Form 3 filed by Mr. Yi Xu on March 17, 2026. Kami Sama Limited is controlled by The Homur Trust, a trust established under the laws of Cayman Islands and managed by TMF (Cayman) Ltd. as the trustee. Mr. Yi Xu is the settlor of The Homur Trust, and Mr. Xu and his family members are the trust's beneficiaries. Under the terms of this trust, Mr. Xu has the power to direct the trustee with respect to the retention or disposal of, and the exercise of any voting and other rights attached to, the shares held by Kami Sama Limited in Bilibili, and, except for Mr. Xu, the other beneficiaries of the trust have no voting rights attached to such shares. There are certain limited circumstances in which the trustee would not be required to comply with such a direction (for example, where a direction may make the trustee subject to criminal sanction or civil liability or where a direction involves a transaction which might have an adverse impact on the reputation of the trustee). The above position would also not apply if Mr. Xu is incapacitated, has released his authority or nominated another person to have such authority in his place.

(4) The business address of Mr. JP Gan is Suite 909, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong.

(5) The business address of Mr. Eric He is 2F-1, No. 495, Guangfu S. Road, Xinyi District, Taipei City 110007, Taiwan.

(6) The business address of Mr. Feng Li is Room 701, Tower 1, Liangmaqiao Diplomatic Office Building, No 19 Dongfangdong Road, Chaoyang District, Beijing, People's Republic of China.

(7) The business address of Mr. Guoqi Ding is Room 902, Building 1, 1500 Changyi Road, Pudong New Area, Shanghai, People's Republic of China.

(8) Represents 48,032,802 Class Y ordinary shares directly held by Vanship Limited, a business company limited by shares incorporated in British Virgin Islands. The registered address of Vanship Limited is Start Chambers, Wickham's Cay II., P.O. Box 2221, Road Town, Tortola, British Virgin Islands.

(9) Represents (i) 10,954,357 Class Z ordinary shares directly held by Huang River Investment Limited, a wholly owned subsidiary of Tencent Holdings Limited, and (ii) 32,795,161 Class Z ordinary shares directly held by Tencent Mobility Limited, a wholly owned subsidiary of Tencent Holdings Limited, based on the Schedule 13G/A filed on February 1, 2024. The address of principal business office for both Tencent Mobility Limited and Tencent Holdings Limited is Level 29, Three Pacific Place, No. 1 Queen's Road East, Wanchai, Hong Kong.

(10) Represents 24,467,208 Class Y ordinary shares and 2,900,000 Class Z ordinary shares in the form of ADSs directly held by Kami Sama Limited, a business company limited by shares incorporated in British Virgin Islands. Kami Sama Limited pledged an aggregate of 2,900,000 ADSs to secure its obligations under several prepaid variable forward sale contracts with an unaffiliated third party buyer, including its obligation to deliver to such third party up to an aggregate of 2,900,000 ADSs on the respective maturity dates of these contracts. This information is based on the Form 3 filed by Mr. Yi Xu on March 17, 2026. The registered address of Kami Sama Limited is Start Chambers, Wickham's Cay II., P.O. Box 2221, Road Town, Tortola, British Virgin Islands.

To our knowledge, as of March 31, 2026, 25,257,846 of our Class Z ordinary shares were held by two record holders in the United States, representing approximately 5.9% of our total outstanding shares on an as converted basis (including the 8,410,463 Class Z ordinary shares issued and reserved for future issuance upon the exercising or vesting of awards granted under our share incentive plans). One of the holders is Deutsche Bank Trust Company Americas, the depositary of our ADS program, which held 7.3% Class Z ordinary shares on record as of March 31, 2026. The number of beneficial owners of the ADSs in the United States is likely to be much larger than the number of record holders of our ordinary shares in the United States.

F. Disclosure of A Registrant's Action to Recover Erroneously Awarded Compensation

Not applicable.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

Please refer to "Item 6. Directors, Senior Management and Employees—E. Share Ownership."

B. Related Party Transactions

Contractual Arrangements with the Relevant VIEs and Their Respective Individual Shareholders

See "Item 4. Information on the Company—C. Organizational Structure."

Employment Agreements and Indemnification Agreements

We have entered into employment agreements with each of our executive officers. Under these agreements, each of our executive officers is employed for a specified time period. We may terminate employment for cause, at any time, without advance notice or remuneration, for certain acts of the executive officer, such as conviction or plea of guilty to a felony or any crime involving moral turpitude, negligent or dishonest acts to our detriment, or misconduct or a failure to perform agreed duties. We may also terminate an executive officer's employment without cause upon three-month advance written notice. In such case of termination by us, we will provide severance payments to the executive officer as expressly required by applicable law of the jurisdiction where the executive officer is based. The executive officer may resign at any time with a three-month advance written notice.

Each executive officer has agreed to hold, both during and after the termination or expiry of his or her employment agreement, in strict confidence and not to use, except as required in the performance of his or her duties in connection with the employment or pursuant to applicable law, any of our confidential information or trade secrets, any confidential information or trade secrets of our clients or prospective clients, or the confidential or proprietary information of any third party received by us and for which we have confidential obligations. The executive officers have also agreed to disclose in confidence to us all inventions, designs and trade secrets which they conceive, develop or reduce to practice during the executive officer's employment with us and to assign all right, title and interest in them to us, and assist us in obtaining and enforcing patents, copyrights and other legal rights for these inventions, designs and trade secrets.

In addition, each executive officer has agreed to be bound by non-competition and non-solicitation restrictions during the term of his or her employment and typically for one year following the last date of employment. Specifically, each executive officer has agreed not to (i) approach our suppliers, clients, customers or contacts or other persons or entities introduced to the executive officer in his or her capacity as a representative of us for the purpose of doing business with such persons or entities that will harm our business relationships with these persons or entities; (ii) assume employment with or provide services to any of our competitors, or engage, whether as principal, partner, licensor or otherwise, any of our competitors, without our express consent; or (iii) seek directly or indirectly, to solicit the services of any of our employees who is employed by us on or after the date of the executive officer's termination, or in the year preceding such termination, without our express consent.

We have also entered into indemnification agreements with each of our directors and executive officers. Under these agreements, we agree to indemnify our directors and executive officers against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being a director or officer of Bilibili.

Share Incentive Plans

See "Item 6. Directors, Senior Management and Employees—B. Compensation—Share Incentive Plans."

Other Related Party Transactions

Purchases of goods and services. For the years ended December 31, 2023, 2024 and 2025, we purchased goods and promotional and other services amounting to RMB172.5 million, RMB124.0 million and RMB118.2 million (US$16.9 million), respectively, from certain related parties.

Sale of goods and services. For the years ended December 31, 2023, 2024 and 2025, we sold goods and live broadcasting and other services amounting to RMB12.7 million, RMB12.0 million and RMB17.8 million (US$2.5 million), respectively, to certain related parties.

Loans to an equity investee. In 2025, we provided interest-bearing loans to an equity investee of RMB270.0 million. The loans were non-trade in nature. The annual interest rate of the loans was 4.5%. For the years ended December 31, 2023, 2024 and 2025, the largest outstanding amount of the loans was RMB270.0 million. As of March 31, 2026, there is no outstanding balance of these loans on a consolidated basis.

Funds (from)/ to the Entity. In 2020, we established an entity with an independent third party and two entities each controlled by Mr. Rui Chen and Ms. Ni Li to acquire the land use rights for a parcel of land in Shanghai for future construction. We provided interest-bearing guaranteed loans to this entity for its operation. The annual interest rate of the loans was 3.6% as of December 31, 2025. For the years ended December 31, 2023, 2024 and 2025, the largest outstanding amount of the loans was RMB823.4 million. As of March 31, 2026, the outstanding balance of the loans to this entity was RMB868.1 million.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

We have appended consolidated financial statements filed as part of this annual report.

Legal Proceedings

We may from time to time be subject to various legal or administrative claims and proceedings arising in the ordinary course of business. We are currently involved in approximately 400 lawsuits based on allegations of infringement of third-party copyright due to the content posted on our platform, which are immaterial to our company on an individual basis or a collective basis. Material litigation or any other material legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management's time and attention.

Under the current PRC regulatory scheme, a number of regulatory agencies, including, but not limited to, the National Radio and Television Administration, the National Press and Publication Administration, the Ministry of Culture and Tourism, the Ministry of Industry and Information Technology, and the Cyberspace Administration of China, jointly regulate all major aspects of the internet industry, including the mobile internet and mobile games business. Operators must obtain various government approvals and licenses for relevant mobile business.

We have obtained Value-added Telecommunication Business Licenses for the provision of value-added telecommunication business, License for Online Transmission of Audio-Visual Programs for the provision of internet audio-visual program services, Online Culture Operating Permits for operation of commercial internet culture activities, and Licenses for Production and Operation of Radio and Television Programs for the radio, television and anime production and operation business. These licenses are essential to the operation of our business and are generally subject to regular government review or renewal. For more detailed information, see "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—If we fail to obtain and maintain the licenses and approvals required within the complex regulatory environment applicable to our businesses in mainland China, or if we are required to take compliance actions that are time-consuming or costly, our business, financial condition and results of operations may be materially and adversely affected."

Under regulations issued by the State Administration of Press, Publication, Radio, Film and Television, the publication of each online game requires approval from the State Administration of Press, Publication, Radio, Film and Television, and after the institutional restructuring of the State Administration of Press, Publication, Radio, Film and Television, we currently apply with the National Press and Publication Administration for the approvals for publishing our games. As of the date of this annual report, we have obtained approvals from the National Press and Publication Administration for all of the domestic and imported online games exclusively operated by us which are in operation in the PRC. For the online games we jointly operate with third parties, we also require them to obtain requisite approvals from the National Press and Publication Administration. In 2023, 2024 and 2025, substantially all of the revenues from our jointly operated mobile games in China were contributed by approximately 30 of our online jointly operated mobile games in the PRC, and all of them have obtained approvals from the National Press and Publication Administration.

The material regulations directly relevant to our business include but not limited to the Administrative Regulations on Internet Audio-Visual Program Service, the Administrative Provisions on Online Audio-Visual Information Services, the Notice on Strengthening the Administration of the Content of Internet Audio-Visual Programs, the Administrative Regulations on Online Live Broadcasting Services, the Notice on Strengthening the Management of Online Show Live Broadcasting and E-commerce Live Broadcasting, the Notice on Strengthen the Management of Live Broadcasting Service, Notice on Further Strict Management to Effectively Prevent Minors from Being Addicted to Online Games and the Law of the PRC on the Protection of Minors (2024 Revision). See "Item 4. Information on the Company—B. Business Overview—Regulations" for more information.

We are not currently a party to, nor are we aware of, any other legal proceeding, investigation or claim which, in the opinion of our management, is likely to have a material adverse effect on our business, financial condition or results of operations.

Dividend Policy

Our board of directors has complete discretion on whether to distribute dividends, subject to certain requirements of Cayman Islands law. Even if our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant.

We do not have any present plan to pay any cash dividends on our ordinary shares in the foreseeable future. We currently intend to retain most, if not all, of our available funds and any future earnings to operate and expand our business.

Bilibili is a holding company incorporated in the Cayman Islands. It may rely on dividends from its subsidiaries in China for its cash requirements, including any payment of dividends to its shareholders. PRC regulations may restrict the ability of our PRC subsidiaries to pay dividends to us. See "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Dividend Distributions."

If we pay any dividends on our ordinary shares, we will pay those dividends which are payable in respect of the Class Z ordinary shares underlying the ADSs to the depositary, as the registered holder of such Class Z ordinary shares, and the depositary then will pay such amounts to the ADS holders in proportion to Class Z ordinary shares underlying the ADSs held by such ADS holders, subject to the terms of the deposit agreement, including the fees and expenses payable thereunder. Cash dividends on our ordinary shares, if any, will be paid in U.S. dollars.

B. Significant Changes

We have not experienced any significant changes since the date of our audited consolidated financial statements included in this annual report.

ITEM 9. THE OFFER AND LISTING

A. Offering and Listing Details

See "C. Markets" for our host market and trading symbol. We have a dual-class common share structure in which Class Y ordinary shares have different voting rights from Class Z ordinary shares. Class Y ordinary shares are each entitled to ten votes, whereas Class Z ordinary shares are each entitled to one vote. See "Item 3. Key Information—D. Risk Factors—Risks Related to Our Listed Securities—Our dual-class share structure with different voting rights will limit your ability to influence corporate matters and could discourage others from pursuing any change of control transactions that holders of our Class Z ordinary shares and ADSs may view as beneficial."

Our Class Z ordinary shares have been listed on the Hong Kong Stock Exchange since March 29, 2021 under the stock code "9626."

B. Plan of Distribution

Not applicable.

C. Markets

The ADSs, each representing one Class Z ordinary share, have been listed on the Nasdaq Global Select Market since March 28, 2018. The ADSs trade under the symbol "BILI."

Our Class Z ordinary shares have been listed on the Hong Kong Stock Exchange since March 29, 2021 under the stock code "9626."

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

The following are summaries of material provisions of our eighth amended and restated memorandum and articles of association that we have adopted and of the Companies Act (as amended) of the Cayman Islands, or the Companies Act, insofar as they relate to the material terms of our ordinary shares.

Shares

Objects of Our Company. Under our eighth amended and restated memorandum and articles of association, the objects of our company are unrestricted and we have the full power and authority to carry out any object not prohibited by the Companies Act or any other law of the Cayman Islands.

Ordinary Shares. Our ordinary shares are divided into Class Y ordinary shares and Class Z ordinary shares. Holders of our Class Y ordinary shares and Class Z ordinary shares will have the same rights except for voting and conversion rights. Each Class Z Ordinary Share shall entitle the holder thereof to one (1) vote on all matters subject to vote at our general meetings, and each Class Y ordinary share shall entitle the holder thereof to ten (10) votes on all matters subject to vote at our general meetings. Class Y ordinary shares shall only be held by the founder or a limited partnership, trust, private company or other vehicle wholly owned or wholly controlled by the founder as defined as "Founder Holding Vehicle" under our eighth amended and restated memorandum and articles of association. Our ordinary shares are issued in registered form and are issued when registered in our register of members. Our company shall not take any action (including the issue or repurchase of shares of any class) that would result in (a) the aggregate number of votes entitled to be cast by all holders of Class Z ordinary shares (for the avoidance of doubt, excluding those who are also holders of Class Y ordinary shares) present at a general meeting to be less than 10% of the votes entitled to be cast by all members at a general meeting; or (b) an increase in the proportion of Class Y ordinary shares to the total number of shares in issue. No further Class Y ordinary shares shall be issued by our company, except with the prior approval of the Hong Kong Stock Exchange under limited circumstances as specified in the eighth amended and restated memorandum and articles of association. In the event our company reduces the number of shares in issue (e.g., through a purchase of its own shares), the holders of Class Y ordinary shares shall reduce their voting rights in our company proportionately, whether through a conversion of a portion of their Class Y ordinary shares or otherwise, if the reduction in the number of shares in issue would otherwise result in an increase in the proportion of Class Y ordinary shares to the total number of shares in issue.

Conversion. Each Class Y ordinary share is convertible into one Class Z ordinary share at any time at the option of the holder thereof. Class Z ordinary shares are not convertible into Class Y ordinary shares under any circumstances. Subject to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time, or Hong Kong Listing Rules, or other applicable laws or regulations, each Class Y ordinary share shall be automatically converted into one Class Z ordinary share upon the occurrence of the following events: (i) the death of the holder of such Class Y ordinary share (or, where the holder is a holding vehicle, the death of the founder holding or controlling such vehicle); (ii) the holder of such Class Y ordinary share ceasing to be a director or a holding vehicle for the founder for any reason; (iii) the holder of such Class Y ordinary share (or the founder holding or controlling the holding vehicle) being deemed by the Hong Kong Stock Exchange to be incapacitated for the purpose of performing his duties as a director; (iv) the holder of such Class Y ordinary Share (or the founder holding or controlling the holding vehicle) being deemed by the Hong Kong Stock Exchange to no longer meet the requirements of a director set out in the Hong Kong Listing Rules; and (v) the transfer to another person of the beneficial ownership of, or economic interest in, such Class Y ordinary share or the control over the voting rights attached to such Class Y ordinary share (through voting proxies or otherwise), other than certain exceptions as specified in the eighth amended and restated memorandum and articles of association.

Dividends. The holders of our ordinary shares are entitled to such dividends as may be declared by our board of directors. Our eighth amended and restated memorandum and articles of association provide that dividends may be declared and paid out of funds legally available for distribution including our profits, which our board of directors thinks fit. Dividends may also be declared and paid out of share premium account or any other fund or account of our company which can be authorized for this purpose in accordance with the Companies Act. Under the laws of the Cayman Islands, our company may pay a dividend out of either profit or share premium accounts; *provided* that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business.

Voting Rights. Holders of our ordinary shares have the right to receive notice of, attend, speak and vote at general meetings of our company. On a show of hands every shareholder present in person or proxy shall each have one vote and on a poll, each holder of Class Z ordinary shares is entitled to one (1) vote per share and each holder of our Class Y ordinary shares is entitled to ten (10) votes per share on all matters submitted to them for a vote at our general meetings. Our company shall not change the terms of the Class Y ordinary shares to increase the number of votes to which each Class Y ordinary share is entitled. Holders of our Class Y ordinary shares and Class Z ordinary shares shall at all times vote together as a single class on all matters submitted to a vote by our shareholders, except as may otherwise be required by law. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman of such meeting or any shareholder present in person or by proxy.

A quorum required for a meeting of shareholders consists of one or more shareholders holding in aggregate not less than one-tenth of all votes attaching to all shares of our company in issue and entitled to vote at such general meeting, present in person or by proxy or, if a corporation or other non-natural person, by its duly authorized representative. Advance notice of at least twenty-one (21) calendar days is required for the convening of our annual general meeting and at least fourteen (14) calendar days any other shareholders meetings.

An ordinary resolution to be passed at a meeting by the shareholders requires the affirmative vote of a simple majority of the votes attaching to the ordinary shares cast by those shareholders entitled to vote who are present in person or by proxy (or, in the case of corporations, by their duly authorized representatives) at a general meeting and of which not less than 14 days' notice has been duly given. A special resolution requires the affirmative vote of no less than three-fourths of the votes cast by such shareholders as, being entitled to do so, vote in person or by proxy (or, in the case of corporations, by their authorized representatives) at a general meeting. Both ordinary resolutions and special resolutions may also be passed by a unanimous written resolution signed by all the shareholders of our company, as permitted by the Companies Act and our eighth amended and restated memorandum and articles of association. A special resolution will be required for important matters such as a change of name or making changes that will affect the rights of our shareholders.

General Meetings of Shareholders. In each financial year during the period commencing from the date on which any of the securities of our company first become listed on the Hong Kong Stock Exchange, our company shall hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it. Our company shall hold the annual general meeting within six months after the end of its financial year. The annual general meeting shall be held in Hong Kong or such other territory where any of the securities of our company is listed on a stock exchange in that territory, or elsewhere as may be determined by the board of directors and at such time and place as the board of directors shall appoint. All general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) may be held as a physical meeting in Hong Kong or such other territory where any of the securities of our company is listed on a stock exchange in that territory or elsewhere as may be determined by our board of directors, and at one or more locations as provided in Article 70A of our eighth amended and restated memorandum and articles of association, as a hybrid meeting or as an electronic meeting, as may be determined by the board of directors in its absolute discretion.

An annual general meeting of our company shall be called by at least 21 days' notice in writing, and a general meeting of our company, other than an annual general meeting, shall be called by at least 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the day, the hour and the agenda of the meeting and particulars of the resolutions to be considered at that meeting. A quorum required for any general meeting of shareholders consists of one or more shareholders present in person or by proxy (or, if a corporation or other non-natural person, by its authorized representative), representing not less than one-tenth of all votes attaching to all of our shares in issue and entitled to vote at such general meeting. Where a general meeting is postponed by our directors, such meeting shall be postponed to a specific date and time. Save for an electronic meeting, the notice shall specify the place of the meeting and if there is more than one meeting location as determined by our board of directors pursuant to Article 70A of our eighth amended and restated memorandum and articles of association, the principal meeting place. If the general meeting is to be a hybrid meeting or an electronic meeting, the notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting or where such details will be made available by our company prior to the meeting.

The Companies Act provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our eighth amended and restated memorandum and articles of association provide that upon the requisition of shareholders representing in aggregate not less than one-tenth of the votes (on a one-vote-per-share basis) attaching to all the issued and outstanding shares of our company that as at the date of the deposit carry the right to vote at general meetings, our board will convene an extraordinary general meeting and put the resolutions so requisitioned to a vote at such meeting. However, our eighth amended and restated memorandum and articles of association do not provide our shareholders with any right to put any proposals before annual general meetings or extraordinary general meetings not called by such shareholders.

Transfer of Ordinary Shares. Subject to the restrictions set out below, any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in writing, and shall be executed by or on behalf of the transferor, and in respect a nil or partly paid up share, or if our directors so requires, signed on behalf of the transferee.

Our board of directors may decline to register any transfer of any ordinary share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of ordinary shares;
- the instrument of transfer is properly stamped, if required;
- in the case of a transfer to joint holders, the number of joint holders to whom the ordinary share is to be transferred does not exceed four; and
- a fee of sum as our directors may from time to time require is paid to us in respect thereof.

If our directors refuse to register a transfer they shall, within three (3) calendar months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, after compliance with any notice required of the Nasdaq Stock Market, be suspended and the register closed at such times and for such periods as our board of directors may from time to time determine; *provided* that the registration of transfers shall not be suspended nor the register closed for more than thirty (30) days in any calendar year.

Liquidation. Subject to the Companies Act, our company may at any time and from time to time be wound up voluntarily by special resolution. On the winding up of our company, if the assets available for distribution amongst our shareholders shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst our shareholders in proportion to the par value of the shares held by them at the commencement of the winding up, subject to a deduction from those shares in respect of which there are monies due, of all monies payable to our company for unpaid calls or otherwise. If our assets available for distribution are insufficient to repay the whole of the share capital, such assets will be distributed so that, as nearly as may be, the losses shall be borne by our shareholders in proportion to the par value of the shares held by them.

Calls on Shares and Forfeiture of Shares. Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their shares in a notice served to such shareholders at least fourteen (14) calendar days prior to the specified time of payment. The shares that have been called upon and remain unpaid are subject to forfeiture.

Redemption, Repurchase and Surrender of Shares. We may issue shares on terms that such shares are subject to redemption, at our option or at the option of the holders of these shares, on such terms and in such manner as may be determined by our board of directors, or by the shareholders by special resolutions. Our company may also repurchase any of our shares on such terms and in such manner as have been approved by our board of directors or by an ordinary resolution of our shareholders or otherwise authorized by our eighth amended and restated memorandum and articles of association. Under the Companies Act, the redemption or repurchase of any share may be paid out of our company's profits or out of the proceeds of a new issue of shares made for the purpose of such redemption or repurchase, or out of capital (including share premium account and capital redemption reserve) if our company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business. In addition, under the Companies Act no such share may be redeemed or repurchased (a) unless it is fully paid up, or (b) if such redemption or repurchase would result in there being no shareholders of the company holding shares other than treasury shares, or (c) if the company has commenced liquidation. In addition, our company may accept the surrender of any fully paid share for no consideration.

Variations of Rights of Shares. If at any time, our share capital is divided into different classes of shares, the rights attached to any class of shares may, subject to any rights or restrictions for the time being attached to any class of shares, only be varied with the consent in writing of three-fourths of the voting rights of the holders of that class or with the sanction of a resolution passed at a separate meeting of the holders of the shares of the class by the holders of three-fourths of the issued shares of that class present in person or by proxy and voting at such meeting. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be materially adversely varied by the creation or issue of further shares ranking pari passu with such existing class of shares or with enhanced or weighted voting rights or subsequent to such creation or issue, the redemption or repurchase of such shares.

Issuance of Additional Shares. Our eighth amended and restated memorandum and articles of association authorizes our board of directors to issue additional ordinary shares from time to time as our board of directors shall determine, to the extent of available authorized but unissued shares.

Our eighth amended and restated memorandum of articles and association also authorizes our board of directors to establish by ordinary resolutions from time to time one or more series of preference shares and to determine, with respect to any series of preference shares, the terms and rights of that series, including:

- the designation of the series;
- the number of preferred shares to constitute such series and the subscription price thereof if different from the par value thereof;
- the dividend rights, dividend rates, conversion rights, voting rights; and
- the rights and terms of redemption and liquidation preferences.

Our board of directors may issue preference shares without action by our shareholders to the extent authorized but unissued. Issuance of these shares may dilute the voting power of holders of ordinary shares.

Inspection of Books and Records. During the period commencing from the date on which any of the securities of our company first become listed on the Hong Kong Stock Exchange (except when the register is closed on terms equivalent to section 632 of the Companies Ordinance, Cap. 622 of the Laws of Hong Kong as amended from time to time), any shareholder may inspect during business hours any register maintained in Hong Kong without charge and require the provision to him of copies or extracts thereof in all respects as if our company were incorporated under and were subject to the Companies Ordinance.

Anti-Takeover Provisions. Some provisions of our eighth amended and restated memorandum and articles of association may discourage, delay or prevent a change of control of our company or management that shareholders may consider favorable, including provisions that:

- authorize our board of directors to issue preference shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preference shares without any further vote or action by our shareholders; and
- limit the ability of shareholders to requisition and convene general meetings of shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our eighth amended and restated memorandum and articles of association for a proper purpose and for what they believe in good faith to be in the best interests of our company.

Exempted Company. We are an exempted company with limited liability under the Companies Act. The Companies Act distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except that an exempted company:

- does not have to file an annual return of its shareholders with the Registrar of Companies;
- is not required to open its register of members for inspection;
- does not have to hold an annual general meeting;
- may issue shares with no par value;
- may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- may register as an exempted limited duration company; and
- may register as a segregated portfolio company.

"Limited liability" means that the liability of each shareholder is limited to the amount unpaid by the shareholder on the shares of the company (except in exceptional circumstances, such as involving fraud, the establishment of an agency relationship or an illegal or improper purpose or other circumstances in which a court may be prepared to pierce or lift the corporate veil).

Differences in Corporate Law

The Companies Act is derived, to a large extent, from the older Companies Acts of England but does not follow recent United Kingdom statutory enactments, and accordingly there are significant differences between the Companies Act and the current Companies Act of England.

In addition, the Companies Act differs from laws applicable to United States corporations and their shareholders. Set forth below is a summary of certain significant differences between the provisions of the Companies Act applicable to us and the laws applicable to United States corporations and companies incorporated in the State of Delaware and their shareholders.

Mergers and Similar Arrangements. The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (1) "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company and (2) a "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies in the consolidated company.

In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (1) a special resolution of the shareholders of each constituent company, and (2) such other authorization, if any, as may be specified in such constituent company's articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies together with a declaration as to, amongst other matters, the solvency of the consolidated or surviving company, a statement of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

In addition, there are statutory provisions that facilitate compromises or arrangements between a Cayman Islands company and its members (or any class of them). merger between a Cayman parent company and its Cayman subsidiary or subsidiaries does not require authorization by a resolution of shareholders of that Cayman subsidiary if a copy of the plan of merger is given to every member of that Cayman subsidiary to be merged unless that member agrees otherwise. For this purpose a company is a "parent" of a subsidiary if it holds issued shares that together represent at least 90% of the votes at a general meeting of the subsidiary.

The consent of each holder of a fixed or floating security interest over a constituent company is required unless this requirement is waived by a court in the Cayman Islands.

Save in certain limited circumstances, a shareholder of a Cayman constituent company who dissents from the merger or consolidation is entitled to payment of the fair value of his shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) upon dissenting to the merger or consolidation, provide the dissenting shareholder complies strictly with the procedures set out in the Companies Act. The exercise of dissenter rights will preclude the exercise by the dissenting shareholder of any other rights to which he or she might otherwise be entitled by virtue of holding shares, save for the right to seek relief on the grounds that the merger or consolidation is void or unlawful.

Separate from the statutory provisions relating to mergers and consolidations, the Companies Act also contains statutory provisions that facilitate the reconstruction and amalgamation of companies by way of schemes of arrangement. Section 86(2A) of the Companies Act provides that if 75% in value of the members (or class of members) of a Cayman Islands company agree to any compromise or arrangement, such compromise or arrangement shall, if sanctioned by the Cayman Court, be binding on all members (or class of members) of such company and on the company itself. Where a Cayman Islands company is in the course of being wound up, such compromise or arrangement would be binding on the liquidator and contributories of the company. Section 86(2) of the Companies Act also requires (a) approval by a majority in number representing 75% in value; and (b) the sanction of the Grand Court of the Cayman Islands, in relation to any compromise or arrangement between a company and its creditors (or any class of them). At the initial directions hearing, the Cayman Islands court will make orders for, amongst other things, the convening of the meetings of creditors or members (or classes of them, as applicable). While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the Grand Court can be expected to approve the arrangement if it determines that:

- the company has complied with the directions set down by the Cayman Islands court;

- the meeting was properly held and the statutory provisions as to the required majority vote have been met;
- the shareholders have been fairly represented at the meeting in question and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class; and
- the arrangement is such that may be reasonably approved by an intelligent and honest man of that class acting in respect of his/her interest.

If a compromise or arrangement of a Cayman Islands company is approved by the members in the context of a members' scheme and the Cayman Islands court subsequently sanctions such scheme (as described above), a dissenting shareholder would have no rights comparable to the appraisal rights which it would have if the company in question were a Delaware corporation (being the right to receive payment in cash for the judicially determined value of its shares). This is because such scheme will be binding on all members (or class of members), regardless of whether all the members (or class of members) approved the scheme, upon the sanction order being made. Having said that, a dissenting shareholder would have the right to appeal the making of the sanction order to the Cayman Islands Court of Appeal, if there were grounds for doing so.

Shareholders' Suits. In principle, we will normally be the proper plaintiff to sue for a wrong done to us as a company, and as a general rule a derivative action may not be brought by a minority shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority in the Cayman Islands, the Cayman Islands court can be expected to follow and apply the common law principles (namely the rule in Foss v. Harbottle and the exceptions thereto) so that a non-controlling shareholder may be permitted to commence a class action against or derivative actions in the name of our company to challenge actions where:

- an act which is ultra vires or illegal and is therefore incapable of ratification by the shareholders;
- the act complained of, although not ultra vires, could only be effected duly if authorized by more than a simple majority vote that has not been obtained; and
- an act which constitutes a fraud against the minority where the wrongdoer are themselves in control of the company.

Indemnification of Directors and Executive Officers and Limitation of Liability. Cayman Islands law does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime.

Our memorandum and articles of association permit indemnification of officers and directors for losses, damages, costs and expenses incurred in their capacities as such unless such losses or damages arise from dishonesty or fraud of such directors or officers. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation.

In addition, we have entered into indemnification agreements with our directors and executive officers that provide such persons with additional indemnification beyond that provided in our memorandum and articles of association.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers or persons controlling us under the foregoing provisions, we have been informed that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Directors' Fiduciary Duties. Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components: the duty of care and the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction.

The duty of loyalty requires that a director acts in a manner he or she reasonably believes to be in the best interests of the corporation. He or she must not use his corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interest of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally.

In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, the director must prove the procedural fairness of the transaction and that the transaction was of fair value to the corporation.

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company and therefore it is considered that he or she owes the following duties to the company:

- a duty to act in good faith in the best interests of the company,
- a duty not to make a personal profit based on his or her position as director (unless the company permits him or her to do so),
- a duty not to put himself or herself in a position where the interests of the company conflict with his or her personal interest or his or her duty to a third party, and
- a duty to exercise powers for the purpose for which such powers were intended.

A director of a Cayman Islands company owes to the company a duty of care, diligence and skill. It was previously considered that a director need not exhibit in the performance of his or her duties a greater degree of skill than may reasonably be expected from a person of his or her knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands.

Shareholder Action by Written Consent. Under the Delaware General Corporation Law, a corporation may eliminate the right of shareholders to act by written consent by amendment to its certificate of incorporation. Cayman Islands law and our currently effective memorandum and articles of association provide that our shareholders may approve corporate matters by way of a unanimous written resolution signed by or on behalf of all shareholders who would have been entitled to vote on such matter at a general meeting without a meeting being held.

Shareholder Proposals. Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

The Companies Act does not provide shareholders with an express right to put forth any proposal before a general meeting of the shareholders. However, the Companies Act may provide shareholders with limited rights to requisition a general meeting but such rights must be stipulated in the articles of association of the company.

Any one or more shareholders holding in aggregate not less than one-tenth of the voting rights on a one vote per share basis, in the share capital of the company at the date of deposit of the requisition shall at all times have the right, by written requisition to the board of directors or the secretary of the company, to require an extraordinary general meeting to be called by the board of directors for the transaction of any business specified in such requisition.

Cumulative Voting. Under the Delaware General Corporation Law, cumulative voting for election of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled on a single director, which increases the shareholder's voting power with respect to electing such director.

There are no prohibitions relating to cumulative voting under the laws of the Cayman Islands, but our memorandum and articles of association do not provide for cumulative voting. As a result, our shareholders are not afforded any less protections or rights on this issue than shareholders of a Delaware corporation.

Removal of Directors. Under the Delaware General Corporation Law, a director of a corporation with a classified board may be removed only for cause with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under our memorandum and articles of association, directors may be removed with or without cause, by an ordinary resolution of our shareholders at any time before the expiration of his term of office notwithstanding anything in our memorandum and articles of association or in any agreement between our company and such director (but without prejudice to any claim for damages under any such agreement).

Transactions with Interested Shareholders. The Delaware General Corporation Law contains a business combination statute applicable to Delaware public corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date that such person becomes an interested shareholder. An interested shareholder generally is a person or a group who or which owns or owned 15% or more of the target's outstanding voting shares within the past three years.

This statute has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction which resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that such transactions must be entered into bona fide in the best interests of the company and for a proper purpose and not with the effect of constituting a fraud on the minority shareholders.

Restructuring. A company may present a petition to the Grand Court of the Cayman Islands for the appointment of a restructuring officer on the grounds that the company:

- is or is likely to become unable to pay its debts; and
- intends to present a compromise or arrangement to its creditors (or classes thereof) either pursuant to the Companies Act, the law of a foreign country or by way of a consensual restructuring.

The Grand Court may, among other things, make an order appointing a restructuring officer upon hearing of such petition, with such powers and to carry out such functions as the court may order. At any time (i) after the presentation of a petition for the appointment of a restructuring officer but before an order for the appointment of a restructuring officer has been made, and (ii) when an order for the appointment of a restructuring officer is made, until such order has been discharged, no suit, action or other proceedings (other than criminal proceedings) shall be proceeded with or commenced against the company, no resolution to wind up the company shall be passed, and no winding up petition may be presented against the company, except with the leave of the court. However, notwithstanding the presentation of a petition for the appointment of a restructuring officer or the appointment of a restructuring officer, a creditor who has security over the whole or part of the assets of the company is entitled to enforce the security without the leave of the court and without reference to the restructuring officer appointed.

Dissolution; Winding Up. Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board.

Under Cayman Islands law, a company may be wound up by either an order of the courts of the Cayman Islands or by a special resolution of its members or, if the company is unable to pay its debts as they fall due, by an ordinary resolution of its members. The court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so.

Variation of Rights of Shares. Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise. Under Cayman Islands law and our memorandum and articles of association, if our share capital is divided into more than one class of shares, we may vary the rights attached to any class with the sanction of a special resolution passed by a majority of not less than three-fourths of the votes cast at a separate meeting of the holders of the shares of that class.

Amendment of Governing Documents. Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise.

Under Cayman Islands law, our memorandum and articles of association may only be amended with a special resolution of our shareholders.

Rights of Non-resident or Foreign Shareholders. There are no limitations imposed by our memorandum and articles of association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares.

In addition, there are no provisions in our memorandum and articles of association governing the ownership threshold above which shareholder ownership must be disclosed.

Inspection of Books and Records. Under the Delaware General Corporation Law, any shareholder of a corporation may for any proper purpose inspect or make copies of the corporation's stock ledger, list of shareholders and other books and records.

Shareholders of Cayman Islands exempted companies like us have no general right under Cayman Islands law to inspect corporate records (other than the memorandum and articles of association, the register of mortgages and charges and any special resolutions passed by our shareholders) or obtain copies of the list of shareholders of these companies. However, we intend to provide our shareholders with annual reports containing audited financial statements.

C. Material Contracts

We have not entered into any material contracts other than in the ordinary course of business and other than those described in "Item 4. Information on the Company," "Item 7. Major Shareholders and Related Party Transactions-B. Related Party Transactions," in this "Item 10. Additional Information—C. Material Contracts" or elsewhere in this annual report on Form 20-F.

D. Exchange Controls

See "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Related to Foreign Exchange Control."

E. Taxation

The following summary of the material Cayman Islands, PRC and U.S. federal income tax consequences of an investment in the ADSs or Class Z ordinary shares is based upon laws and relevant interpretations thereof in effect as of the date of this registration statement, all of which are subject to change. This summary does not deal with all possible tax consequences relating to an investment in the ADSs or ordinary shares, such as the tax consequences under U.S. state and local tax laws or under the tax laws of jurisdictions other than the Cayman Islands, mainland China and the United States. To the extent that the discussion related to matters of Cayman Islands tax law, it represents the opinion of Walkers (Hong Kong), our Cayman Islands counsel, and to the extent that the discussion relates to matters of PRC tax law, it represents the opinion of Jingtian & Gongcheng.

Cayman Islands Taxation

According to Walkers (Hong Kong), our Cayman Islands counsel, the Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to holders of our ADSs or ordinary shares levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or brought within the jurisdiction of the Cayman Islands, or produced before a court. In addition, the Cayman Islands does not impose withholding tax on dividend payments. No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands. The Cayman Islands is not party to any double tax treaties that are applicable to any payments made to or by our company. There are no exchange control regulations or currency restrictions in the Cayman Islands.

Payments of dividends and capital in respect of the ADSs or ordinary shares will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of a dividend or capital to any holder of the ADSs or ordinary shares, nor will gains derived from the disposal of the ADSs or ordinary shares be subject to Cayman Islands income or corporation tax.

Our company has been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, has obtained an undertaking from the Government of the Cayman Islands as to tax concessions under the Tax Concessions Act (as amended). In accordance with the provision of Section 6 of The Tax Concessions Act (as amended), the Governor in Cabinet undertakes with our company:

- that no law which is hereafter enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to Bilibili or its operations; and
- in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:
- on or in respect of the shares, debentures or other obligations of Bilibili; or
- by way of the withholding, in whole or part, of any relevant payment as defined in Section 6(3) of the Tax Concessions Act (as amended).

These concessions shall be for a period of 20 years from March 14, 2018.

PRC Taxation

Under the PRC Enterprise Income Tax Law and its implementation rules, an enterprise established outside mainland China with "de facto management body" within mainland China is considered a resident enterprise. The implementation rules define the term "de facto management body" as the body that exercises full and substantial control and overall management over the business, productions, personnel, accounts and properties of an enterprise. In April 2009, the State Tax Administration issued a circular, known as Circular 82, which provides certain specific criteria for determining whether the "de facto management body" of a PRC-controlled enterprise that is incorporated offshore is located in mainland China. The State Tax Administration issued Chinese-Controlled Offshore Incorporated Resident Enterprises Income Tax Regulation, or the Bulletin 45, which took effect on September 1, 2011 and was most recently amended on June 15, 2018, to provide more guidance on the implementation of Circular 82 and to clarify the reporting and filing obligations of Chinese-controlled offshore incorporated resident enterprises. Bulletin 45 also provides procedures and administrative details for the determination of resident status and administration of post-determination matters. Although Circular 82 only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by PRC individuals or foreigners, the criteria set forth in the circular may reflect the State Tax Administration's general position on how the "de facto management body" text should be applied in determining the tax resident status of all offshore enterprises. According to Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its "de facto management body" in mainland China and will be subject to PRC enterprise income tax on its worldwide income only if all of the following conditions are met: (i) the primary location of the day-to-day operational management is in mainland China; (ii) decisions relating to the enterprise's financial and human resource matters are made or are subject to approval by organizations or personnel in mainland China; (iii) the enterprise's primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in mainland China; and (iv) at least 50% of voting board members or senior executives habitually reside in mainland China.

We believe that Bilibili Inc. is not a PRC resident enterprise for PRC tax purposes. Bilibili Inc. is not controlled by a PRC enterprise or PRC enterprise group and we do not believe that Bilibili Inc. meets all of the conditions above. Bilibili Inc. is a company incorporated outside mainland China. As a holding company, its key assets are its ownership interests in its subsidiaries, and its key assets are located, and its records (including the resolutions of its board of directors and the resolutions of its shareholders) are maintained, outside mainland China. In addition, we are not aware of any offshore holding companies with a similar corporate structure as ours ever having been deemed a PRC "resident enterprise" by the PRC tax authorities. However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term "de facto management body." We will continue to monitor our tax status.

If the PRC tax authorities determine that Bilibili Inc. is a PRC resident enterprise for enterprise income tax purposes, we may be required to withhold a 10% withholding tax from dividends we pay to our shareholders that are non-resident enterprises, including the holders of the ADSs. In addition, non-resident enterprise shareholders (including the ADS holders) may be subject to a 10% PRC tax on gains realized on the sale or other disposition of ADSs or ordinary shares, if such income is treated as sourced from within mainland China. It is unclear whether our non-PRC individual shareholders (including the ADS holders) would be subject to any PRC tax on dividends or gains obtained by such non-PRC individual shareholders in the event we are determined to be a PRC resident enterprise. If any PRC tax were to apply to such dividends or gains, it would generally apply at a rate of 20% (and in the case of dividends would be withheld at source). The foregoing rates may be reduced by an applicable tax treaty, but it is unclear whether non-PRC shareholders of Bilibili Inc. would be able to obtain the benefits of any tax treaties between their country of tax residence and mainland China in the event that Bilibili Inc. is treated as a PRC resident enterprise. See "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC shareholders or ADS holders."

U.S. Federal Income Tax Considerations

The following discussion is a summary of U.S. federal income tax considerations relating to the ownership and disposition of our ADSs or Class Z ordinary shares by a U.S. Holder (as defined below) that holds the ADSs or Class Z ordinary shares as "capital assets" (generally, property held for investment) under Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"). This discussion is based upon existing U.S. federal tax law, which is subject to differing interpretations or change, possibly with retroactive effect. There can be no assurance that the Internal Revenue Service (the "IRS"), or a court will not take a contrary position. This discussion does not discuss all aspects of U.S. federal income taxation that may be important to particular investors in light of their individual investment circumstances, including investors subject to special tax rules (including for example, financial institutions, insurance companies, regulated investment companies, real estate investment trusts, broker-dealers, traders in securities that elect mark-to-market treatment, tax-exempt organizations (including private foundations), holders who are not U.S. Holders, holders who own (directly, indirectly or constructively) 10% or more of our stock (by vote or value), holders who acquire their ADSs or Class Z ordinary shares pursuant to any employee share option or otherwise as compensation, investors that will hold their ADSs or Class Z ordinary shares as part of a straddle, hedge, conversion, constructive sale or other integrated transaction for U.S. federal income tax purposes or investors that have a functional currency other than the U.S. dollars, all of whom may be subject to tax rules that differ significantly from those discussed below). This discussion, moreover, does not address the U.S. federal estate and gift tax or minimum tax consequences of the ownership or disposition of our ADSs or Class Z ordinary shares, the Medicare tax on net investment income or any U.S. state, local or non-U.S. tax considerations. Each U.S. Holder is urged to consult its tax advisor regarding the U.S. federal, state, local and non-U.S. income and other tax considerations of an investment in our ADSs or Class Z ordinary shares.

General

For purposes of this discussion, a "U.S. Holder" is a beneficial owner of our ADSs or Class Z ordinary shares that is, for U.S. federal income tax purposes, (i) an individual who is a citizen or resident of the United States, (ii) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created in, or organized under the law of, the United States or any state thereof or the District of Columbia, (iii) an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source, or (iv) a trust (A) the administration of which is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (B) that has otherwise validly elected to be treated as a U.S. person under the Code.

If a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of our ADSs or Class Z ordinary shares, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. Partnerships holding our ADSs or Class Z ordinary shares and their partners are urged to consult their tax advisors regarding an investment in our ADSs or Class Z ordinary shares.

For U.S. federal income tax purposes, a U.S. Holder of ADSs will generally be treated as the beneficial owner of the underlying shares represented by the ADSs. The remainder of this discussion assumes that a U.S. Holder of the ADSs will be treated in this manner. Accordingly, deposits or withdrawals of Class Z ordinary shares for ADSs will generally not be subject to U.S. federal income tax.

Passive Foreign Investment Company Considerations

A non-U.S. corporation, such as our company, will be classified as a PFIC, for U.S. federal income tax purposes for any taxable year, if either (i) 75% or more of its gross income for such year consists of certain types of "passive" income or (ii) 50% or more of the value of its assets (generally determined on the basis of a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income. For this purpose, cash and assets readily convertible into cash are categorized as a passive asset and the company's goodwill and other unbooked intangibles are taken into account. Passive income generally includes, among other things, dividends, interest, rents, royalties, and gains from the disposition of passive assets. We will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation in which we own, directly or indirectly, 25% or more (by value) of the stock.

Although the law in this regard is not entirely clear, we treat the VIEs as being owned by us for U.S. federal income tax purposes, because we control their management decisions and we are entitled to substantially all of the economic benefits associated with these entities, and, as a result, we consolidate their results of operations in our consolidated U.S. GAAP financial statements. If it were determined, however, that we do not own the stock of the VIEs for U.S. federal income tax purposes, we may be treated as a PFIC for the current taxable year and any subsequent taxable year.

Assuming that we are the owner of the VIEs for U.S. federal income tax purposes, and based upon the composition of our income and assets and projections as to the value of our assets, including goodwill and other unbooked intangibles not reflected on our balance sheet, we do not believe that we were a PFIC for the 2025 taxable year and we do not presently expect to be a PFIC for the current taxable year. While we do not expect to be or become a PFIC in the current taxable year, no assurance can be given that we are not or will not become classified as a PFIC because the determination of PFIC status is a fact-intensive inquiry made on an annual basis and will depend, in part, upon the composition of our assets and income, and the continued existence of our goodwill at that time. Fluctuations in the market price of our ADSs may cause us to become a PFIC for the current or subsequent taxable years because the value of assets for the purpose of the asset test, including the value of our goodwill and other unbooked intangibles, may be determined by reference to the market value of our ADSs from time to time (which may be volatile). The market price of the ADSs may continue to fluctuate considerably and, consequently, we cannot assure you of our PFIC status for any taxable year. In addition, the composition of our income and our assets will be affected by how, and how quickly, we spend our liquid assets. Under circumstances where we determine not to deploy significant amounts of cash for capital expenditures and other general corporate purposes, our risk of becoming classified as a PFIC may substantially increase.

If we are classified as a PFIC for any year during which a U.S. Holder holds the ADSs or Class Z ordinary shares, we will generally continue to be treated as a PFIC for all succeeding years during which such U.S. Holder holds our ADSs or Class Z ordinary shares, unless we cease to be a PFIC and a "deemed sale" election is made, or a mark-to-market treatment (as further described below) applies to any year in which we are a PFIC.

The discussion below under "Dividends" and "Sale or Other Disposition of ADSs or Class Z Ordinary Shares" is written on the basis that we will not be classified as a PFIC for U.S. federal income tax purposes. The U.S. federal income tax rules that apply if we are treated as a PFIC are generally discussed below under "Passive Foreign Investment Company Rules."

Dividends

Subject to the discussion below under "Passive Foreign Investment Company Rules," any cash distributions (including the amount of any tax withheld) paid on our ADSs or Class Z ordinary shares out of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles, will generally be includible in the gross income of a U.S. Holder as dividend income on the day actually or constructively received by the U.S. Holder. Because we do not intend to determine our earnings and profits on the basis of U.S. federal income tax principles, any distribution we pay will generally be treated as a "dividend" for U.S. federal income tax purposes.

A non-corporate U.S. Holder will generally be subject to tax on dividend income from a "qualified foreign corporation" at a lower applicable capital gains rate rather than the marginal tax rates generally applicable to ordinary income provided that certain holding period requirements are met. A non-U.S. corporation (other than a corporation that is classified as a PFIC for the taxable year in which the dividend is paid or the preceding taxable year) will generally be considered to be a qualified foreign corporation (i) if it is eligible for the benefits of a comprehensive tax treaty with the United States which the Secretary of Treasury of the United States determines is satisfactory for purposes of this provision and which includes an exchange of information program, or (ii) with respect to any dividend it pays on stock (or ADSs in respect of such stock) which is readily tradable on an established securities market in the United States. The ADSs are considered to be readily tradable on the Nasdaq Global Select Market, which is an established securities market in the United States. Since we do not expect that our Class Z ordinary shares will be listed on an established securities market in the United States, we do not believe that dividends that we pay on our Class Z ordinary shares that are not represented by ADSs will meet the conditions required for the reduced tax rate. There can be no assurance that our ADSs will continue to be considered readily tradable on an established securities market in later years.

In the event that we are deemed to be a PRC resident enterprise under the PRC Enterprise Income Tax Law, we may become eligible for the benefits of the U.S.-PRC income tax treaty (which the U.S. Treasury Department has determined is satisfactory for this purpose), or the Treaty, and in that case we would be treated as a qualified foreign corporation with respect to dividends paid on our Class Z ordinary shares, or ADSs.
Each non-corporate U.S. Holder is advised to consult its tax advisors regarding the availability of the reduced tax rate applicable to qualified dividend income for any dividends we pay with respect to our ADSs or Class Z ordinary shares. Dividends received on our ADSs or Class Z ordinary shares will not be eligible for the dividends received deduction allowed to corporations.

Dividends will generally be treated as income from foreign sources for U.S. foreign tax credit purposes and will generally constitute passive category income. In the event that we are deemed to be a PRC resident enterprise under the PRC Enterprise Income Tax Law, a U.S. Holder may be subject to PRC withholding taxes on dividends paid on our ADSs or Class Z ordinary shares. See "Item 10. Additional Information—E. Taxation—PRC Taxation." In that case, depending on the U.S. Holder's individual facts and circumstances, a U.S. Holder may be eligible, subject to a number of complex limitations, to claim a foreign tax credit not in excess of any applicable treaty rate in respect of any foreign withholding taxes imposed on dividends received on our ADSs or Class Z ordinary shares. A U.S. Holder who does not elect to claim a foreign tax credit for foreign tax withheld may instead claim a deduction, for U.S. federal income tax purposes, in respect of such withholding, but only for a year in which such holder elects to do so for all creditable foreign income taxes. The rules governing the foreign tax credit are complex and their outcome depends in large part on the U.S. Holder's individual facts and circumstances. In addition, under U.S. Treasury regulations, in absence of an election to apply the benefits of an applicable income tax treaty, in order for foreign income taxes to be creditable the relevant foreign income tax rules must be consistent with certain U.S. federal income tax principles, and we have not determined whether the PRC income tax system meets these requirements. Accordingly, U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

Sale or Other Disposition of ADSs or Class Z Ordinary Shares

Subject to the discussion below under "Passive Foreign Investment Company Rules," a U.S. Holder will generally recognize capital gain or loss upon the sale or other disposition of ADSs or Class Z ordinary shares in an amount equal to the difference between the amount realized upon the disposition and the holder's adjusted tax basis in such ADSs or Class Z ordinary shares. Any capital gain or loss will be long-term if the ADSs or Class Z ordinary shares have been held for more than one year and will generally be U.S. source gain or loss for U.S. foreign tax credit purposes. Long-term capital gain of non-corporate U.S. Holders is generally eligible for a reduced rate of taxation. The deductibility of a capital loss may be subject to limitations.

As described in "Item 10. Additional Information—E. Taxation—PRC Taxation," if we are deemed to be a PRC resident enterprise under the PRC Enterprise Income Tax Law, gains from the disposition of the ADSs or Class Z ordinary shares may be subject to PRC income tax and will generally be U.S.-source, which may limit the ability to receive a foreign tax credit. If a U.S. Holder is eligible for the benefits of the Treaty, such holder may be able to elect to treat such gain as PRC source income under the Treaty. In light of U.S. Treasury regulations, however, if a U.S. Holder is not eligible for the benefits of the Treaty or does not elect to apply the Treaty, then such holder may not be able to claim a foreign tax credit arising from any PRC tax imposed on the disposition of the Shares. The rules regarding foreign tax credits and deduction of foreign taxes are complex. U.S. Holders should consult their tax advisors regarding the availability of a foreign tax credit or deduction in light of their particular circumstances, including their eligibility for benefits under the Treaty, and the potential impact of the U.S. Treasury regulations.

Passive Foreign Investment Company Rules

If we are classified as a PFIC for any taxable year during which a U.S. Holder holds our ADSs or Class Z ordinary shares, and unless the U.S. Holder makes a mark-to-market election (as described below), the U.S. Holder will generally be subject to special tax rules that have a penalizing effect, regardless of whether we remain a PFIC, on (i) any excess distribution that we make to the U.S. Holder (which generally means any distributions paid during a taxable year to a U.S. Holder that are greater than 125 percent of the average annual distributions paid in the three preceding taxable years or, if shorter, the U.S. Holder's holding period for the ADSs or Class Z ordinary shares), and (ii) any gain realized on the sale or other disposition, including a pledge, of ADSs or Class Z ordinary shares. Under the PFIC rules:

- the excess distribution or gain will be allocated ratably over the U.S. Holder's holding period for the ADSs or Class Z ordinary shares;
- the amount allocated to the current taxable year and any taxable years in the U.S. Holder's holding period prior to the first taxable year in which we are classified as a PFIC, each, a pre-PFIC year, will be taxable as ordinary income;
- the amount allocated to each prior taxable year, other than a pre-PFIC year, will be subject to tax at the highest tax rate in effect for individuals or corporations, as appropriate, for that year; and
- the interest charge generally applicable to underpayments of tax will be imposed on the tax attributable to each prior taxable year, other than a pre-PFIC year.

If we are a PFIC for any taxable year during which a U.S. Holder holds our ADSs or Class Z ordinary shares and any of our subsidiaries is also a PFIC, such U.S. Holder would be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of these rules. U.S. Holders are urged to consult their tax advisors regarding the application of the PFIC rules to any of our subsidiaries.

As an alternative to the foregoing rules, a U.S. Holder of "marketable stock" in a PFIC may make a mark-to-market election with respect to such stock. The mark-to-market election is available only for stock that is regularly traded on a national securities exchange that is registered with the SEC, or on a foreign exchange or market that the IRS determines is a qualified exchange that has rules sufficient to ensure that the market price represents a legitimate and sound fair market value. Our ADSs are listed on the Nasdaq Global Select Market, which is an established securities market in the United States. Consequently, if our ADSs continue to be listed on the Nasdaq Global Select Market and are regularly traded, we expect that the mark-to-market election would be available to a U.S. Holder that holds our ADSs were we to be or become a PFIC. We expect the Hong Kong Stock Exchange, on which our Class Z ordinary shares are listed, to be a qualified exchange but there can be no assurance in this regard because the IRS has not identified specific non-U.S. exchanges as qualified for these purposes. Our ADSs and Class Z ordinary shares are expected to qualify as being regularly traded, but no assurances may be given in this regard. If a U.S. Holder makes this election, the holder will generally (i) include as ordinary income for each taxable year that we are a PFIC the excess, if any, of the fair market value of ADSs or Class Z ordinary shares held at the end of the taxable year over the adjusted tax basis of such ADSs or Class Z ordinary shares and (ii) deduct as an ordinary loss the excess, if any, of the adjusted tax basis of the ADSs or Class Z ordinary shares over the fair market value of such ADSs or Class Z ordinary shares held at the end of the taxable year, but such deduction will only be allowed to the extent of the amount previously included in income as a result of the mark-to-market election. The U.S. Holder's adjusted tax basis in the ADSs or Class Z ordinary shares would be adjusted to reflect any income or loss resulting from the mark-to-market election. If a U.S. Holder makes a mark-to-market election in respect of a corporation classified as a PFIC and such corporation ceases to be classified as a PFIC, the holder will not be required to take into account the gain or loss described above during any period that such corporation is not classified as a PFIC. If a U.S. Holder makes a mark-to-market election, any gain such U.S. Holder recognizes upon the sale or other disposition of our ADSs or Class Z ordinary shares in a year when we are a PFIC will be treated as ordinary income and any loss will be treated as ordinary loss, but such loss will only be treated as ordinary loss to the extent of the net amount previously included in income as a result of the mark-to-market election. If a U.S. Holder makes a mark-to-market election it will be effective for the taxable year for which the election is made and all subsequent taxable years unless the ADSs or Class Z ordinary shares are no longer treated as marketable stock or the IRS consents to the revocation of the election.

Because a mark-to-market election cannot be made for any lower-tier PFICs that we may own, a U.S. Holder may continue to be subject to the PFIC rules with respect to such U.S. Holder's indirect interest in any investments held by us that are treated as an equity interest in a PFIC for U.S. federal income tax purposes.

We do not intend to provide information necessary for U.S. Holders to make qualified electing fund elections which, if available, would result in tax treatment different from the general tax treatment for PFICs described above.

If a U.S. Holder owns our ADSs or Class Z ordinary shares during any taxable year that we are a PFIC, the holder must generally file an annual IRS Form 8621. Each U.S. Holder is urged to consult its tax advisor concerning the U.S. federal income tax consequences of purchasing, holding and disposing ADSs or Class Z ordinary shares if we are or become treated as a PFIC, including the possibility of making a mark-to-market election.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to periodic reporting and other informational requirements of the Exchange Act as applicable to foreign private issuers and are required to file reports and other information with the SEC. Specifically, we are required to file annually an annual report on Form 20-F within four months after the end of each fiscal year, which is December 31. All information filed with the SEC can be obtained over the internet at the SEC's website at www.sec.gov. As a foreign private issuer, (i) we are exempt from the rules under the Exchange Act prescribing the furnishing and content of quarterly reports and proxy statements, (ii) our officers and directors are exempt from the short-swing rules contained in Section 16 of the Exchange Act, and (iii) our principal shareholders are exempt from the reporting and short-swing rules contained in Section 16 of the Exchange Act.

We will furnish Deutsche Bank Trust Company Americas, the depositary of the ADSs, with our annual reports, which will include a review of operations and annual audited consolidated financial statements prepared in conformity with U.S. GAAP, and all notices of shareholders' meetings and other reports and communications that are made generally available to our shareholders. The depositary will make such notices, reports and communications available to holders of ADSs and, upon our request, will mail to all record holders of ADSs the information contained in any notice of a shareholders' meeting received by the depositary from us.

In accordance with Nasdaq Stock Market Rule 5250(d), we will post this annual report on Form 20-F on our website at http://ir.bilibili.com. In addition, we will provide hardcopies of our annual report free of charge to shareholders and ADS holders upon request.

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

We intend to submit the annual report provided to security holders in electronic format pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as an exhibit to a current report on Form 6-K.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Foreign exchange risk

Substantially all of our revenues and expenses are denominated in Renminbi. We do not believe that we currently have any significant direct foreign exchange risk other than with respect to our cash and cash equivalents and time deposits denominated in U.S. dollars and have not used any derivative financial instruments to hedge exposure to such risk. Although our exposure to foreign exchange risks should be limited in general, the value of the investment in the ADSs will be affected by the exchange rate between U.S. dollars and Renminbi because the value of our business is effectively denominated in RMB, while the ADSs will be traded in U.S. dollars.

To the extent that we need to convert U.S. dollars into Renminbi for our operations, appreciation of Renminbi against the U.S. dollars would reduce the Renminbi amount we receive from the conversion. Conversely, if we decide to convert Renminbi into U.S. dollars for the purpose of making payments for dividends on our ordinary shares or ADSs, servicing our outstanding debt and interests, or for other business purposes, appreciation of the U.S. dollars against the Renminbi would reduce the U.S. dollars amounts available to us.

As of December 31, 2025, we had U.S. dollars-denominated cash and cash equivalents and time deposits of US$1,459.0 million. If the U.S. dollars had appreciated or depreciated by 10% against the Renminbi, we would have had an increase or decrease of RMB1,025.5 million of cash and cash equivalents and time deposits.

Interest rate risk

Our exposure to interest rate risk primarily relates to the interest income generated by excess cash, which is mostly held in interest-bearing bank deposits, and bank facilities with a floating rate of interest.

Interest-earning instruments carry a degree of interest rate risk. Our exposure to interest rate risk also arises from our bank facilities that have a floating interest rate. The costs of floating rate borrowings may be affected by the fluctuations in the interest rates.

We have not been exposed to material risks due to changes in interest rates, and we have not used any derivative financial instruments to manage our interest risk exposure. However, our future interest income may fall short of expectations due to changes in market interest rates.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Fees and Expenses

As an ADS holder, you will be required to pay the following service fees to the depositary bank and certain taxes and governmental charges (in addition to any applicable fees, expenses, taxes and other governmental charges payable on the deposited securities represented by any of your ADSs):

Service	Fees
• To any person to which ADSs are issued or to any person to which a distribution is made in respect of ADS distributions pursuant to stock dividends or other free distributions of stock, bonus distributions, stock splits or other distributions (except where converted to cash)	Up to US$0.05 per ADS issued
• Cancellation of ADSs, including the case of termination of the deposit agreement	Up to US$0.05 per ADS cancelled
• Distribution of cash dividends	Up to US$0.05 per ADS held
• Distribution of cash entitlements (other than cash dividends) and/or cash proceeds from the sale of rights, securities and other entitlements	Up to US$0.05 per ADS held
• Distribution of ADSs pursuant to exercise of rights	Up to US$0.05 per ADS held
• Distribution of securities other than ADSs or rights to purchase additional ADSs	Up to US$0.05 per ADS held
• Depositary services	Up to US$0.05 per ADS held on the applicable record date(s) established by the depositary bank

As an ADS holder, you will also be responsible for paying certain fees and expenses incurred by the depositary bank and certain taxes and governmental charges (in addition to any applicable fees, expenses, taxes and other governmental charges payable on the deposited securities represented by any of your ADSs) such as:

- Fees for the transfer and registration of Class Z ordinary shares charged by the registrar and transfer agent for the Class Z ordinary shares in the Cayman Islands (i.e., upon deposit and withdrawal of Class Z ordinary shares).
- Expenses incurred for converting foreign currency into U.S. dollars.
- Expenses for cable, telex and fax transmissions and for delivery of securities.
- Taxes and duties upon the transfer of securities, including any applicable stamp duties, any stock transfer charges or withholding taxes (i.e., when Class Z ordinary shares are deposited or withdrawn from deposit).
- Fees and expenses incurred in connection with the delivery or servicing of Class Z ordinary shares on deposit.
- Fees and expenses incurred in connection with complying with exchange control regulations and other regulatory requirements applicable to Class Z ordinary shares, deposited securities, ADSs and ADRs.
- Any applicable fees and penalties thereon.

The depositary fees payable upon the issuance and cancellation of ADSs are typically paid to the depositary bank by the brokers (on behalf of their clients) receiving the newly issued ADSs from the depositary bank and by the brokers (on behalf of their clients) delivering the ADSs to the depositary bank for cancellation. The brokers in turn charge these fees to their clients. Depositary fees payable in connection with distributions of cash or securities to ADS holders and the depositary services fee are charged by the depositary bank to the holders of record of ADSs as of the applicable ADS record date.

The depositary fees payable for cash distributions are generally deducted from the cash being distributed or by selling a portion of distributable property to pay the fees. In the case of distributions other than cash (i.e., share dividends, rights), the depositary bank charges the applicable fee to the ADS record date holders concurrent with the distribution. In the case of ADSs registered in the name of the investor (whether certificated or uncertificated in direct registration), the depositary bank sends invoices to the applicable record date ADS holders. In the case of ADSs held in brokerage and custodian accounts (via DTC), the depositary bank generally collects its fees through the systems provided by DTC (whose nominee is the registered holder of the ADSs held in DTC) from the brokers and custodians holding ADSs in their DTC accounts. The brokers and custodians who hold their clients' ADSs in DTC accounts in turn charge their clients' accounts the amount of the fees paid to the depositary banks.

In the event of refusal to pay the depositary fees, the depositary bank may, under the terms of the deposit agreement, refuse the requested service until payment is received or may set off the amount of the depositary fees from any distribution to be made to the ADS holder.

The depositary may make payments to us or reimburse us for certain costs and expenses, by making available a portion of the ADS fees collected in respect of the ADR program or otherwise, upon such terms and conditions as we and the depositary bank agree from time to time. In 2025, we were entitled to receive approximately US$0.3 million reimbursements from the depositary for our expenses incurred in connection with investor relationship programs related to the ADS facility and the travel expense in connection with such programs.

Dealings and Settlement of Class Z Ordinary Shares in Hong Kong

Our Class Z ordinary shares now trade on the Hong Kong Stock Exchange in board lots of 20 ordinary shares. Dealings in our Class Z ordinary shares on the Hong Kong Stock Exchange are conducted in Hong Kong dollars.

The transaction costs of dealings in our Class Z ordinary shares on the Hong Kong Stock Exchange include:

- Hong Kong Stock Exchange trading fee of 0.00565% of the consideration of the transaction, charged to each of the buyer and seller;
- SFC transaction levy of 0.0027% of the consideration of the transaction, charged to each of the buyer and seller;
- Accounting and Financial Reporting Council of Hong Kong transaction levy of 0.00015% of the consideration of the transaction, charged to each of the buyer and seller;
- trading tariff of HK$0.50 on each and every purchase or sale transaction. The decision on whether or not to pass the trading tariff onto investors is at the discretion of brokers;
- transfer deed stamp duty of HK$5.00 per transfer deed (if applicable), payable by the seller;
- ad valorem stamp duty at a total rate of 0.2% of the value of the transaction, with 0.1% payable by each of the buyer and the seller;
- stock settlement fee, which is currently 0.002% of the gross transaction value, subject to a minimum fee of HK$2.00 and a maximum fee of HK$100.00 per side per trade;
- brokerage commission, which is freely negotiable with the broker (other than brokerage commissions for IPO transactions which are currently set at 1% of the subscription or purchase price and will be payable by the person subscribing for or purchasing the securities); and

- the Hong Kong Share Registrar will charge HK$2.50 per share certificate canceled/issued (whichever is higher) for each regular transfer service of ordinary shares from one registered owner to another, and any applicable fee as stated in the share transfer forms used in Hong Kong.

Investors must settle their trades executed on the Hong Kong Stock Exchange through their brokers directly or through custodians. For an investor who has deposited his or her Class Z ordinary shares in his or her stock account or in his or her designated HKSCC participant's stock account maintained with HKSCC, settlement will be effected in CCASS in accordance with the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. For an investor who holds the physical certificates, settlement certificates and the duly executed transfer forms must be delivered to his or her broker or custodian before the settlement date.

Conversion between Class Z Ordinary Shares Trading in Hong Kong and ADSs

In connection with the listing of our Class Z ordinary shares on the Hong Kong Stock Exchange, we have established a branch register of members in Hong Kong, or the Hong Kong share register, which is maintained by our Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited. Our principal register of members, or the Cayman share register, continues to be maintained by our Principal Share Registrar, Walkers Corporate Limited.

All Class Z ordinary shares offered in the Global Offering are registered on the Hong Kong share register in order to be listed and traded on the Hong Kong Stock Exchange. As described in further detail below, holders of Class Z ordinary shares registered on the Hong Kong share register are able to convert these shares into ADSs, and vice versa.

In connection with our listing in Hong Kong, and to facilitate fungibility and conversion between ADSs and Class Z ordinary shares and trading between Nasdaq and the Hong Kong Stock Exchange, we have moved a portion of our issued Class Z ordinary shares from our register of members maintained in the Cayman Islands to our Hong Kong share register.

The ADSs

The ADSs are traded on Nasdaq. Dealings in the ADSs on Nasdaq are conducted in U.S. dollars.

ADSs may be held either:

- directly (a) by having an American Depositary Receipt (ADR), which is a certificate evidencing a specific number of ADSs, registered in the holder's name, or (b) by holding uncertificated ADSs in the direct registration system; or
- indirectly, through the holder's broker or other financial institution.

The depositary for the ADSs is Deutsche Bank Trust Company Americas, whose office is located at 1 Columbus Circle, 17th Floor, New York, NY 10019, USA.

Converting Class Z Ordinary Shares Trading in Hong Kong into ADSs

An investor who holds Class Z ordinary shares registered in Hong Kong and who intends to convert them to ADSs to trade on Nasdaq must deposit or have his or her broker deposit the Class Z ordinary shares with the depositary's Hong Kong custodian, Deutsche Bank AG, Hong Kong Branch, or the custodian, in exchange for ADSs.

A deposit of Class Z ordinary shares trading in Hong Kong in exchange for ADSs involves the following procedures:

- If Class Z ordinary shares have been deposited with CCASS, the investor must transfer ordinary shares to the depositary's account with the custodian within CCASS by following the CCASS procedures for transfer and submit and deliver a duly completed and signed letter of transmittal to the custodian via his or her broker.

- If Class Z ordinary shares are held outside CCASS, the investor must arrange to deposit his or her Class Z ordinary shares into CCASS for delivery to the depositary's account with the custodian within CCASS, submit and deliver a duly completed and signed letter of transmittal to the custodian.
- Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, if applicable, and subject in all cases to the terms of the deposit agreement, the depositary will issue the corresponding number of ADSs in the name(s) requested by an investor and will deliver the ADSs to the designated DTC account of the person(s) designated by an investor or his or her broker.

For Class Z ordinary shares deposited in CCASS, under normal circumstances, the above steps generally require two business days; *provided* that the investor has provided timely and complete instructions. For Class Z ordinary shares held outside CCASS in physical form, the above steps may take 14 business days, or more, to complete. Temporary delays may arise. For example, the transfer books of the depositary may from time to time be closed to ADS issuances. The investor will be unable to trade the ADSs until the procedures are completed.

Converting ADSs to Class Z Ordinary Shares Trading in Hong Kong

An investor who holds ADSs and who intends to convert his/her ADSs into Class Z ordinary shares to trade on the Hong Kong Stock Exchange must cancel the ADSs the investor holds and withdraw Class Z ordinary shares from our ADS program and cause his or her broker or other financial institution to trade such Class Z ordinary shares on the Hong Kong Stock Exchange.

An investor that holds ADSs indirectly through a broker should follow the broker's procedure and instruct the broker to arrange for cancelation of the ADSs, and transfer of the underlying Class Z ordinary shares from the depositary's account with the custodian within the CCASS system to the investor's Hong Kong stock account.

For investors holding ADSs directly, the following steps must be taken:

- To withdraw Class Z ordinary shares from our ADS program, an investor who holds ADSs may turn in such ADSs at the office of the depositary (and the applicable ADR(s) if the ADSs are held in certificated form), and send an instruction to cancel such ADSs to the depositary. Such instructions must have a Medallion signature guarantee.
- Upon payment or net of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, if applicable, and subject in all cases to the terms of the deposit agreement, the depositary will instruct the custodian to deliver Class Z ordinary shares underlying the canceled ADSs to the CCASS account designated by an investor.
- If an investor prefers to receive Class Z ordinary shares outside CCASS, he or she must receive ordinary shares in CCASS first and then arrange for withdrawal from CCASS. Investors can then obtain a transfer form signed by HKSCC Nominees Limited (as the transferor) and register Class Z ordinary shares in their own names with the Hong Kong Share Registrar.

For Class Z ordinary shares to be received in CCASS, under normal circumstances, the above steps generally require two business days; *provided* that the investor has provided timely and complete instructions. For Class Z ordinary shares to be received outside CCASS in physical form, the above steps may take 14 business days, or more, to complete. The investor will be unable to trade the Class Z ordinary shares on the Hong Kong Stock Exchange until the procedures are completed.

Temporary delays may arise. For example, the transfer books of the depositary may from time to time be closed to ADS cancellations. In addition, completion of the above steps and procedures is subject to there being a sufficient number of Class Z ordinary shares on the Hong Kong share registrar to facilitate a withdrawal from the ADS program directly into the CCASS system. We are not under any obligation to maintain or increase the number of Class Z ordinary shares on the Hong Kong share register to facilitate such withdrawals.

Depositary Requirements

Before the depositary issues ADSs or permits withdrawal of Class Z ordinary shares, the depositary may require:

- production of satisfactory proof of the identity and genuineness of any signature or other information it deems necessary; and
- compliance with procedures it may establish, from time to time, consistent with the deposit agreement, including, but not limited to, completion and presentation of transfer documents.

The depositary may refuse to deliver, transfer, or register issuances, transfers and cancelations of ADSs generally when the transfer books of the depositary or our Hong Kong or Cayman Share Registrar are closed or at any time if the depositary or we determine it advisable to do so, subject to such refusal complying with U.S. federal securities laws.

All costs attributable to the transfer of Class Z ordinary shares to effect a withdrawal from or deposit of Class Z ordinary shares into our ADS program will be borne by the investor requesting the transfer. In particular, holders of Class Z ordinary shares and ADSs should note that the Hong Kong Share Registrar will charge HK$2.50 per share certificate canceled/issued (whichever is higher) for each regular transfer service of Class Z ordinary shares from one registered owner to another, and any applicable fee as stated in the share transfer forms used in Hong Kong. In addition, holders of Class Z ordinary shares and ADSs must pay up to US$5.00 (or less) per 100 ADSs for each issuance of ADSs and each cancelation of ADSs, as the case may be, in connection with the deposit of Class Z ordinary shares into, or withdrawal of ordinary shares from, our ADS program.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None.

ITEM 15. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our chief executive officer and our chief financial officer, we carried out an evaluation of the effectiveness of our disclosure controls and procedures, which is defined in Rules 13a-15(e) of the Exchange Act, as of December 31, 2025. Based upon that evaluation, our management, with the participation of our chief executive officer and chief financial officer, has concluded that our disclosure controls and procedures were effective in ensuring that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act was recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act was accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15 (f) under the Exchange Act. Our management, with the participation of our chief executive officer and our chief financial officer, evaluated the effectiveness of our internal control over financial reporting based on criteria established in the framework in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management has concluded that our internal control over financial reporting was effective as of December 31, 2025.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Attestation Report of the Registered Public Accounting Firm

PricewaterhouseCoopers Zhong Tian LLP has audited the effectiveness of our internal control over financial reporting as of December 31, 2025 as stated in its report, which appears on page F-2 of this annual report on Form 20-F.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) during the year ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our board of directors has determined that Eric He, a member of our audit committee and independent director (under the standards set forth in Rule 5605(c)(2) of the Nasdaq Stock Market Rules and Rule 10A-3 under the Securities Exchange Act of 1934), is an audit committee financial expert.

ITEM 16B. CODE OF ETHICS

Our board of directors adopted a code of business conduct and ethics in February 2018 that applies to our directors, officers and employees. The code was subsequently amended in July 2021. We have posted a copy of our code of business conduct and ethics on our website at http://ir.bilibili.com/.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table sets forth the aggregate fees by categories specified below in connection with certain professional services rendered by PricewaterhouseCoopers Zhong Tian LLP and affiliates, our principal external auditors, for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Audit fees[(1)]	9,564	8,061	8,064
Audit-related fees[(2)]	3,500	—	1,800
Tax fees[(3)]	1,183	84	52
Other fees[(4)]	150	—	—

(1) "Audit fees" means the aggregate fees incurred for each of the fiscal years listed for professional services rendered by our principal auditors for the audit or review of our annual financial statements or quarterly financial information and review of documents filed with the SEC and submitted to the Hong Kong Stock Exchange. In 2023, 2024 and 2025, the audit refers to financial statement audit and audit pursuant to Section 404 of the Sarbanes-Oxley Act of 2002.

(2) "Audit-related fees" means the aggregate fees incurred in each of the fiscal years listed as a result of the issuance of comfort letters related to our offering of ADSs in January 2023 and the offering of our convertible notes and our Class Z ordinary shares in May 2025.

(3) "Tax fees" means the aggregate fees incurred in each of the fiscal years listed for the professional tax services rendered by our principal auditors.

(4) "Other fees" means the aggregate fees incurred in each of the fiscal years listed for services rendered by our principal auditors other than services reported under "Audit fees", "Audit-related fees" and "Tax fees".

The policy of our audit committee is to pre-approve all audit and non-audit services provided by PricewaterhouseCoopers Zhong Tian LLP as described above.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

None.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

On November 14, 2024, our board of directors authorized a share repurchase program under which we may repurchase up to US$200 million of our ADSs and/or Class Z ordinary shares for the next 24 months, which we refer to as the 2024 Repurchase Program. The repurchases under the 2024 Repurchase Program may be made from time to time in the open market at prevailing market prices, in privately negotiated transactions, in block trades and/or through other legally permissible means, depending on market conditions and in accordance with applicable laws, rules and regulations. We used part of the proceeds from the offering of the 2030 Notes to fund the concurrent repurchase of 5,588,140 Class Z ordinary shares. We funded the other repurchases under the 2024 Repurchase Program from our existing cash balance.

The following table sets forth information about our repurchases made in the year 2025 under the share repurchase program described above.

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Approximate Dollar Value of Shares that May Yet Be Purchased under the Plans or Programs
May 2025[(1)]	5,588,140	US$ 17.91	6,427,307	US$83,548,523
December 2025	597,300	US$ 24.62	7,024,607	US$68,845,623
Total	6,185,440	US$ 18.56	7,024,607	US$68,845,623

Note:

(1) In connection with the offering of the 2030 Notes, we repurchased 5,588,140 Class Z ordinary shares for an aggregate amount of HK$782.9 million (US$100.0 million as translated the offering date of the 2030 Notes) pursuant to our 2024 Repurchase Program.

A total of 2.9 million of our listed securities were repurchased for a total cost of US$68.8 million during the period from January 1, 2026 to the date of this annual report pursuant to the 2024 Share Repurchase Program. The 2024 Repurchase Program has been completed as of the date of this annual report and a total of 9.9 million of our listed securities were repurchased.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

Rule 5635(c) of the Nasdaq Rules requires a Nasdaq-listed company to obtain its shareholders' approval for all equity compensation plans, including stock plans, and any material amendments to such plans. Rule 5615 of the Nasdaq Rules permits a foreign private issuer like our company to follow home country practice in certain corporate governance matters. Pursuant to Rule 5615, we have elected to and currently follow our home country practice that does not require us to seek shareholder approval for adopting our 2024 Plan. Therefore, our shareholders are afforded less protection than they otherwise would under the Nasdaq Global Market corporate governance listing standards applicable to U.S. domestic issuers. See "Item 3. Key Information—D. Risk Factors—Risks Related to Our Listed Securities—As a company incorporated in the Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the Nasdaq corporate governance listing standards, and these practices may afford less protection to shareholders than shareholders would enjoy if we complied fully with the Nasdaq corporate governance listing standards." In the future, we may rely on other exemptions provided by Nasdaq to the extent also allowed under the laws and regulations in Hong Kong (including the Hong Kong Listing Rules).

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

ITEM 16J. INSIDER TRADING POLICIES

We have adopted insider trading policies and procedures governing the purchase, sale and other dispositions of our securities by directors, senior management and employees to promote compliance with applicable insider trading laws, rules and regulations. These insider trading policies and procedures are filed as Exhibit 11.2 to this annual report on Form 20-F.

ITEM 16K. CYBERSECURITY

Risk Management and Strategy

We have implemented comprehensive cybersecurity risk assessment procedures to ensure effectiveness in cybersecurity management, strategy and governance and reporting cybersecurity risks. We have also integrated cybersecurity risk management into our overall enterprise risk management system.

We have developed a comprehensive cybersecurity threat defense system to address both internal and external threats. We strive to manage cybersecurity risks and protect sensitive information through various means, such as technical safeguards, procedural requirements, an intensive program of monitoring on our corporate network, frequent testing of aspects of our security posture internally and with outside vendors, a robust incident response program, a review of the effectiveness of our security system with reference to applicable security standards by qualified third parties and regular cybersecurity awareness training for employees. Our IT department regularly monitors the performance of our platforms, apps and infrastructure to enable us to respond quickly to potential problems, including potential cybersecurity threats.

As of the date of this annual report, we have not experienced any material cybersecurity incidents or identified any material cybersecurity threats that have affected or are reasonably likely to materially affect us, our business strategy, results of operations or financial condition.

Governance

Our board of directors is responsible for overseeing the cybersecurity risk management and be informed on risks from cybersecurity threats. The chief executive officer, the chief financial officer, and the principal officer in charge of the cybersecurity matters, who has over 10 years of experience as cybersecurity officer in large technology companies and extensive knowledge and skills in security product development, security risk management and security compliance, are responsible for discussing material cybersecurity incidents or threats with specific constituencies before sign-off, ensuring thorough review of information and disclosures. This involves our disclosure committee (comprising the principal accounting officer or the head of financial reporting, the head of the legal department, the principal investor relations officer, the principal officer in charge of cybersecurity matters, and appropriate business unit heads of our company, as adjusted from time to time by the then incumbent committee members), as a whole, and the executive directors of our company; and other members of senior management and external legal counsel, to the extent appropriate. The chief executive officer, the chief financial officer, and the principal officer in charge of the cybersecurity matters are also responsible for assessing, identifying and managing material risks from cybersecurity threats to our company and monitoring the prevention, detection, mitigation and remediation of material cybersecurity incident, maintaining oversight of the disclosure in Form 6-K for material cybersecurity incidents (if any) and meeting with our board of directors (i) in connection with each quarterly earnings release, update the status of any material cybersecurity incidents or material risks from cybersecurity threats to the Company, if any, and the relevant disclosure issues and (ii) in connection with each annual report, present the disclosure concerning cybersecurity matters in Form 20-F, along with a report highlighting particular disclosure issues, if any, and hold a Q&A session. Our board of directors is responsible for maintaining oversight of the disclosure related to cybersecurity matters in the periodic reports of our company.

PART III

ITEM 17. FINANCIAL STATEMENTS

We have elected to provide financial statements pursuant to Item 18.

ITEM 18. FINANCIAL STATEMENTS

The consolidated financial statements of Bilibili Inc. are included at the end of this annual report.

ITEM 19. EXHIBITS

Exhibit Number	Description of Document
1.1	Eighth Amended and Restated Memorandum and Articles of Association of the Registrant (incorporated herein by reference to Exhibit 99.2 to the current report on Form 6-K, furnished with the Securities and Exchange Commission on September 29, 2022 (File No. 001-38429))
2.1	Registrant's Specimen American Depositary Receipt (included in Exhibit 4.3) (incorporated herein by reference to Exhibit 4.3 to the Form F-1, as amended, initially filed on March 2, 2018 (File No.333-223405))
2.2	Registrant's Specimen Certificate for Class Z Ordinary Shares (incorporated herein by reference to Exhibit 4.2 to the Form F-1, as amended, initially filed on March 2, 2018 (File No.333-223405))
2.3	Deposit Agreement, among the Registrant, the depositary and the holders and beneficial owners of the American Depositary Receipts (incorporated herein by reference to Exhibit 4.3 to the Form S-8, as amended, initially filed on July 18, 2018 (File No.333-226216))
2.4	Indenture, dated June 2, 2020 constituting US$800 million 1.25% Convertible Senior Notes Due 2027 (incorporated herein by reference to Exhibit 2.6 to the Form 20-F, as amended, initially filed on March 23, 2021 (File No. 001-38429))
2.5	Indenture, dated November 23, 2021 constituting US$1,600 million 0.50% Convertible Senior Notes Due 2026 (incorporated herein by reference to Exhibit 2.7 to the Form 20-F, as amended, initially filed on April 25, 2022 (File No. 001-38429))
2.6	Description of Securities (incorporated herein by reference to Exhibit 2.8 to the Form 20-F, as amended, initially filed on April 27, 2023 (File No. 001-38429))
2.7	Registrant's Form of Class Z Ordinary Share Certificate (incorporated herein by reference to Exhibit 4.1 to the current report on Form 6-K, furnished with the Securities and Exchange Commission on March 23, 2021 (File No. 001-38429))
2.8*	Indenture, dated May 23, 2025 constituting US$690 million 0.625% Convertible Senior Notes Due 2030
4.1	Second Amended and Restated 2018 Share Incentive Plan (incorporated herein by reference to Exhibit 10.2 to the Form S-8, as amended, initially filed on October 3, 2024 (File No. 333-282475))
4.2	2024 Share Incentive Plan (incorporated herein by reference to Exhibit 10.3 to the Form S-8, as amended, initially filed on October 3, 2024 (File No. 333-282475))
4.3	Form of Indemnification Agreement between the Registrant and its directors and executive officers (incorporated herein by reference to Exhibit 10.3 to the Form F-1, as amended, initially filed on March 2, 2018 (File No.333-223405))
4.4	Form of Employment Agreement between the Registrant and its executive officers (incorporated herein by reference to Exhibit 10.4 to the Form F-1, as amended, initially filed on March 2, 2018 (File No.333-223405))
4.5	English translation of the form of Power of Attorney granted by the shareholders of VIEs (incorporated herein by reference to Exhibit 4.5 to the Form 20-F, as amended, initially filed on April 25, 2022 (File No. 001-38429))

Exhibit Number	Description of Document
4.6	English translation of the form of Equity Pledge Agreement among a WFOE, a VIE and shareholders of such VIE (incorporated herein by reference to Exhibit 4.6 to the Form 20-F, as amended, initially filed on April 25, 2022 (File No. 001-38429))
4.7	English translation of the form of Exclusive Business Cooperation Agreement between a WFOE and a VIE (incorporated herein by reference to Exhibit 4.7 to the Form 20-F, as amended, initially filed on April 25, 2022 (File No. 001-38429))
4.8	English translation of the form of Exclusive Option Agreement among a WFOE, a VIE and shareholders of such VIE (incorporated herein by reference to Exhibit 4.8 to the Form 20-F, as amended, initially filed on April 25, 2022 (File No. 001-38429))
4.9	English translation of the Letter of Undertakings granted by spouses of the shareholders of VIEs (incorporated herein by reference to Exhibit 4.9 to the Form 20-F, as amended, initially filed on April 25, 2022 (File No. 001-38429))
8.1*	Significant subsidiaries and the Principal Consolidated Affiliated Entities of the Registrant
11.1	Amended Code of Business Conduct and Ethics of the Registrant (incorporated herein by reference to Exhibit 11.1 to the Form 20-F, as amended, initially filed on April 25, 2022 (File No. 001-38429))
11.2	Second Amended and Restated Statement of Policies Governing Material Non-Public Information and the Prevention of Insider Trading (incorporated herein by reference to Exhibit 11.2 to the Form 20-F, as amended, initially filed on March 25, 2025 (File No. 001-38429))
12.1*	CEO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
12.2*	CFO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
13.1**	CEO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
13.2**	CFO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
15.1*	Consent of Walkers (Hong Kong)
15.2*	Consent of Jingtian & Gongcheng
15.3*	Consent of PricewaterhouseCoopers Zhong Tian LLP, an independent registered public accounting firm
97.1	Clawback Policy of the Registrant (incorporated herein by reference to Exhibit 97.1 to the Form 20-F, as amended, initially filed on March 27, 2024 (File No. 001-38429))
101.INS*	Inline XBRL Instance Document—the instance document does not appear in the Interactive Data File as its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Documents
104	Cover Page formatted as Inline XBRL and contained in Exhibit 101

* Filed with this Annual Report on Form 20-F.

** Furnished with this Annual Report on Form 20-F.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Bilibili Inc.

By: /s/ Rui Chen
Name: Rui Chen
Title: Chairman of the Board of Directors and Chief Executive Officer

Date: April 16, 2026

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Bilibili Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Bilibili Inc. and its subsidiaries (the "Company") as of December 31, 2025 and 2024, and the related consolidated statements of operations and comprehensive (loss)/income, of changes in shareholders' equity and of cash flows for each of the three years in the period ended December 31, 2025, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 15. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue recognition for in-game virtual items

As described in Note 2(v) to the consolidated financial statements, revenues from mobile game services were RMB6,394.6 million for the year ended December 31, 2025. Management recognized revenue from the sale of in-game virtual items in exclusively distributed mobile games over the estimated average playing period of paying players, starting from the point-in-time when related in-game virtual items are delivered to the paying players' accounts. Management has estimated the average playing period of paying players for each game, usually between one to ten months. Management estimated the average playing period of paying players for each game, which involved the use of assumptions, related to the churn rates or the similarities between newly-launched games and existing games, when a new game is launched and only a limited period of paying player data is available.

The principal consideration for our determination that performing procedures relating to revenue recognition for in-game virtual items is a critical audit matter is the significant judgment by management in estimating the average playing period of paying players. This in turn led to significant auditor judgment, subjectivity and effort in performing procedures and in evaluating management's assumptions used in developing these estimates, related to the churn rates and the similarities between newly-launched games and existing games.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the revenue recognition process, including controls over the estimation of the average playing period of paying players for each game. These procedures also included, among others, testing management's process to estimate the average playing period of paying players by (i) testing the completeness and accuracy of data used; (ii) testing the mathematic accuracy of the calculation; and (iii) evaluating the reasonableness of the churn rates with reference to historical data, and the reasonableness of the underlying assumption of the similarities between newly-launched games and existing games based on the characteristics of mobile games and playing patterns of paying players.

/s/ PricewaterhouseCoopers Zhong Tian LLP
Beijing, the People's Republic of China
April 16, 2026

We have served as the Company's auditor since 2017.

BILIBILI INC.

CONSOLIDATED BALANCE SHEETS

(All amounts in thousands, except for share data)

	December 31, 2024 RMB	December 31, 2025 RMB	December 31, 2025 US$ Note 2(e)
Assets			
Current assets:			
Cash and cash equivalents	10,249,382	12,183,538	1,742,223
Time deposits	3,588,475	5,522,327	789,682
Restricted cash	50,000	50,800	7,264
Accounts receivable, net	1,226,875	1,268,219	181,353
Amounts due from related parties	786,677	874,962	125,118
Prepayments and other current assets	1,148,111	1,203,037	172,032
Short-term investments	2,706,535	6,447,197	921,937
Total current assets	**19,756,055**	**27,550,080**	**3,939,609**
Non-current assets:			
Property and equipment, net	589,227	695,105	99,399
Production cost, net	1,851,207	1,599,896	228,782
Intangible assets, net	3,201,012	3,109,603	444,667
Deferred tax assets	135,131	166,132	23,757
Goodwill	2,725,130	2,818,125	402,987
Long-term investments, net	3,911,592	4,761,653	680,907
Other long-term assets	529,146	467,169	66,804
Total non-current assets	**12,942,445**	**13,617,683**	**1,947,303**
Total assets	**32,698,500**	**41,167,763**	**5,886,912**
Liabilities (including amounts of the consolidated VIEs without recourse to the primary beneficiary of RMB19,202.8 million and RMB19,174.5 million as of December 31, 2024 and 2025, respectively) Current liabilities:			
Accounts payable	4,801,416	5,497,415	786,120
Salary and welfare payable	1,599,482	1,710,322	244,573
Taxes payable	428,932	405,887	58,041
Short-term loans and current portion of long-term debt	1,571,836	4,860,846	695,092
Deferred revenue	3,802,307	4,661,863	666,638
Accrued liabilities and other payables	2,554,281	3,174,566	453,957
Amounts due to related parties	4,549	16,113	2,304
Total current liabilities	**14,762,803**	**20,327,012**	**2,906,725**
Non-current liabilities:			
Long-term debt	3,264,153	4,775,871	682,940
Other long-term liabilities	567,631	516,317	73,832
Total non-current liabilities	**3,831,784**	**5,292,188**	**756,772**
Total liabilities	**18,594,587**	**25,619,200**	**3,663,497**
Commitments and contingencies (Note 19)			

BILIBILI INC.

CONSOLIDATED BALANCE SHEETS (Continued)

(All amounts in thousands, except for share data)

	December 31, 2024 RMB	December 31, 2025 RMB	December 31, 2025 US$ Note 2(e)
Shareholders' equity			
Ordinary shares:			
Class Y Ordinary Shares (US$0.0001 par value; 100,000,000 shares authorized, 83,715,114 shares issued and outstanding as of December 31, 2024; US$0.0001 par value; 100,000,000 shares authorized, 79,700,010 shares issued and outstanding as of December 31, 2025)	52	49	7
Class Z Ordinary Shares (US$0.0001 par value; 9,800,000,000 shares authorized, 337,546,303 shares issued, 332,838,671 shares outstanding as of December 31, 2024; 9,800,000,000 shares authorized, 341,134,100 shares issued, 335,018,102 shares outstanding as of December 31, 2025)	216	218	31
Additional paid-in capital	41,454,130	41,808,515	5,978,538
Statutory reserves	48,642	55,105	7,880
Accumulated other comprehensive income	266,816	183,786	26,281
Accumulated deficit	(27,661,459)	(26,474,391)	(3,785,787)
Total Bilibili Inc.'s shareholders' equity	14,108,397	15,573,282	2,226,950
Noncontrolling interests	(4,484)	(24,719)	(3,535)
Total shareholders' equity	**14,103,913**	**15,548,563**	**2,223,415**
Total liabilities and shareholders' equity	**32,698,500**	**41,167,763**	**5,886,912**

The accompanying notes are an integral part of these consolidated financial statements.

BILIBILI INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS)/INCOME

(All amounts in thousands, except for share and per share data)

	For the Year Ended December 31,			
	2023	2024	2025	2025
	RMB	RMB	RMB	US$ Note 2(e)
Net revenues	**22,527,987**	**26,831,525**	**30,347,766**	**4,339,673**
Cost of revenues	(17,086,122)	(18,057,562)	(19,233,654)	(2,750,376)
Gross profit	**5,441,865**	**8,773,963**	**11,114,112**	**1,589,297**
Operating expenses:				
Sales and marketing expenses	(3,916,150)	(4,401,655)	(4,394,107)	(628,348)
General and administrative expenses	(2,122,432)	(2,031,063)	(2,062,066)	(294,872)
Research and development expenses	(4,467,470)	(3,685,214)	(3,533,488)	(505,282)
Total operating expenses	**(10,506,052)**	**(10,117,932)**	**(9,989,661)**	**(1,428,502)**
(Loss)/Profit from operations	**(5,064,187)**	**(1,343,969)**	**1,124,451**	**160,795**
Other income/(expense):				
Investment loss, net (including impairments)	(435,644)	(470,081)	(242,288)	(34,647)
Interest income	542,472	434,980	431,847	61,753
Interest expense	(164,927)	(89,193)	(150,572)	(21,532)
Exchange losses	(35,575)	(68,715)	(80,172)	(11,464)
Debt extinguishment gain/(loss)	292,213	(38,629)	(2)	*
Others, net	132,640	175,412	124,822	17,850
Total other income/(expense), net	**331,179**	**(56,226)**	**83,635**	**11,960**
(Loss)/Profit before income tax expenses	**(4,733,008)**	**(1,400,195)**	**1,208,086**	**172,755**
Income tax (expense)/benefit	(78,705)	36,544	(17,145)	(2,452)
Net (loss)/profit	**(4,811,713)**	**(1,363,651)**	**1,190,941**	**170,303**
Net (profit)/loss attributable to noncontrolling interests	(10,608)	16,851	2,590	370
Net (loss)/profit attributable to the Bilibili Inc.'s shareholders	**(4,822,321)**	**(1,346,800)**	**1,193,531**	**170,673**
Net (loss)/profit	**(4,811,713)**	**(1,363,651)**	**1,190,941**	**170,303**
Other comprehensive income/(loss):				
Foreign currency translation adjustments	154,367	54,339	(83,030)	(11,874)
Total other comprehensive income/(loss)	**154,367**	**54,339**	**(83,030)**	**(11,874)**
Total comprehensive (loss)/income	**(4,657,346)**	**(1,309,312)**	**1,107,911**	**158,429**
Comprehensive (income)/loss attributable to noncontrolling interests	(10,608)	16,851	2,590	370
Comprehensive (loss)/income attributable to the Bilibili Inc.'s shareholders	**(4,667,954)**	**(1,292,461)**	**1,110,501**	**158,799**
Net (loss)/profit per share, basic	(11.67)	(3.23)	2.85	0.41
Net (loss)/profit per share, diluted	(11.67)	(3.23)	2.74	0.39
Net (loss)/profit per ADS, basic	(11.67)	(3.23)	2.85	0.41
Net (loss)/profit per ADS, diluted	(11.67)	(3.23)	2.74	0.39
Weighted average number of ordinary shares, basic	413,210,271	416,470,256	418,913,625	418,913,625
Weighted average number of ordinary shares, diluted	413,210,271	416,470,256	444,026,799	444,026,799
Weighted average number of ADS, basic	413,210,271	416,470,256	418,913,625	418,913,625
Weighted average number of ADS, diluted	413,210,271	416,470,256	444,026,799	444,026,799

* Less than 1.

BILIBILI INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS)/INCOME (Continued)

(All amounts in thousands, except for share and per share data)

	For the Year Ended December 31,			
	2023	2024	2025	2025
	RMB	RMB	RMB	US$ Note 2(e)
Share-based compensation expenses included in:				
Cost of revenues	63,724	84,178	104,684	14,970
Sales and marketing expenses	56,649	60,460	76,605	10,954
General and administrative expenses	596,950	568,194	561,330	80,269
Research and development expenses	415,321	403,380	427,916	61,191

The accompanying notes are an integral part of these consolidated financial statements.

BILIBILI INC.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(All amounts in thousands, except for share data)

	Ordinary shares									
	Class Y Ordinary Shares		Class Z Ordinary Shares		Additional paid-in capital	Statutory reserves	Accumulated other comprehensive income	Accumulated deficit	Noncontrolling interests	Total shareholders' equity
	Shares	Amount	Shares	Amount						
		RMB		RMB	RMB	RMB	RMB	RMB	RMB	RMB
Balance at December 31, 2022	**83,715,114**	**52**	**308,223,639**	**201**	**36,623,161**	**36,173**	**58,110**	**(21,479,869)**	**1,759**	**15,239,587**
Net (loss)/income	—	—	—	—	—	—	—	(4,822,321)	10,608	(4,811,713)
Share-based compensation	—	—	—	—	1,132,644	—	—	—	—	1,132,644
Issuance of Class Z ordinary shares upon new ADS offering ("ADS offering")	—	—	15,344,000	10	2,689,370	—	—	—	—	2,689,380
Share issuance from exercise of share options	—	—	2,210,741	2	—	—	—	—	—	2
Share issuance from vest of restricted share units	—	—	22,500	*	—	—	—	—	—	*
Appropriation to statutory reserves	—	—	—	—	—	8,576	—	(8,576)	—	—
Foreign currency translation adjustments	—	—	—	—	—	—	154,367	—	—	154,367
Balance at December 31, 2023	**83,715,114**	**52**	**325,800,880**	**213**	**40,445,175**	**44,749**	**212,477**	**(26,310,766)**	**12,367**	**14,404,267**

* Less than 1.

The accompanying notes are an integral part of these consolidated financial statements.

BILIBILI INC.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

(All amounts in thousands, except for share data)

	Ordinary shares									
	Class Y Ordinary Shares		Class Z Ordinary Shares		Additional paid-in capital	Statutory reserves	Accumulated other comprehensive income	Accumulated deficit	Noncontrolling interests	Total shareholders' equity
	Shares	Amount	Shares	Amount						
		RMB		RMB	RMB	RMB	RMB	RMB	RMB	RMB
Balance at December 31, 2023	**83,715,114**	**52**	**325,800,880**	**213**	**40,445,175**	**44,749**	**212,477**	**(26,310,766)**	**12,367**	**14,404,267**
Net loss	—	—	—	—	—	—	—	(1,346,800)	(16,851)	(1,363,651)
Share-based compensation	—	—	—	—	1,116,212	—	—	—	—	1,116,212
Share issuance from exercise of share options	—	—	3,695,125	3	10,265	—	—	—	—	10,268
Share issuance from vest of restricted share units	—	—	701,834	1	—	—	—	—	—	1
Repurchase of shares	—	—	(839,167)	(1)	(117,522)	—	—	—	—	(117,523)
Appropriation to statutory reserves	—	—	—	—	—	3,893	—	(3,893)	—	—
Foreign currency translation adjustments	—	—	—	—	—	—	54,339	—	—	54,339
Balance at December 31, 2024	**83,715,114**	**52**	**329,358,672**	**216**	**41,454,130**	**48,642**	**266,816**	**(27,661,459)**	**(4,484)**	**14,103,913**

The accompanying notes are an integral part of these consolidated financial statements.

BILIBILI INC.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

(All amounts in thousands, except for share data)

	Ordinary shares									
	Class Y Ordinary Shares		Class Z Ordinary Shares		Additional paid-in capital	Statutory reserves	Accumulated other comprehensive income	Accumulated deficit	Noncontrolling interests	Total shareholders' equity
	Shares	Amount	Shares	Amount						
		RMB		RMB	RMB	RMB	RMB	RMB	RMB	RMB
Balance at December 31, 2024	**83,715,114**	**52**	**329,358,672**	**216**	**41,454,130**	**48,642**	**266,816**	**(27,661,459)**	**(4,484)**	**14,103,913**
Net income/(loss)	—	—	—	—	—	—	—	1,193,531	(2,590)	1,190,941
Share-based compensation	—	—	—	—	1,170,535	—	—	—	—	1,170,535
Share issuance from exercise of share options	—	—	1,659,682	1	6,558	—	—	—	—	6,559
Share issuance from vest of restricted share units	—	—	2,931,952	3	—	—	—	—	—	3
Shares redesignation	(4,015,104)	(3)	4,015,104	3	—	—	—	—	—	—
Repurchase of shares	—	—	(6,185,440)	(5)	(822,708)	—	—	—	—	(822,713)
Acquisition of subsidiaries	—	—	—	—	—	—	—	—	(17,605)	(17,605)
Derecognition of noncontrolling interests	—	—	—	—	—	—	—	—	(40)	(40)
Appropriation to statutory reserves	—	—	—	—	—	6,463	—	(6,463)	—	—
Foreign currency translation adjustments	—	—	—	—	—	—	(83,030)	—	—	(83,030)
Balance at December 31, 2025	**79,700,010**	**49**	**331,779,970**	**218**	**41,808,515**	**55,105**	**183,786**	**(26,474,391)**	**(24,719)**	**15,548,563**

The accompanying notes are an integral part of these consolidated financial statements.

BILIBILI INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(All amounts in thousands)

	For the Year Ended December 31,			
	2023	2024	2025	2025
	RMB	RMB	RMB	US$ Note 2(e)
Cash flows from operating activities:				
Net (loss)/profit	(4,811,713)	(1,363,651)	1,190,941	170,303
Adjustments to reconcile net (loss)/profit to net cash provided by operating activities:				
Depreciation of property and equipment	727,193	554,335	480,947	68,775
Amortization of intangible assets	2,003,199	1,772,400	1,545,189	220,959
Amortization of right-of-use assets	169,294	174,430	161,361	23,074
Amortization of debt issuance costs	23,299	10,949	7,241	1,035
Share-based compensation expenses	1,132,644	1,116,212	1,170,535	167,384
(Reversal of)/Allowance for expected credit losses	(16,000)	109,801	27,754	3,969
Inventory provision	10,431	18,744	1,821	260
Deferred income taxes	(25,376)	(110,118)	(47,545)	(6,799)
Unrealized exchange losses/(gains)	931	(2,509)	(9,992)	(1,429)
Unrealized fair value changes of investments	66,462	22,763	21,112	3,019
Loss on disposal of property and equipment	646	3,214	3,952	565
Termination expenses of certain game projects	354,811	—	—	—
Gain from disposal of subsidiaries and long-term investments	(3,857)	(11,000)	(15,392)	(2,200)
Loss from equity method investments	112,142	40,471	37,286	5,332
Revaluation of previously held equity interests	86,680	—	—	—
Impairments and loss of long-term investments	278,891	486,456	343,729	49,153
(Gain)/loss of convertible senior notes repurchase	(292,213)	38,629	2	*
Changes in operating assets and liabilities:				
Accounts receivable	(262,215)	251,244	(9,538)	(1,364)
Amounts due from related parties	75,273	(66,910)	(63,260)	(9,046)
Prepayments and other assets	342,537	273,362	192,012	27,457
Other long-term assets	185,783	51,154	(38,424)	(5,495)
Accounts payable	(60,458)	615,154	585,770	83,764
Salary and welfare payable	(182,171)	380,127	106,225	15,190
Taxes payable	29,006	83,682	49,403	7,065
Deferred revenue	133,902	848,219	859,556	122,915
Accrued liabilities and other payables	341,102	779,294	568,420	81,283
Amounts due to related parties	(12,007)	(348)	11,564	1,654
Other long-term liabilities	(141,594)	(61,250)	(33,561)	(4,800)
Net cash provided by operating activities	**266,622**	**6,014,854**	**7,147,108**	**1,022,023**
Cash flows from investing activities:				
Purchase of property and equipment	(181,897)	(465,367)	(512,858)	(73,338)
Purchase of intangible assets	(1,148,247)	(1,289,744)	(1,314,441)	(187,963)
Purchase of short-term investments	(13,547,650)	(36,969,524)	(85,638,931)	(12,246,204)
Maturity of short-term investments	16,328,255	37,007,903	81,815,086	11,699,402
Cash consideration (paid for)/acquired from purchase of subsidiaries, net of consideration paid and cash acquired	(70,000)	—	27,350	3,911
Cash paid for long-term investments including loans	(132,602)	(227,416)	(1,743,206)	(249,275)
Loans and advances from investees	684,834	78,968	13,000	1,859
Cash received from disposal/return of long-term assets	100,574	74,307	92,300	13,199
Placement of time deposits	(9,961,925)	(5,833,946)	(10,490,794)	(1,500,164)
Maturity of time deposits	9,690,806	7,486,732	8,411,880	1,202,883
Net cash provided by/(used in) investing activities	**1,762,148**	**(138,087)**	**(9,340,614)**	**(1,335,690)**
Cash flows from financing activities:				
Proceeds of short-term and long-term loans	1,950,482	5,149,000	2,699,000	385,952
Repayment of short-term loans and long-term loans	(2,032,295)	(1,908,696)	(2,681,000)	(383,378)
Purchase of noncontrolling interests	(7,027)	—	(1,067)	(153)
Proceeds from exercise of employees' share options	2	10,268	6,559	938
Proceeds from issuance of ordinary shares, net of issuance costs	2,689,380	—	—	—
Proceeds from issuance of convertible notes	—	100,000	4,886,978	698,828
Repurchase of shares	—	(117,523)	(822,713)	(117,645)
Repurchase of convertible senior notes	(7,675,227)	(6,058,432)	(474)	(68)
Net cash (used in)/provided by financing activities	**(5,074,685)**	**(2,825,383)**	**4,087,283**	**584,474**
Effect of exchange rate changes on cash and cash equivalents and restricted cash held in foreign currencies	100,349	6,177	41,179	5,888
Net (decrease)/increase in cash and cash equivalents and restricted cash	(2,945,566)	3,057,561	1,934,956	276,695
Cash and cash equivalents and restricted cash at beginning of the year	10,187,387	7,241,821	10,299,382	1,472,792
Cash and cash equivalents and restricted cash at end of the year	7,241,821	10,299,382	12,234,338	1,749,487

* Less than 1.

BILIBILI INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

(All amounts in thousands)

	For the Year Ended December 31,			
	2023	2024	2025	2025
	RMB	RMB	RMB	US$ Note 2(e)
Including:				
Cash and cash equivalents at end of the year	7,191,821	10,249,382	12,183,538	1,742,223
Restricted cash at end of the year	50,000	50,000	50,800	7,264
Supplemental disclosures of cash flows information:				
Cash paid for income taxes, net of tax refund	103,391	87,217	63,123	9,026
Cash paid for interest expense	167,291	93,809	125,109	17,890
Supplemental schedule of non-cash investing and financing activities:				
Property and equipment purchases financed by accounts payable	65,377	35,510	183,095	26,182
Acquisitions and investments financed by payables	(80,000)	(7,596)	22,740	3,252
Intangible assets purchases financed by payables	783,828	767,387	686,486	98,166

The accompanying notes are an integral part of these consolidated financial statements.

1. Operations

Bilibili Inc. (the "Company" or "Bilibili") is an iconic brand and a leading video community for young generations in China. Incorporated as a limited liability company in the Cayman Islands in December 2013, the Company, through its consolidated subsidiaries, variable interest entities ("VIEs") and subsidiaries of the VIEs (collectively referred to as the "Group"), is primarily engaged in the operation of providing online entertainment services to users in the People's Republic of China (the "PRC" or "China").

In April 2018, the Company completed its IPO on the NASDAQ Global Select Market. In March 2021, the Company successfully listed its Class Z ordinary shares on the main board of the Hong Kong Stock Exchange.

On October 3, 2022 (the "Primary Conversion Effective Date"), the Company's voluntary conversion of its secondary listing status to primary listing on the main board of the Hong Kong Stock Exchange became effective. The Company became a dual-primary listed company on the main board of Hong Kong Stock Exchange in Hong Kong and the NASDAQ Global Select Market in the United States.

In January 2023, the Company completed the offering of 15,344,000 ADSs at US$26.65 per ADS. The amount of net proceeds from such offering (after deducting all applicable costs and expenses including but not limited to selling commission) was approximately US$396.9 million (RMB2.7 billion). Shortly thereafter, the Company completed the repurchase of an aggregate principal amount of US$384.8 million (RMB2.6 billion) of its outstanding 0.5% convertible senior notes due December 2026 with an aggregate purchase price of US$331.2 million (RMB2.2 billion), which was funded by the net proceeds from the ADS Offering.

As of December 31, 2025, the Company's major subsidiaries, VIEs and subsidiaries of the VIEs are as follows:

Major Subsidiaries	Place and Year of Incorporation	Percentage of Direct or Indirect Economic Ownership	Principal Activities
Bilibili HK Limited	Hong Kong, 2014	100	Investment holding
Hode HK Limited	Hong Kong, 2014	100	Investment holding
Chaodian HK Limited	Hong Kong, 2019	100	Investment holding
Bilibili Co., Ltd.	Japan, 2014	100	Business development
Hode Shanghai Limited ("Hode Shanghai")	PRC, 2014	100	Technology development[1]
Shanghai Bilibili Technology Co., Ltd.	PRC, 2016	100	Technology development[1]
Chaodian (Shanghai) Technology Co., Ltd.	PRC, 2019	100	E-commerce and advertising[1]

1. Operations (Continued)

Major VIEs and VIEs' subsidiaries	Place and Year of Incorporation	Percentage of Direct or Indirect Economic Interest	Principal Activities
Shanghai Hode Information Technology Co., Ltd. ("Hode Information Technology")	PRC, 2013	100*	Mobile game operation[2]
Shanghai Kuanyu Digital Technology Co., Ltd. ("Shanghai Kuanyu")	PRC, 2014	100*	Video distribution and game distribution[2]
Sharejoy Network Technology Co., Ltd. ("Sharejoy Network")	PRC, 2014	100*	Game distribution[2]
Shanghai Hehehe Culture Communication Co., Ltd. ("Shanghai Hehehe")	PRC, 2014	100*	Comics distribution[2]
Shanghai Anime Tamashi Cultural Media Co., Ltd. ("Shanghai Anime Tamashi")	PRC, 2015	100*	E-commerce platform[2]

* Hode Shanghai is the primary beneficiary of the major VIEs and VIEs' subsidiaries.

1 These companies were established in the PRC in the form of wholly foreign-owned enterprises.

2 These companies were established in the PRC in the form of investments solely by legal corporations or controlled by natural person(s).

1. Operations (Continued)

Contractual agreements with major VIEs

In order to comply with the PRC laws and regulations which prohibit or restrict foreign control of companies involved in provision of internet content services, the Group operates its restricted businesses in the PRC through the VIEs, whose equity interests are held by certain founders of the Group. The Company obtained control over these VIEs by entering into a series of contractual arrangements with the legal shareholders who are also referred to as nominee shareholders. These nominee shareholders are the legal owners of the VIEs. However, the rights of those nominee shareholders have been transferred to the Company through the contractual arrangements.

The contractual arrangements that are used to control the VIEs include powers of attorney, exclusive technology consulting and services agreements or exclusive business cooperation agreements, equity pledge agreements and exclusive option agreements. Management concluded that the Company, through the contractual arrangements, has the power to direct the activities that most significantly impact the VIEs' economic performance, bears the risks of and enjoys the rewards normally associated with ownership of the VIEs, and therefore the Company is the ultimate primary beneficiary of these VIEs. As such, the Company consolidates the financial statements of these VIEs. Consequently, the financial results of the VIEs were included in the Group's consolidated financial statements in accordance with the presentation as stated in Note 2(a).

The following is a summary of the contractual agreements entered into by and among the Company's relevant subsidiaries, the VIEs, and respective nominee shareholders of the VIEs.

Exclusive Technology Consulting and Services Agreements. Under the exclusive technology consulting and services agreements between the Company's relevant subsidiaries and the VIEs, the Company's relevant subsidiaries have the exclusive right to provide the VIEs consulting and services related to, among other things, research and development, system operation, advertising, internal training and technical support. The Company's relevant subsidiaries have the exclusive ownership of intellectual property rights created as a result of the performance of these agreements. These VIEs shall pay the Company's relevant subsidiaries an annual service fee, which are subject to the adjustment by the Company's relevant subsidiaries at its sole discretion. These agreements will remain effective for a 10 year's term and then be automatically renewed, unless the Company's relevant subsidiaries give the VIEs a termination notice 90 days before the term ends. On December 23, 2020, the above agreements were replaced by the exclusive business cooperation agreements, which contain terms substantially similar to the exclusive business cooperation agreements described above, the exclusive business cooperation agreements have an infinite period commencing from December 23, 2020, unless the Company's relevant subsidiaries give the VIEs a termination notice 30 days before the term ends.

1. Operations (Continued)

Contractual agreements with major VIEs (Continued)

Exclusive Option Agreements. Pursuant to the exclusive purchase option agreement, among the Company's relevant subsidiaries, the VIEs and its nominee shareholders, each of the nominee shareholders of the VIEs irrevocably granted the Company's relevant subsidiaries an exclusive option to purchase, or have its designated person to purchase, at its discretion, to the extent permitted under PRC law, all or part of their equity interests in the VIEs, and the purchase price shall be the lowest price permitted by applicable PRC law. In addition, the VIEs irrevocably granted the Company's relevant subsidiaries an exclusive option to purchase, or have its designated person to purchase, at its discretion, to the extent permitted under PRC law, all or part of the VIEs' assets at the book value of such assets, or at the lowest price permitted by applicable PRC law, whichever is higher. The nominee shareholders of the VIEs undertake that, without the prior written consent of the Company's relevant subsidiaries, they shall not increase or decrease the registered capital, dispose of its assets, incur any debts or guarantee liabilities, enter into any material purchase agreements, conduct any merger, acquisition or investments, amend its articles of association or provide any loans to third parties. The exclusive option agreements will remain effective until all equity interests in the VIEs held by their nominee shareholders and all assets of the VIEs are transferred or assigned to the Company's relevant subsidiaries or its designated representatives.

Powers of Attorney. Pursuant to the powers of attorney, each of the nominee shareholders of the VIEs, executed a power of attorney to irrevocably appoint the Company's relevant subsidiaries or its designated person as nominee shareholder's attorney-in-fact to exercise all of the rights as a shareholder of the VIEs, including, but not limited to, the right to convene and attend shareholders' meeting, vote on any resolution that requires a shareholder vote, such as the appointment or removal of directors and executive officers, other voting rights pursuant to the then-effective articles of association of the VIEs and transfer of VIE's assets. The powers of attorney will remain in force for so long as the nominee shareholders remain shareholders of the VIEs. The powers of attorney were amended on December 23, 2020, which were extended the life to an indefinite term commencing from December 23, 2020 and will be terminated in the event that (i) the power of attorney is unilaterally terminated by the Company's relevant subsidiaries; or (ii) it is legally permissible for the Company or any of the subsidiaries to hold equity interests directly or indirectly in VIEs or their designated person is registered to be the sole shareholder of VIEs.

Equity Pledge Agreements. Pursuant to the equity pledge agreements, among the Company's relevant subsidiaries, the VIEs and its nominee shareholders, the nominee shareholders of the VIEs pledged all of their equity interests in the VIEs to guarantee their and the VIEs' performance of their obligations under the contractual arrangements. In the event of a breach by the VIEs or the VIEs' shareholders of contractual obligations under these agreements, the Company's relevant subsidiaries, as pledgee, will be entitled the right to dispose of the pledged equity interests in the VIEs. The nominee shareholders of the VIEs also undertake that, during the term of the equity pledge agreements, they shall not dispose of the pledged equity interests or create or allow any encumbrance on the pledged equity interests. During the term of the equity pledge agreements, the Company's relevant subsidiaries have the right to receive all of the dividends and profits distributed on the pledged equity interests. The pledge will remain binding until the VIEs and their nominee shareholders discharge all their obligations under the contractual arrangements.

1. Operations (Continued)

Risks in relation to the VIE structure

A significant part of the Group's business is conducted through the VIEs of the Group, of which the Company is the ultimate primary beneficiary. In the opinion of management, the contractual arrangements with the VIEs and the nominee shareholders are in compliance with PRC laws and regulations and are legally binding and enforceable. The nominee shareholders are also shareholders of the Group and have indicated they will not act contrary to the contractual arrangements. However, there are uncertainties regarding the interpretation and application of current or future PRC laws and regulations including those that govern the contractual arrangements, which could limit the Group's ability to enforce these contractual arrangements and if the nominee shareholders of the VIE were to reduce their interests in the Group, their interest may diverge from that of the Group and that may potentially increase the risk that they would seek to act contrary to the contractual arrangements.

On March 15, 2019, the National People's Congress approved the Foreign Investment Law, effective on January 1, 2020. The Foreign Investment Law has a catch-all provision under the definition of "foreign investment" which includes investments made by foreign investors in China through means stipulated in laws or administrative regulations or other methods prescribed by the State Council. In the event that the State Council in the future promulgates laws and regulations that deem investments made by foreign investors through contractual arrangements as "foreign investment," the Group's ability to use the contractual arrangements with its VIEs and the Group's ability to conduct business through the VIEs could be severely limited.

1. Operations (Continued)

Risks in relation to the VIE structure (continued)

The Company's ability to control the VIEs also depends on the powers of attorney the founders have to vote on all matters requiring shareholder approval in the VIEs. As noted above, the Company believes these powers of attorney are legally enforceable but may not be as effective as direct equity ownership.

In addition, if the Group's corporate structure or the contractual arrangements with the VIEs were found to be in violation of any existing or future PRC laws and regulations, the PRC regulatory authorities could, within their respective jurisdictions:

- revoke the Group's business and/or operating licenses;
- impose fines on the Group;
- confiscate any of the Group's income that they deem to be obtained through illegal operations;
- discontinue or place restrictions or onerous conditions on the Group's operations;
- restrict the Group's right to collect revenues;
- shut down the Group's servers or block the Group's app/websites;
- require the Group to restructure the operations, re-apply for the necessary licenses or relocate the Group's businesses, staff and assets;
- impose additional conditions or requirements with which the Group may not be able to comply; or
- take other regulatory or enforcement actions against the Group that could be harmful to the Group's business.

The imposition of any of these restrictions or actions could result in a material adverse effect on the Group's ability to conduct its business. In such case, the Group may not be able to operate or control the VIEs, which may result in deconsolidation of the VIEs in the Group's consolidated financial statements. In the opinion of management, the likelihood for the Group to lose such ability is remote based on current facts and circumstances. The Group believes that the contractual arrangements among each of the VIEs, their respective shareholders and relevant wholly foreign-owned enterprises are in compliance with PRC law and are legally enforceable. The Group's operations depend on the VIEs to honor their contractual arrangements with the Group. These contractual arrangements are governed by PRC law and disputes arising out of these agreements are expected to be decided by arbitration in the PRC. Management believes that each of the contractual arrangements constitutes valid and legally binding obligations of each party to such contractual arrangements under PRC laws. However, the interpretation and implementation of the laws and regulations in the PRC and their application on the legality, binding effect and enforceability of contracts are subject to the discretion of competent PRC authorities, and therefore there is no assurance that relevant PRC authorities will take the same position as the Group herein in respect of the legality, binding effect and enforceability of each of the contractual arrangements. Meanwhile, since the PRC legal system continues to evolve, the interpretations of many laws, regulations and rules are not always uniform and enforcement of these laws, regulations and rules involve uncertainties, which may limit legal protections available to the Group to enforce the contractual arrangements should the VIEs or the nominee shareholders of the VIEs fail to perform their obligations under those arrangements. Conflicts of interest may arise between the roles of them as shareholders, directors or officers of the Group and as shareholders of the VIEs.

1. Operations (Continued)

The following combined financial information of the consolidated VIEs and VIEs' subsidiaries as of December 31, 2024 and 2025 and for the years ended December 31, 2023, 2024 and 2025 included in the accompanying consolidated financial statements of the Group was as follows:

	December 31, 2024	December 31, 2025
	RMB in thousands	
Cash and cash equivalents	2,108,946	2,199,181
Time deposits	21,560	21,015
Restricted cash	50,000	50,800
Accounts receivable, net	623,464	718,182
Amounts due from Group companies	532,700	647,082
Amounts due from related parties	17,233	55,696
Prepayments and other current assets	382,386	492,189
Short-term investments	537,432	1,086,199
Long-term investments, net	1,714,647	1,417,457
Other non-current assets	4,647,176	4,740,489
Total assets	**10,635,544**	**11,428,290**
Accounts payable	3,650,374	4,003,546
Salary and welfare payables	426,568	346,391
Taxes payable	135,235	107,549
Short-term loans	600,000	347,458
Deferred revenue	2,727,174	3,111,282
Accrued liabilities and other payables	895,670	1,139,511
Amounts due to Group companies	10,362,724	9,653,655
Amounts due to related parties	4,463	15,631
Other long-term payables	400,630	449,488
Total liabilities	**19,202,838**	**19,174,511**
Total Bilibili Inc's shareholders' deficit	(8,575,962)	(7,736,087)
Noncontrolling interests	8,668	(10,134)
Total shareholders' deficit	**(8,567,294)**	**(7,746,221)**
Total liabilities and shareholders' deficit	**10,635,544**	**11,428,290**

1. Operations (Continued)

	For the Year Ended December 31,		
	2023	2024	2025
	RMB in thousands		
Third-party revenues	14,642,361	17,393,878	19,024,454
Inter-company revenues	990,698	916,759	655,135
Total revenues	**15,633,059**	**18,310,637**	**19,679,589**
Third-party costs and expenses	(15,591,936)	(16,539,124)	(16,790,742)
Inter-company consulting and services costs and expenses	(581,599)	(1,282,159)	(1,787,349)
Other inter-company costs and expenses	(282,725)	(154,393)	(80,912)
Total costs and expenses	**(16,456,260)**	**(17,975,676)**	**(18,659,003)**
(Loss)/profit from non-operations	(263,022)	243,418	(187,983)
(Loss)/profit before income tax expenses	**(1,086,223)**	**578,379**	**832,603**
Income tax (expense)/benefit	(31,321)	45,147	1,946
Net (loss)/profit	**(1,117,544)**	**623,526**	**834,549**
Net (profit)/loss attributable to noncontrolling interests	(9,587)	17,135	1,198
Net (loss)/profit attributable to Bilibili Inc.'s shareholders	**(1,127,131)**	**640,661**	**835,747**

	For the Year Ended December 31,		
	2023	2024	2025
	RMB in thousands		
Consulting and services charges from Group companies	(760,716)	(640,317)	(502,146)
Other operating cashflow from/(to) Group companies	1,822,310	(129,306)	300,256
Operating cashflow from third-parties	828,787	4,815,447	4,030,640
Net cash provided by operating activities	**1,890,381**	**4,045,824**	**3,828,750**
Purchase of short-term investments	(1,126,000)	(8,204,894)	(28,929,559)
Maturity of short-term investments	1,126,500	7,873,769	28,382,380
Placement of time deposits	(5,701)	(28,500)	(25,768)
Maturity of time deposits	5,701	11,424	25,768
Other investing activities	(944,970)	(1,091,578)	(868,145)
Net cash used in investing activities	**(944,470)**	**(1,439,779)**	**(1,415,324)**
Investments and loans to Group companies	(695,870)	(1,700,509)	(1,845,421)
Other financing activities	92,265	(698,000)	(481,000)
Net cash used in financing activities	**(603,605)**	**(2,398,509)**	**(2,326,421)**

1. Operations (Continued)

In accordance with various contractual agreements, the Company has the power to direct the activities of the VIEs and can have assets transferred out of the VIEs. Therefore, the Company considers that there are no assets in the respective VIEs that can be used only to settle obligations of the respective VIEs, except for the registered capital of the VIEs amounting up to RMB544.0 million as of December 31, 2024 and 2025, as well as certain non-distributable statutory reserves amounting to RMB34.8 million and RMB39.9 million, respectively, as of December 31, 2024 and 2025. As the respective VIEs are incorporated as limited liability companies under the PRC Company Law, creditors do not have recourse to the general credit of the Company for the liabilities of the respective VIEs. There is currently no contractual arrangement that would require the Company to provide additional financial support to the VIEs. As the Group is conducting certain businesses in the PRC through the VIEs, the Group may provide additional financial support on a discretionary basis in the future, which could expose the Group to a loss.

Liquidity

The Group incurred net losses of RMB4,811.7 million and RMB1,363.7 million for the years ended December 31, 2023 and 2024, respectively, and net profit of RMB1,190.9 million for the year ended December 31, 2025. Net cash provided by operating activities was RMB266.6 million, RMB6,014.9 million and RMB7,147.1 million for the years ended December 31, 2023, 2024 and 2025, respectively. Accumulated deficit was RMB27,661.5 million and RMB26,474.4 million as of December 31, 2024 and 2025, respectively. The Group assesses its liquidity by its ability to generate cash from operating activities and attract investors' investments. Historically, the Group has relied principally on both operational sources of cash and non-operational sources of financing from investors to fund its operations and business development. The Group's ability to continue as a going concern is dependent on management's ability to successfully execute its business plan, which includes increasing revenues while controlling costs and operating expenses, as well as, generating operational cash flows and continuing to gain support from outside sources of financing. In the past, the Group has been continuously receiving financing support from outside investors. In January 2023, the Group completed an offering of 15,344,000 American depositary shares (the "ADS Offering") to fund the repurchase of its outstanding convertible senior notes of US$331.2 million, and to replenish the cash reserve for other capital purpose with the remaining net proceeds of US$68.8 million. In May 2025, the Group completed an offering of US$690.0 million in aggregate principal amount of convertible senior notes due 2030 (the "Notes Offering"), with an interest rate of 0.625% per year. The Group raised total net proceeds of approximately US$678.1 million from the Notes Offering, after deducing the initial purchasers' commissions and expenses. Moreover, the Group can adjust the pace of its operation expansion and control the operating expenses. Based on the above considerations, the Group believes the cash and cash equivalents and the operating cash flows are sufficient to meet the cash requirements to fund planned operations and other commitments for at least the next twelve months from the date of the issuance of the consolidated financial statements. The Group's consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities in the normal course of business.

2. Significant Accounting Policies

a) Basis of presentation

The consolidated financial statements of the Group have been prepared in accordance with the accounting principles generally accepted in the United States of America ("U.S. GAAP").

Significant accounting policies followed by the Group in the preparation of the accompanying consolidated financial statements are summarized below.

b) Principles of consolidation

The consolidated financial statements include the financial statements of the Company, its subsidiaries and VIEs (inclusive of the VIEs' subsidiaries) for which the Company is the primary beneficiary.

Subsidiaries are those entities in which the Company, directly or indirectly, controls more than one half of the voting power, has the power to appoint or remove the majority of the members of the board of directors, or to cast a majority of votes at the meeting of the board of directors, or has the power to govern the financial and operating policies of the investee under a statute or agreement among the shareholders or equity holders.

A consolidated VIE is an entity in which the Company's subsidiary, through contractual arrangements, has the power to direct the activities that most significantly impact the entity's economic performance, bears the risks and enjoys the rewards normally associated with ownership of the entity, and therefore the Company's subsidiary is the primary beneficiary of the entity.

All transactions and balances among the Company, its subsidiaries and VIEs (inclusive of the VIEs' subsidiaries) have been eliminated upon consolidation. There is no VIE in the Group where the Company or any subsidiary has a variable interest but is not the primary beneficiary.

2. Significant Accounting Policies (Continued)

c) Use of estimates

The preparation of the Group's consolidated financial statements in conformity with the U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the balance sheet date and reported revenues and expenses during the reported periods in the consolidated financial statements and accompanying notes. Significant accounting estimate includes determination of the average playing period for paying players in the mobile game services.

d) Functional currency and foreign currency translation

The Group uses Renminbi ("RMB") as its reporting currency. The Company and several of its overseas subsidiaries use US$ or their respective local currencies as their functional currency. The functional currency of the Group's PRC entities is RMB.

In the consolidated financial statements, the financial information of the Company and other entities located outside of the PRC have been translated into RMB. Assets and liabilities are translated at the exchange rates on the balance sheet date, equity amounts are translated at historical exchange rates, and revenues, expenses, gains and losses are translated using the average rate for the year. Translation adjustments are reported as foreign currency translation adjustments, and are shown as a component of other comprehensive income/(loss) on the consolidated statements of operations and comprehensive (loss)/income.

Foreign currency transactions denominated in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the applicable exchange rates at the balance sheet dates. Net gains and losses resulting from foreign exchange transactions are included in exchange losses on the consolidated statements of operations and comprehensive (loss)/income.

e) Convenience Translation

Translations of balances on the consolidated balance sheets, consolidated statements of operations and comprehensive (loss)/income and consolidated statements of cash flows from RMB into US$ as of and for the year ended December 31, 2025 are solely for the convenience of the reader and were calculated at the rate of US$1.00 =RMB6.9931, representing the noon buying rate in The City of New York for cable transfers of RMB as certified for customs purposes by the Federal Reserve Bank of New York on December 31, 2025. No representation is made that the RMB amounts represent or could have been, or could be, converted, realized or settled into US$ at such rate.

2. Significant Accounting Policies (Continued)

f) Fair value measurements

Financial instruments

Accounting guidance defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Group considers the principal or most advantageous market in which it would transact and it considers assumptions that market participants would use when pricing the asset or liability.

Accounting guidance establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Accounting guidance establishes three levels of inputs that may be used to measure fair value:

a. Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

b. Level 2 applies to assets or liabilities for which there are inputs other than quoted prices included within Level 1 that are observable for the assets or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

c. Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

The Group's financial instruments include cash and cash equivalents, restricted cash, time deposits, accounts receivable, other receivables, amounts due from/to related parties, short-term investments, accounts payable, short-term loans, accrued liabilities and other payables of which the carrying values approximate their fair values. Please see Note 22 for additional information.

2. Significant Accounting Policies (Continued)

g) Cash and cash equivalents, restricted cash and time deposits

Cash and cash equivalents mainly represent cash on hand, demand deposits placed with large reputable banks in the United States of America and China, and highly liquid investments that are readily convertible to known amounts of cash and with original maturities from the date of purchase with terms of three months or less. As of December 31, 2024 and 2025, there were cash on hand and demand deposits with terms less than three months denominated in U.S. dollars amounting to approximately US$395.2 million and US$716.0 million, respectively (equivalent to approximately RMB2,840.7 million and RMB5,032.6 million, respectively). As of December 31, 2024 and 2025, the Group had cash held in accounts managed by online payment platforms such as Alipay and Paypal in connection with the collection of online service fees for a total amount of RMB65.9 million and RMB86.8 million, respectively, which have been classified as cash and cash equivalents on the consolidated balance sheets.

As of December 31, 2024 and 2025, the Group had approximately RMB8,165.7 million and RMB8,763.7 million cash and cash equivalents held by its PRC subsidiaries and the VIEs, representing 80% and 72% of total cash and cash equivalents of the Group, respectively.

Time deposits represent deposits placed with banks with original maturities more than three months but less than one year. As of December 31, 2024 and 2025, there were time deposits denominated in U.S. dollars amounting to approximately US$499.2 million, and US$743.0 million, respectively (equivalent to approximately RMB3,588.5 million and RMB5,222.4 million, respectively).

The Group had no other lien arrangements for the years ended December 31, 2023, 2024 and 2025. Cash that is restricted as to withdrawal or for use or pledged as security is reported separately on the consolidated balance sheets. As of December 31, 2024 and 2025, the restricted cash balances were RMB50.0 million and RMB50.8 million, respectively.

h) Receivables, net

The Group’s accounts receivable, amounts due from related parties and other receivables recorded in prepayments and other current assets are within the scope of ASC Topic 326. Accounts receivable consist primarily of receivables from advertising customers, and receivables from distribution channels.

To estimate expected credit losses, the Group has identified the relevant risk characteristics of its customers and the related receivables and other receivables which include size, type of the services or the products the Group provides, or a combination of these characteristics. Receivables with similar risk characteristics have been grouped into pools. For each pool, the Group considers the past collection experience, current economic conditions, future economic conditions (external data and macroeconomic factors) and changes in the Group’s customer collection trends. This is assessed at each quarter based on the Group’s specific facts and circumstances. No significant impact of changes in the assumptions since adoption.

2. Significant Accounting Policies (Continued)

h) Receivables, net (Continued)

The Group recorded a provision for current expected credit losses. The following table sets out movements of the allowance for expected credit losses for the years ended December 31, 2023, 2024 and 2025:

	For the Year Ended December 31,		
	2023	2024	2025
	RMB in thousands		
Beginning balance	305,535	219,201	283,993
(Reversal)/Provisions	(16,000)	109,801	27,754
Write-offs	(70,334)	(45,009)	(94,834)
Ending balance	**219,201**	**283,993**	**216,913**

i) Inventories, net

Inventories, mainly represent products for the Group's e-commerce business, are stated at the lower of cost or net realizable value on the consolidated balance sheets. Cost of inventories is determined using the weighted average cost method. Adjustments are recorded to write down the cost of inventories to the estimated net realizable value due to slow-moving merchandise and damaged goods, which is dependent upon factors such as historical and forecasted consumer demand, and promotional environment. The Group takes ownership, risks and rewards of the products purchased. Write downs are recorded in cost of revenues on the consolidated statements of operations and comprehensive (loss)/income. Certain costs attributable to buying and receiving products, such as purchase freights, are included in cost of inventories.

j) Property and equipment, net

Property and equipment are stated at cost less accumulated depreciation and impairment, if any. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally three years. Leasehold improvements are amortized over the shorter of the estimated useful lives of the assets or the remaining lease term. Expenditures for maintenance and repairs are expensed as incurred. The gain or loss on the disposal of property and equipment is the difference between the net sales proceeds and the carrying amount of the relevant assets and is recognized on the consolidated statements of operations and comprehensive (loss)/income.

2. Significant Accounting Policies (Continued)

k) Intangible assets, net

Intangible assets acquired through business acquisitions are recognized as assets separate from goodwill if they satisfy either the "contractual-legal" or "separability" criterion. Purchased intangible assets are initially recognized and measured at fair value. Major identifiable intangible assets that have determinable lives continue to be amortized over their estimated useful lives using the straight-line method as follows:

Licensed copyrights of content	shorter of the licensed period or projected useful life of the content, mainly vary from 1 to 10 years
License rights of mobile games	shorter of the licensed period or projected useful life of mobile games, mainly vary from 1 to 3 years
Intellectual property and others	1 - 15 years, based on the underlying intangible assets expected to contribute to the future cash flows

If expectations of the usefulness of the content are revised downward, the unamortized cost is written down to the fair value, which establishes a new cost basis.

l) Goodwill

Goodwill represents the excess of the purchase consideration over the fair value of the identifiable tangible and intangible assets acquired and liabilities assumed from the acquired entity as a result of the Company's acquisitions of interests in its subsidiaries and consolidated VIEs. Goodwill is not depreciated or amortized but is tested for impairment at the reporting unit level on an annual basis, and between annual tests when an event or circumstances change occurs that indicate the asset might be impaired. Under ASC 350-20-35, the Group has the option to choose whether it will apply the qualitative assessment first and then the quantitative assessment, if necessary, or to apply the quantitative assessment directly.

The Group, therefore, chooses the quantitative assessment directly and performs the goodwill impairment test by comparing the fair value of the reporting unit with its carrying amount and recognizing an impairment charge for the amount by which the carrying amount exceeds the fair value.

Application of a goodwill impairment test requires significant management judgment, including the identification of reporting units, assigning assets and liabilities to reporting units, assigning goodwill to reporting units, and determining the fair value of each reporting unit. The estimated fair value of reporting unit is determined using either an income approach or a market approach, when appropriate. The judgment in estimating the fair value of reporting units includes estimating future cash flows, determining appropriate discount rates and making other assumptions. Changes in these estimates and assumptions could materially affect the determination of fair value for each reporting unit. The Group as a whole is determined to be one reporting unit for goodwill impairment testing. The Group applied the quantitative assessment and performed the goodwill impairment test by quantitatively comparing the fair values of the reporting unit to it carrying amounts. The Group determines the fair value of the reporting unit based on its quoted stock price, and no impairment charge was recognized for any of the periods presented.

2. Significant Accounting Policies (Continued)

m) Impairment of long-lived assets other than goodwill

Long-lived assets are evaluated for impairment whenever events or changes in circumstances (such as a significant adverse change to market conditions that will impact the future use of the assets) indicate that the carrying value of an asset may not be fully recoverable or that the useful life is shorter than the Group had originally estimated. When these events occur, the Group evaluates the impairment for the long-lived assets by comparing the carrying value of the assets to an estimate of future undiscounted cash flows expected to be generated from the use of the assets and their eventual disposition. If the sum of the expected future undiscounted cash flows is less than the carrying value of the assets, the Group recognizes an impairment loss based on the excess of the carrying value of the assets over the fair value of the assets.

n) Research and development expenses

Research and development expenses mainly consist of payroll-related expenses incurred for the innovation of video function, development and enhancement to the Group's websites, platforms of applications, development of online games and the termination of certain game projects.

For internal use software, the Group expenses all costs incurred for the preliminary project stage and post implementation-operation stage of development, and costs associated with repair or maintenance of the existing platforms. Costs incurred in the application development stage are capitalized and amortized over the estimated useful life. Since the amount of the Group's research and development expenses qualifying for capitalization has been immaterial, as a result, all development costs incurred for development of internal used software have been expensed as incurred.

For external use software, costs incurred for development of external use software have not been capitalized since the inception of the Group, because the period after the date technical feasibility is reached and the time when the software is marketed is short historically, and the amount of costs qualifying for capitalization has been immaterial.

o) Sales and marketing expenses

Sales and marketing expenses consist primarily of marketing and promotional expenses, salaries and other compensation-related expenses to the Group's sales and marketing personnel. Marketing and promotional expenses consist primarily of costs for the promotion of corporate image and product marketing. The Group expenses all marketing and promotion costs as incurred and classifies these costs under sales and marketing expenses. For the years ended December 31, 2023, 2024 and 2025, the marketing and promotional expenses were RMB3,131.0 million, RMB3,562.3 million and RMB3,572.2 million, respectively.

p) General and administrative expenses

General and administrative expenses consist primarily of salaries and other compensation-related expenses to the Group's general and administrative personnel, professional fees, rental expenses and allowance for expected credit losses.

2. Significant Accounting Policies (Continued)

q) Leases

The Group recognizes the right-of-use assets recorded in "Other long-term assets" and corresponding short-term leasing liabilities recorded in "Accrued liabilities and other payables" and long-term leasing liabilities recorded in "Other long-term liabilities" respectively on the consolidated balance sheets.

The Group elected to not recognize lease assets and lease liabilities for leases with a term of twelve months or less, and to not separate non-lease components from lease components. Under ASC 842, the Group determines if an arrangement is or contains a lease at inception. Right-of-use assets and liabilities are recognized at lease commencement date based on the present value of remaining lease payments over the lease terms. The Group considers only payments that are fixed and determinable at the time of lease commencement.

The Group leases office space under non-cancelable operating lease agreements, which mainly expire at various dates through 2028. As of December 31, 2024 and 2025, the Group's operating leases had a weighted average remaining lease term of 1.8 years and 1.6 years and a weighted average discount rate of 4.70% and 4.45%, respectively. Future lease payments under operating leases as of December 31, 2025 were as follows:

	December 31, 2025 RMB in thousands
2026	150,655
2027	16,409
2028 and thereafter	19,969
Total future lease payments	187,033
Less: Impact of discounting remaining lease payments	(3,880)
Total lease liabilities	**183,153**

Operating lease cost for the years ended December 31, 2023, 2024 and 2025 was RMB198.7 million, RMB193.3 million and RMB184.2 million, respectively, which excluded cost of short-term contracts. Short-term lease cost for the years ended December 31, 2023, 2024 and 2025 was immaterial. Supplemental cash flow information related to operating leases was as follows:

	For the Year Ended December 31,		
	2023	2024	2025
	RMB in thousands		
Cash payments for operating leases	206,518	198,418	187,876
Right-of-use assets (released)/obtained in exchange for operating lease liabilities	(60,910)	15,979	46,917

2. Significant Accounting Policies (Continued)

r) Share-based compensation

Share based compensation expenses arise from share-based awards, including share options and restricted share units ("RSUs") for the purchase of the Company's ordinary shares. The Group accounts for share-based awards granted to employees in accordance with ASC 718 *Compensation - Stock Compensation* and share-based awards granted to nonemployees in accordance with ASC 505. The Group accounts for share-based awards granted to non-employees in accordance with ASU 2018-07, which are similar to the model for employee awards.

For share options for the purchase of ordinary shares granted to employees determined to be equity classified awards, the related share-based compensation expenses are recognized in the consolidated financial statements based on their grant date fair values which are calculated using the binomial option pricing model. The determination of the fair value is affected by the share price as well as assumptions regarding a number of complex and subjective variables, including the expected share price volatility, risk-free interest rates and expected dividends.

The Group recognizes the estimated compensation cost of restricted share units with service and/or performance conditions based on the fair value of its ordinary shares on the date of the grant.

For share-based awards granted with service conditions only, share-based compensation expenses are recorded net of estimated forfeitures using straight-line method during the requisite service period, such that expenses are recorded only for those share-based awards that are expected to ultimately vest.

For share-based awards granted with performance conditions, share-based compensation expenses are recognized over the requisite service period when the vesting of the award becomes probable.

s) Employee benefits

PRC Contribution Plan

Full time employees of the Group in the PRC participate in a government mandated defined contribution plan, pursuant to which certain pension benefits, medical care, employee housing fund and other welfare benefits are provided to the employees. Chinese labor regulations require that the PRC subsidiaries and VIEs of the Group make contributions to the government for these benefits based on certain percentages of the employees' salaries, up to a maximum amount specified by the local government. The Group has no legal obligation for the benefits beyond the contributions made.

t) Investments

Short-term investments

Short-term investments primarily include financial products with variable interest rates referenced to performance of underlying assets issued by well-known banks and investments in publicly traded companies with the intention to be sold within twelve months.

In accordance with ASC 825, *Financial Instruments*, for financial products with variable interest rates referenced to performance of underlying assets, the Group elected the fair value method at the date of initial recognition and carries these investments at fair value. Changes in the fair value of these investments are reflected on the consolidated statements of operations and comprehensive (loss)/income as "Investment loss, net (including impairments)". Fair value is estimated based on quoted prices of similar products provided by financial institutions at the end of each reporting period.

2. Significant Accounting Policies (Continued)

t) Investments (Continued)

Short-term investments (continued)

For investments in publicly traded companies, the Group carries the investments at fair value at the end of each reporting period. Changes in the fair value of these investments are reflected on the consolidated statements of operations and comprehensive (loss)/income as "Investment loss, net (including impairments)".

Long-term investments, net

The Group's long-term investments primarily consist of equity investments accounted for using the measurement alternative, equity investments accounted for using the equity method and other investments accounted for at fair value.

Equity investments accounted for using the measurement alternative

For those investments over which the Group does not have significant influence and without readily determinable fair value, the Group records them at cost, less impairment, and plus or minus subsequent adjustments for observable price changes (referred to as the measurement alternative). Under this measurement alternative, changes in the carrying value of these investments are required to be made whenever there are observable price changes in orderly transactions for the identical or similar investment of the same issuer.

Management regularly evaluates the impairment of these investments based on performance and financial position of the investee as well as other evidence of market value. Such evaluation includes, but is not limited to, reviewing the investee's cash position, recent financing, historical financial performance, financing needs, and industry environment. An impairment loss recognized equals to the excess of the investment cost over its fair value at the end of each reporting period for which the assessment is made. The fair value would then become the new cost basis of investment.

Equity investments accounted for using the equity method

The Group applies the equity method of accounting to account for equity investments and limited partnership in private equity funds, according to ASC 323 *Investment—Equity Method and Joint Ventures*, over which it has significant influence but does not own a majority equity interest or otherwise control. Under the equity method, the Group initially records the investments at cost and the difference between the cost of the equity investee and the fair value of the underlying equity in the net assets of the equity investee is recognized as equity method goodwill, which is included in the equity method investments on the consolidated balance sheets. The Group subsequently adjusts the carrying amount of the investments to recognize its proportionate share of each equity investee's net income or loss into earnings and cash distributions from investees, after the date of investment. The Group evaluates the equity method investments for impairment under ASC 323. An impairment loss on the equity method investments is recognized as "Investment loss, net (including impairments)" in the consolidated statements of operations and comprehensive (loss)/income when the decline in value is determined to be other-than-temporary.

2. Significant Accounting Policies (Continued)

t) Investments (Continued)

Long-term investments, net (continued)

Investments accounted for at fair value

In accordance with ASC 825, *Financial Instruments*, for financial products with variable interest rates referenced to performance of underlying assets and with original maturities greater than one year, the Group elected the fair value method at the date of initial recognition and carries these investments at fair value. Changes in the fair value of these investments are reflected on the consolidated statements of operations and comprehensive (loss)/income as "Investment loss, net (including impairments)".

u) Taxation

Income taxes

Current income taxes are provided on the basis of income/(loss) for financial reporting purposes, adjusted for income and expense items which are not assessable or deductible for income tax purposes, in accordance with the regulations of the relevant tax jurisdictions. Deferred income taxes are provided using the assets and liabilities method. Under this method, deferred income taxes are recognized for the tax consequences of temporary differences by applying enacted statutory rates applicable to future years to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes. The effect on deferred taxes of a change in tax rates is recognized in the consolidated statement of operations and comprehensive (loss)/income in the period of change. A valuation allowance is provided to reduce the amount of deferred tax assets if it is considered more-likely-than-not that some portion of, or all of the deferred tax assets will not be realized.

Uncertain tax positions

In order to assess uncertain tax positions, the Group applies a more-likely-than-not threshold and a two-step approach for the tax position measurement and financial statement recognition. Under the two-step approach, the first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more-likely-than-not that the position will be sustained, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount that is more than 50% likelihood of being realized upon settlement. The Group recognizes interest and penalties, if any, under accrued expenses and other current liabilities on its consolidated balance sheets and under income tax expenses in its consolidated statements of operations and comprehensive (loss)/income. The Group did not have any material unrecognized uncertain tax positions as of and for the years ended December 31, 2023, 2024 and 2025, respectively. The Group also did not expect any material increase or decrease in unrecognized tax liability within 12 months following the reporting date.

2. Significant Accounting Policies (Continued)

v) Revenue recognition

Under ASC 606, revenue is recognized when a customer obtains control of promised goods or services in an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. The Group identifies its contracts with customers and all performance obligations within those contracts. The Group then determines the transaction price and allocates the transaction price to the performance obligations within the Group's contracts with customers, recognizing revenue when, or as, the Group satisfies its performance obligations. The Group's revenue recognition policies effective upon the adoption of ASC 606 are as follows:

Mobile game services

Exclusively distributed mobile games

The Group primarily generates revenues from the sale of in-game virtual items to enhance the game-playing experience.

In accordance with ASC 606, the Group evaluates the contracts with its customers and determines that the Group has a single performance obligation which is to make the game and the ongoing game related services available to the paying players. The transaction price, which is the amount paid for in-game virtual items by the paying player, is allocated entirely to this single performance obligation. The Group recognizes revenue from in-game virtual items over the estimated average playing period of paying players, starting from the point-in-time when related in-game virtual items are delivered to the paying players' accounts.

The Group has estimated the average playing period of the paying players for each game, usually between one to ten months. The Group considers the average period that players typically play the games and other game player behavior patterns, as well as various other factors to arrive at the best estimates for the estimated playing period of the paying players. To compute the estimated average playing period for paying players, the Group considers the initial purchase date as the starting point of a paying player's lifespan. The Group tracks populations of paying players who made their initial purchases during the interval period (the "Cohort") and tracks each Cohort to understand the subsequent churn rate of the paying players of each Cohort, i.e. the number of paying players from each Cohort who left subsequent to their initial purchases (the "churn rate"). To determine the ending point of a paying player's lifespan beyond the date for which observable data are available, the Group extrapolates the historical churn rate to arrive at an average playing period for paying players of the selected games. If a new game is launched and only a limited period of paying player data is available, then the Group considers the estimated average playing period of the Group's other mobile games which has similar characteristics with the new game. When the Group believes it can reasonably estimate average playing period of new games based on newly available paying players information, the Group may prospectively apply the change of estimate.

The Group applies portfolio approach in estimating the average playing period of the paying players for the recognition of mobile game revenue given that the effect of applying a portfolio approach to a group game players' behavior would not differ materially from considering each one of them individually.

In accordance with ASC 606-10-55-39, the Group assesses whether it acts as the principal or as an agent in the arrangement with each party respectively. The Group records revenue generated from exclusively distributed mobile games on a gross basis as the Group is acting as the principal to fulfill all obligations related to the mobile game operations. The Group is responsible for the launch of the games, hosting and maintenance of game servers, and determination of when and how to operate the in-game promotions and customer services. The Group is also determining the pricing of in-game virtual items and making a localized version for overseas licensed games.

2. Significant Accounting Policies (Continued)

v) Revenue recognition (continued)

Mobile game services (continued)

Proceeds earned from selling in-game virtual items are shared between the Group and the third-party game developers, with the amount paid to the third-party game developers generally calculated based on amounts paid by paying players, after deducting the fees paid to the payment channels and the distribution channels. Fees paid to third-party game developers, distribution channels and payment channels are recorded as "Cost of revenues" on the consolidated statements of operations and comprehensive (loss)/income.

Jointly operated mobile game distribution services

The Group is also offering distribution services for mobile games developed by the third-party game developers. In accordance with ASC 606, the Group evaluates the contracts with the third-party game developers and identifies the performance obligations as distributing games and providing payment solution and market promotion service to the game developers. Accordingly, the Group earns service revenue by distributing them to the game players.

In accordance with ASC 606-10-55-39, the Group assesses whether it acts as the principal or as an agent in the arrangement with each party respectively. With respect to the jointly operated licensed arrangements between the Group and the third-party game developers, the Group considered it does not have the primary responsibility for fulfillment and acceptability of the game services. The Group's responsibilities are distributing games, providing payment solution and market promotion service, and thus the Group views the third-party game developers to be its customers. Accordingly, the Group records the game distribution service revenue from these games, on a net basis based on the ratios pre-determined with the third-party game developers when the performance obligations are satisfied, which is generally when the paying players purchase virtual currencies issued by the third-party game developers.

2. Significant Accounting Policies (Continued)

v) Revenue recognition (continued)

Value-added services ("VAS")

The Group offers premium membership, live broadcasting and other value-added services to the customers.

The Group offers premium membership services which provide subscribing members access to streaming of premium content in exchange for a non-refundable upfront premium membership fee. When the receipt of premium membership fees is for services to be delivered over a period of time, generally from one month to twelve months, the receipt is initially recorded as "Deferred revenue" and revenue is recognized ratably over the membership period as services are rendered.

The Group operates and maintains live broadcasting channel whereby users can enjoy live performances provided by the hosts and interact with the hosts. Most of the hosts host the performance on their own. The Group creates and sells virtual items to users so that the users present them simultaneously to hosts to show their support. The virtual items sold by the Group comprise of either (i) consumable items or (ii) time-based items, such as privilege titles etc. Revenues derived from the sale of virtual items are recorded on a gross basis as the Group acts as the principal to fulfill all obligations related to the sale of virtual items in accordance with ASC 606-10-55-39. Accordingly, revenue is recognized at point-in-time when the virtual item is delivered and consumed if the virtual item is a consumable item or, in the case of time-based virtual item, recognized ratably over the period each virtual item is made available to the user, which generally does not exceed one year. Proceeds received from the sales of virtual items before they consumed are recorded as "Deferred revenue".

Under the arrangements with the hosts, the Group shares with them a portion of the revenues derived from the sales of virtual items. The portion paid to hosts is recognized as "Cost of revenues" on the consolidated statements of operations and comprehensive (loss)/income.

The Group's other value-added services revenues are primarily derived from the provision of premium contents to third parties such as fan charging program. Revenues generated from these businesses are recognized when related services are rendered.

Advertising services

The Group provides various advertising formats, mainly include but not limited to advertisements appearing on the app opening page, banner text-links, logos, buttons and rich media, brand advertising, performance-based advertising and native advertisements which are customized according to advertisers' needs. The Group determines each format of advertisements which is a distinct performance obligation. Consideration is allocated to each performance obligation based on its standalone selling price. The Group recognizes revenue on a pro-rata basis for each performance obligation, commencing on the date the advertisements are displayed on the Group's platform or upon the performance obligations are satisfied, generally when users click on links.

Sales incentives to customers

The Group provides various sales incentives to its customers, including cash incentives in the form of commissions to certain third-party advertising agencies and noncash incentives such as discounts and advertising services provided free of charge in certain bundled arrangements, which are negotiated on a contract-by-contract basis with customers. The Group accounts for these incentives granted to customers as variable consideration in accordance with ASC 606. The amount of variable consideration is measured based on the most likely amount of incentive to be provided to customers.

2. Significant Accounting Policies (Continued)

v) Revenue recognition (continued)

IP derivatives and others

IP derivatives and others are mainly from the sales of products through the Group's e-commerce platform, as well as revenues from e-sports copyright sublicensing. IP derivatives and others are recognized when control of promised goods or services is transferred to the customers, which generally occurs upon the acceptance of the goods or services by the customers. Pursuant to ASC 606-10-55-39, for arrangements where the Group is primarily responsible for fulfilling the promise to provide the goods or services, is subject to inventory risk, and has latitude in establishing prices and selecting suppliers, revenues are recorded on a gross basis. Otherwise, revenues are recorded on a net basis. Cash coupons, granted to the customers for free at the Group's discretion, are recorded as a reduction of the arrangement's transaction price thereby reducing the amount of revenue recognized as the payment is not for a distinct good or service received from the customer in accordance with ASC 606-10-32-25.

Net revenues presented on the consolidated statements of operations and comprehensive (loss)/income are net of sales discount and value-added tax.

Other Estimates and Judgments

The Group estimates revenue of mobile game, VAS received from the third-party payment processors in the current period when reasonable estimates of these amounts can be made. The processors provide reliable interim preliminary reporting within a reasonable time frame following the end of each month and the Group maintains records of sales data, both of which allow the Group to make reasonable estimates of revenue and therefore to recognize revenue during the reporting period. Determination of the appropriate amount of revenue recognized involves judgments and estimates that the Group believes are reasonable, but actual results may differ from the Group's estimates. When the Group receives the final reports, to the extent not received within a reasonable time frame following the end of each month, the Group records any differences between estimated revenue and actual revenue in the reporting period when the Group determines the actual amounts. The revenue on the final revenue report have not differed significantly from the reported revenue for the periods presented.

Contract balances

Timing of revenue recognition may differ from the timing of invoicing to customers. Accounts receivable represent amounts invoiced, and revenue recognized prior to invoicing when the Group has satisfied its performance obligations and has the unconditional right to consideration.

Deferred revenue relates to unsatisfied performance obligations at the end of each reporting period and consists of cash payment received in advance from game players in mobile games, from customers in advertising services, live broadcasting services and other VAS, and e-commerce platforms. Due to the generally short-term duration of the relevant contracts, the majority of the performance obligations are satisfied within one year. The amount of revenue recognized that was included in the receipts in advance balance at the beginning of the year was RMB2,760.5 million, RMB2,944.9 million and RMB3,715.6 million for the years ended December 31, 2023, 2024 and 2025, respectively.

2. Significant Accounting Policies (Continued)

v) Revenue recognition (continued)

Practical expedients

The Group has used the following practical expedients as allowed under ASC 606:

The transaction price allocated to the performance obligations that are unsatisfied, or partially unsatisfied, has not been disclosed, as substantially all of the contracts have an original expected duration of one year or less.

The Group expenses the costs to obtain a contract as incurred when the amortization period is one year or less.

The following table presents the Group's net revenues disaggregated by revenue sources:

	For the Year Ended December 31,		
	2023	2024	2025
	RMB in thousands		
Value-added services	9,910,080	10,999,137	11,928,286
Advertising	6,412,040	8,189,175	10,058,430
Mobile games	4,021,137	5,610,323	6,394,638
IP derivatives and others	2,184,730	2,032,890	1,966,412
Total net revenues	**22,527,987**	**26,831,525**	**30,347,766**

2. Significant Accounting Policies (Continued)

w) Cost of revenues

Cost of revenues consists primarily of revenue sharing costs to mobile games developers and distribution channels and payment channels, revenue sharing with the hosts and content creators, staff costs, content costs, server and bandwidth service costs, depreciation expenses and other direct costs of providing these services as well as cost of merchandise sold. These costs are charged to the consolidated statements of operations and comprehensive (loss)/income as incurred.

x) Others, net

Others, net in the consolidated statements of operations and comprehensive (loss)/income primarily consist of government grants recognized as income by the Group for the years ended December 31, 2023, 2024 and 2025. Government grants mainly represent subsidies for operating business in certain jurisdictions and fulfilment of certain obligations. Government grants are recognized as income when all conditions attached to the grants have been fulfilled and it is probable to be received.

y) Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or significant influence, such as a family member or relative, shareholder, or a related corporation.

2. Significant Accounting Policies (Continued)

z) Net (loss)/profit per share

(Loss)/Profit per share is computed in accordance with ASC 260, *Earnings per Share*. The two-class method is used for computing earnings per share in the event the Group has net income available for distribution. Under the two-class method, net income is allocated between ordinary shares and participating securities based on dividends declared (or accumulated) and participating rights in undistributed earnings as if all the earnings for the reporting period had been distributed.

Basic net (loss)/profit per share is computed using the weighted average number of ordinary shares outstanding during the period. Diluted net (loss)/profit per share is computed using the weighted average number of ordinary shares and potential ordinary shares outstanding during the period. Potential ordinary shares include ordinary shares issuable upon the exercise of outstanding share options and restricted share units using the treasury stock method and ordinary shares issuable upon the conversion of the April 2026 Notes, 2027 Notes, December 2026 Notes and 2030 Notes using the if-converted method. The computation of diluted net (loss)/profit per share does not assume conversion, exercise, or contingent issuance of securities that would have an anti-dilutive effect (i.e. an increase in earnings per share amounts or a decrease in loss per share amounts) on net (loss)/profit per share. Net (loss)/profit per ordinary share is computed on Class Y Ordinary Shares and Class Z Ordinary Shares combined basis, because both classes have the same dividend rights in the Company's undistributed net income.

aa) Statutory reserves

In accordance with China's Company Laws, the Company's VIEs in PRC must make appropriations from their after-tax profit, as determined under the accounting principles generally acceptable in the People's Republic of China ("PRC GAAP"), to non-distributable reserve funds including (i) statutory surplus fund and (ii) discretionary surplus fund. The appropriation to the statutory surplus fund must be at least 10% of the after-tax profits calculated in accordance with PRC GAAP. Appropriation is not required if the statutory surplus fund has reached 50% of the registered capital of the respective company. Appropriation to the discretionary surplus fund is made at the discretion of the respective company.

Pursuant to the laws applicable to China's Foreign Invested Enterprises("FIE"), the Company's subsidiaries that are FIEs in China have to make appropriations from their after-tax profit (as determined under PRC GAAP) to reserve funds including (i) general reserve fund, (ii) enterprise expansion fund and (iii) staff bonus and welfare fund. The appropriation to the general reserve fund must be at least 10% of the after-tax profits calculated in accordance with PRC GAAP. Appropriation is not required if the general reserve fund has reached 50% of the registered capital of the respective company. Appropriations to the other two reserve funds are at the respective companies' discretion.

The following table presents the Group's appropriations to general reserve funds and statutory surplus funds for the years ended December 31, 2023, 2024 and 2025:

	For the Year Ended December 31,		
	2023	2024	2025
	RMB in thousands		
Appropriations to general reserve funds and statutory surplus funds	8,576	3,893	6,463

2. Significant Accounting Policies (Continued)

bb) Noncontrolling interests

For the Company's majority-owned subsidiaries and consolidated VIEs, noncontrolling interests are recognized to reflect the portion of the equity which is not attributable, directly or indirectly, to the Company as the controlling shareholder. Noncontrolling interests acquired through a business combination are recognized at fair value at the acquisition date, which is estimated with reference to the purchase price per share as of the acquisition date.

The noncontrolling interests will continue to be attributed with its share of losses even if that attribution results in a deficit noncontrolling interest balance.

cc) Comprehensive income/(loss)

Comprehensive income/(loss) is defined to include all changes in equity of the Group during a period arising from transactions and other events and circumstances excluding transactions resulting from investments by shareholders and distributions to shareholders. Accumulated other comprehensive income, as presented on the consolidated balance sheets, consists of accumulated foreign currency translation adjustments.

dd) Segment reporting

Based on the criteria established by ASC 280, *Segment Reporting*, the Group's chief operating decision maker has been identified as the Chairman of the Board of Directors and CEO, who reviews consolidated results of the Group when making decisions about allocating resources and assessing performance. The Group has internal reporting of revenue, cost and expenses by nature as a whole. Hence, the Group has only one operating segment. The Company is domiciled in the Cayman Islands while the Group mainly operates its businesses in the PRC and earns majority of the revenues from external customers attributed to the PRC.

2. Significant Accounting Policies (Continued)

ee) **Recently issued accounting pronouncements**

In November, 2024, the FASB issued ASU No. 2024-03, Income Statement (Topic 220)- Reporting Comprehensive Income- Expense Disaggregation Disclosures (Subtopic 220-40). ASU No. 2024-03 requires publicly-traded business entities to disclose specified information about the components of certain costs and expenses that are currently disclosed in the financial statements. The guidance is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted.
The Group is currently evaluating the impact of the above new accounting pronouncement or guidance on the consolidated financial statements.

In July 2025, the FASB issued ASU No. 2025-05, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. ASU No. 2025-05 provides a practical expedient that permits an entity to assume that current economic conditions as of the balance sheet date do not change for the remaining life of the asset. Further, the ASU allows an entity, other than a public business entity, that elects the practical expedient to make an accounting policy election to consider collection activity after the balance sheet date when estimating expected credit losses. ASU 2025-05 is effective for the Company for annual periods beginning after December 15, 2025. The ASU is applied prospectively and early adoption is permitted. The Group does not expect the adoption of ASU 2025-05 to have a material effect on its consolidated financial statements.

In December 2025, the FASB issued ASU No. 2025-10, Government Grants (Topic 832). ASU No. 2025-10 establishes guidance on the recognition, measurement, and presentation of government grants received by business entities. The guidance is effective for public business entities in annual periods beginning after December 15, 2028 (including interim periods within) and one year later for all other entities, with early adoption permitted. The Group is currently evaluating the impact of adopting this standard on its consolidated financial statements.

Other accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption. The Company does not discuss recent pronouncements that are not anticipated to have an impact on or are unrelated to its consolidated financial condition, results of operations, cash flows or disclosures.

ff) **Recently adopted accounting pronouncements**

ASU 2023-09

In December, 2023, the FASB issued ASU 2023-09 “Income Taxes (Topic 740): Improvements to Income Tax Disclosures” to expand the disclosure requirements for income taxes, specifically related to the rate reconciliation and income taxes paid. The Group adopted this ASU on a prospective basis effective January 1, 2025. Refer to Note 10(a) for the inclusion of new disclosures required.

Other accounting standards adopted by the Group effective January 1, 2025 did not have a significant impact on its consolidated financial statements.

3. Concentrations and Risks

a) Telecommunications service provider

The Group relied on telecommunications service providers and their affiliates for servers and bandwidth services to support its operations for the years ended December 31, 2023, 2024 and 2025 as follows:

	For the Year Ended December 31,		
	2023	2024	2025
Total number of telecommunications service providers	116	115	116
Number of service providers providing 10% or more of the Group's servers and bandwidth expenditure	2	4	4
Total percentage of the Group's servers and bandwidth expenditure provided by 10% or greater service providers	23%	53%	57%

b) Foreign currency exchange rate risk

The functional currency and the reporting currency of the Company are U.S. dollars and RMB, respectively. The Group's exposure to foreign currency exchange rate risk primarily relates to cash and cash equivalents, time deposits, short-term and long-term investments, convertible senior notes and accounts payable denominated in the U.S. dollars. Most of the Group's revenues, costs and expenses are denominated in RMB, while the convertible senior notes and a portion of cash and cash equivalents, time deposits, short-term and long-term investments, and accounts payable are denominated in U.S. dollars. Any significant fluctuation of RMB against U.S. dollars may materially and adversely affect the Group's cash flows, revenues, earnings and financial positions.

c) Credit risk

The Group's financial instruments potentially subject to significant concentrations of credit risk primarily consist of cash and cash equivalents, time deposits, restricted cash, accounts receivable, financial products (recorded in the short-term and long-term investments) with variable interest rates referenced to performance of underlying assets issued by well-known banks. As of December 31, 2024 and 2025, substantially all of the Group's cash and cash equivalents, restricted cash and time deposits were held in major financial institutions located in the United States of America and China, which management consider being of high credit quality. Accounts receivable is typically unsecured and is primarily derived from revenue earned from advertising, VAS and mobile game services (mainly relates to remittances due from payment channels and distribution channels). The following table presents distribution channel and customer that had receivable balance exceeding 10% of the Group's gross accounts receivable balance as of December 31, 2024 and 2025.

RMB in thousands	December 31, 2024	December 31, 2025
Distribution channel A	192,405	277,128
Customer A	168,503	<10%
Customer B	<10%	194,971

3. Concentrations and Risks (Continued)

d) Major customers and supplying channels

No single customer represented 10% or more of the Group's net revenues for the years ended December 31, 2023, 2024 and 2025, respectively.

The Group relied on a distribution channel to publish and generate the iOS version of its mobile games. There is no single distribution channel of mobile games generated 10% or more of the Group's net revenues for the years ended December 31, 2023, 2024 and 2025, respectively.

4. Prepayments and Other Current Assets

The following is a summary of prepayments and other current assets:

	December 31, 2024	December 31, 2025
	RMB in thousands	
Prepayments for revenue sharing cost*	305,818	338,510
Inventories, net	255,185	212,480
Prepayments for value-added tax	172,756	173,839
Deposits	138,561	170,579
Interest income receivable	78,343	102,365
Prepayments to inventory suppliers	39,584	66,408
Prepayments of marketing and other operational expenses	64,065	50,977
Prepayments for content cost	20,064	26,446
Prepayments /receivables relating to jointly invested content	2,250	19,508
Loans to investees or ongoing investments	21,465	66
Others	50,020	41,859
Total	**1,148,111**	**1,203,037**

* App stores retain commissions on each purchase made by the users through the App stores. The Group is also obligated to pay ongoing licensing fees in form of royalties to the third-party game developers. Licensing fees consist of fees that the Group pays to content owners for the use of licensed content, including trademarks and copyrights, in the development of games. Licensing fees are either paid in advance and recorded on the balance sheets as prepayments or accrued as incurred and subsequently paid. Additionally, the Group defers the revenue from licensed mobile games over the estimated average playing period of paying players given that there is an implied obligation to provide on-going services to end-users.

5. Short-term Investments

The following is a summary of short-term investments:

	December 31, 2024	December 31, 2025
	RMB in thousands	
Financial products	2,281,780	6,123,586
Investments in publicly traded companies	424,755	323,611
Total	**2,706,535**	**6,447,197**

The Group's short-term investments primarily include financial products with variable interest rates referenced to the performance of underlying assets issued by well-known banks or shares of publicly traded companies, which the Group intends to sell within twelve months.

For the years ended December 31, 2023, 2024 and 2025, the Group recorded investment loss of RMB187.6 million, investment income of RMB69.5 million and RMB77.1 million related to short-term investments on the consolidated statements of operations and comprehensive (loss)/income, respectively.

6. Property and Equipment, Net

The following is a summary of property and equipment, net:

	December 31, 2024	December 31, 2025
	RMB in thousands	
Servers and computers	3,406,915	3,849,135
Leasehold improvements	222,925	218,490
Others	64,799	53,916
Total	**3,694,639**	**4,121,541**
Less: accumulated depreciation	(3,105,412)	(3,426,436)
Net book value	**589,227**	**695,105**

Depreciation expenses were RMB727.2 million, RMB554.3 million and RMB480.9 million for the years ended December 31, 2023, 2024 and 2025, respectively. No impairment was recognized for any of periods presented.

7. Intangible Assets, Net

The following is a summary of intangible assets, net:

	As of December 31, 2024		
	Gross carrying value	Accumulated amortization	Net carrying value
	RMB in thousands		
Licensed copyrights of content	8,804,134	(6,686,903)	2,117,231
License rights of mobile games	310,676	(240,913)	69,763
Intellectual property and others	2,374,595	(1,360,577)	1,014,018
Total	**11,489,405**	**(8,288,393)**	**3,201,012**

	As of December 31, 2025		
	Gross carrying value	Accumulated amortization	Net carrying value
	RMB in thousands		
Licensed copyrights of content	9,647,998	(7,647,389)	2,000,609
License rights of mobile games	282,941	(240,657)	42,284
Intellectual property and others	2,668,841	(1,602,131)	1,066,710
Total	**12,599,780**	**(9,490,177)**	**3,109,603**

Amortization expenses were RMB2,003.2 million, RMB1,772.4 million and RMB1,545.2 million for the years ended December 31, 2023, 2024 and 2025, respectively. No impairment charge was recognized for any of the periods presented.

In 2025, one investee company of the Group entered into share repurchase agreements with its certain shareholders and the consideration was settled with its own cash balance. Upon the completion of this transaction, the equity interests held by the Group has been increased proportionally from 29.9% as of December 31, 2024 to 56.6% as of December 31, 2025. This investee company has thereafter become a consolidated subsidiary of the Group. Intangible assets and goodwill of RMB 246.0 million and RMB 93.0 million were recognized upon completion of the transaction.

As of December 31, 2025, the licensed copyrights of content have weighted-average useful lives of 4.86 years.

The intangible assets amortization expense for future years is expected to be as follows:

	Intangible assets amortization expense
	RMB in thousands
2026	1,223,369
2027	760,986
2028	444,804
2029	286,956
2030	217,365
Thereafter	176,123
Total expected amortization expense	**3,109,603**

8. Goodwill

	December 31, 2024	December 31, 2025
	RMB in thousands	
Beginning balance	2,725,130	2,725,130
Additions (Note 7)	—	92,995
Ending balance	**2,725,130**	**2,818,125**

No impairment charge was recognized for the years ended December 31, 2023, 2024 and 2025, respectively.

9. Long-term Investments, Net

The Group's long-term investments primarily consist of equity investments accounted for using the measurement alternative, equity investments accounted for using the equity method and other investments accounted for at fair value.

	December 31, 2024	December 31, 2025
	RMB in thousands	
Equity investments accounted for using the measurement alternative	1,917,527	1,573,436
Equity investments accounted for using the equity method	1,834,070	1,799,967
Investments accounted for at fair value	159,995	1,388,250
Total	**3,911,592**	**4,761,653**

Equity investments using the measurement alternative

The Group elects to use measurement alternative for recording equity investments without readily determinable fair values at cost, less impairment, adjusted for subsequent observable price changes, in accordance with ASU 2016-01. Under this measurement alternative, changes in the carrying value of the equity investments will be recognized in current earning, whenever there are observable price changes in orderly transactions for the identical or similar investment of the same issuer. For those equity investments that the Group elects to use the measurement alternative, the Group makes a qualitative assessment of whether the investment is impaired at each reporting date. If a qualitative assessment indicates that the investment is impaired, the Group has to estimate the investment's fair value in accordance with the principles of ASC 820. If the fair value is less than the investment's carrying value, the Group recognizes an impairment loss in "Investment loss, net (including impairments)" equal to the difference between the carrying value and fair value.

A re-measurement loss of RMB86.7 million, nil and nil for equity investments accounted for using the measurement alternative was recognized for the years ended December 31, 2023, 2024 and 2025, respectively.

For equity investments accounted for using the measurement alternative as of December 31, 2024, the Company recorded cumulative upward adjustments of nil and cumulative impairments and downward adjustments of RMB1,187.6 million.

For equity investments accounted for using the measurement alternative as of December 31, 2025, the Company recorded cumulative upward adjustments of nil and cumulative impairments and downward adjustments of RMB1,441.2 million.

The Group recorded impairment charges for long-term investments of RMB278.9 million, RMB486.5 million and RMB320.7 million as "Investment loss, net (including impairments)" for the years ended December 31, 2023, 2024 and 2025, respectively, due to the investees' unsatisfactory financial performance with no obvious upturn or potential financing solutions in the foreseeable future, and the Group determined the fair value of these investments was less than their carrying value.

The Company disposed several equity investments of the Group with the carrying amount of RMB10.2 million, nil and RMB19.2 million for the years ended December 31, 2023, 2024 and 2025, respectively. The difference between the consideration and their carrying value was recognized as "Investment loss, net (including impairments)". RMB3.9 million, RMB11.0 million and RMB15.4 million disposal gains were recognized for the years ended December 31, 2023, 2024 and 2025, respectively.

9. Long-term Investments, Net (Continued)

Equity investments accounted for using the equity method

RMB112.1 million, RMB40.5 million and RMB37.3 million of the Group's proportionate share of equity investee's net loss, were recognized in "Investment loss, net (including impairments)" for the years ended December 31, 2023, 2024 and 2025, respectively.

Investments accounted for at fair value

Investments accounted for at fair value primarily include financial products with variable interest rates referenced to performance of underlying assets and with original maturities more than one year. Gains of RMB158.4 million, RMB0.7 million and RMB39.2 million resulting from the change in fair value were recognized in "Investment loss, net (including impairments)" for the years ended December 31, 2023, 2024 and 2025, respectively.

10. Taxation

Composition of income tax

The following table presents the composition of income tax expense/(benefit) for the years ended December 31, 2023, 2024 and 2025:

	For the Year Ended December 31,		
	2023	2024	2025
	RMB in thousands		
Current income tax expenses	81,797	55,738	55,217
Withholding income tax expenses	22,284	17,836	9,473
Deferred tax benefits	(25,376)	(110,118)	(47,545)
Total	**78,705**	**(36,544)**	**17,145**

a) Income taxes

Cayman Islands

Under the current laws of the Cayman Islands, the Company and its intermediate holding companies in the Cayman Islands are not subject to tax on income or capital gains. Additionally, upon payments of dividends by the Company or its subsidiaries in the Cayman Islands to their shareholders, no withholding tax will be imposed.

British Virgin Islands ("BVI")

Subsidiaries in the BVI are exempted from income tax on their foreign-derived income in the BVI. There are no withholding taxes in the BVI.

Hong Kong, China

Hong Kong profits tax has been provided for at half the current tax rate (i.e., 8.25%) for the first HK$2 million on the estimated assessable profits while the remaining profits will continue to be taxed at the existing 16.5% tax rate for the years ended December 31, 2023, 2024 and 2025, respectively.

Mainland, China

The Enterprise Income Tax ("EIT Law"), which became effective on January 1, 2008, applies a uniform enterprise income tax ("EIT") rate of 25% to both foreign-invested enterprises ("FIEs") and domestic companies. Preferential tax treatments will be granted to FIEs or domestic companies which conduct businesses in certain encouraged sectors and to entities otherwise classified as "Software Enterprises", "Key Software Enterprises", "Encouraged Enterprises" and/or "High and New Technology Enterprises" ("HNTEs").

The aforementioned preferential tax rates are subject to annual review by the relevant tax authorities in China. Certain subsidiaries were qualified as HNTEs or Encouraged Enterprises and enjoyed a preferential income tax rate at 15% for the corresponding years from the year they are qualified, respectively, provided that they continue to qualify as HNTEs or Encouraged Enterprises during such periods.

10. Taxation (Continued)

a) Income taxes (continued)

Upon adoption of ASU 2023-09, Improvements to Income Tax Disclosures, as described in Note 2, *Significant Accounting Policies*, the reconciliation of the differences between the statutory income tax rate and the Group's effective income tax rate for the year ended December 31, 2025 was as follows:

	RMB in thousands	Percent
Statutory income tax rate	302,022	25.0%
Foreign Tax Effects		
Hong Kong, China		
Statutory income tax rate difference between Chinese Hong Kong and Chinese mainland	54,702	4.5%
Changes in valuation allowance	100,373	8.3%
Other adjustments	13,163	1.1%
Singapore		
Statutory income tax rate difference between Singapore and Chinese mainland	(13,837)	(1.2%)
Changes in valuation allowance	(29,798)	(2.4%)
Other foreign jurisdictions	9,846	0.8%
Change in valuation allowance	(361,403)	(29.9%)
Share-based compensation	292,164	24.2%
Research and development tax credits	(273,287)	(22.6%)
Preferential tax treatments	(126,221)	(10.4%)
Inter-group restructuring costs	52,623	4.3%
Other adjustments	(3,202)	(0.3%)
Effective income tax rate	**17,145**	**1.4%**

In 2025, the Group paid RMB60.6 million in income taxes (net of refunds received) in the Chinese mainland and RMB2.5 million in income taxes in jurisdictions outside of the Chinese mainland.

The following table presents a reconciliation of the differences between the statutory income tax rate and the Group's effective income tax rate for the years ended December 31, 2023 and 2024 in accordance with the guidance prior to the adoption of ASU 2023-09:

	2023 %	2024 %
Statutory income tax rate	25.00	25.00
Permanent differences	(1.33)	5.30
Tax rate difference from statutory rate in other jurisdictions*	(2.96)	(7.80)
Tax effect of preferential tax treatments	(4.73)	(9.49)
Withholding tax	(0.47)	(1.29)
Change in valuation allowance	(17.17)	(9.11)
Effective income tax rate	**(1.66)**	**2.61**

* It is primarily due to the tax effect of the Company as a tax-exempt entity incorporated in Hong Kong and the Cayman Islands.

10. Taxation (Continued)

a) Income taxes (continued)

As of December 31, 2025, certain entities of the Group had net operating tax loss carry forwards as follows:

	RMB in thousands
Loss expiring in 2026	246,081
Loss expiring in 2027	927,888
Loss expiring in 2028	718,454
Loss expiring in 2029	306,105
Loss expiring in 2030 and thereafter	16,051,332
Total	**18,249,860**

b) Value-added tax and other taxes

The Group's majority of subsidiaries and VIEs incorporated in China are subject to value-added tax ("VAT") for services rendered at a rate of 6% and for goods sold mainly at a rate of 13%, offset by VAT on purchases. All entities in China are also subject to surcharges on value-added tax payments in accordance with PRC law. In addition, the Group's advertising revenues are also subject to culture business construction fee at a rate of 3%, which was reduced to 1.5% since July 1, 2019, valid until December 31, 2027.

c) Deferred tax assets and liabilities

The following table presents the tax impact of significant temporary differences that give rise to the deferred tax assets and liabilities as of December 31, 2024 and 2025:

	December 31, 2024	December 31, 2025
	RMB in thousands	
Deferred tax assets:		
Deferred revenue	265,876	282,829
Net operating tax loss carry forwards	3,490,177	3,052,326
Accruals and others*	940,900	1,105,317
Total deferred tax assets	**4,696,953**	**4,440,472**
Less: valuation allowance	(4,561,822)	(4,274,340)
Net deferred tax assets	**135,131**	**166,132**
Deferred tax liabilities:		
Acquired intangible assets	(66,969)	(50,424)
Total deferred tax liabilities	**(66,969)**	**(50,424)**

* Accruals and others primary represent accrued expenses which are not deductible until paid under PRC laws, as well as non-deductible advertising expenses.

Realization of the net deferred tax assets is dependent on factors including future reversals of existing taxable temporary differences and adequate future taxable income, exclusive of reversing deductible temporary differences and tax loss or credit carry forwards. The Group evaluates the potential realization of deferred tax assets on an entity-by-entity basis. As of December 31, 2024 and 2025, valuation allowances were provided against deferred tax assets in entities where it was determined it was more-likely-than-not that the benefits of the deferred tax assets will not be realized.

10. Taxation (Continued)

c) Deferred tax assets and liabilities (continued)

The following table sets forth the movement of the aggregate valuation allowances for deferred tax assets for the periods presented:

	Balance at January 1	Re-measurement due to applicable preferential tax rate for HNTE	(Provision) /Reversal	Expiration of loss carry forward and impact of disposal/close of subsidiaries	Balance at December 31
2023	(3,657,467)	(18,437)	(822,414)	54,207	(4,444,111)
2024	(4,444,111)	—	(129,769)	12,058	(4,561,822)
2025	(4,561,822)	—	194,334	93,148	(4,274,340)

d) Withholding income tax on dividends

The EIT Law also imposes a withholding income tax of 10% on dividends distributed by a FIE to its immediate holding company outside of China, if such immediate holding company is considered as a non-resident enterprise without any establishment or place within China or if the received dividends have no connection with the establishment or place of such immediate holding company within China, unless such immediate holding company's jurisdiction of incorporation has a tax treaty with China that provides for a different withholding arrangement. The Cayman Islands, where the Company was incorporated, does not have such tax treaty with China. According to the arrangement between mainland China and Hong Kong Special Administrative Region on the Avoidance of Double Taxation and Prevention of Fiscal Evasion in August 2006, dividends paid by a FIE in China to its immediate holding company in Hong Kong will be subject to withholding tax at a rate that may be lowered to 5% (if the foreign investor owns directly at least 25% of the shares of the FIE). The State Administration of Taxation further promulgated Circular 601 on October 27, 2009, which provides that tax treaty benefits will be denied to "conduit" or shell companies without business substance and that a beneficial ownership analysis will be used based on a "substance-over-form" principle to determine whether or not to grant the tax treaty benefits.

To the extent that subsidiaries and VIEs of the Group have undistributed earnings, the Group will accrue appropriate expected withholding tax associated with repatriation of such undistributed earnings. As of December 31, 2024 and 2025, the Group did not record any withholding tax on the retained earnings of its subsidiaries and VIEs in the PRC as most of which were still in accumulated deficit position.

11. Taxes Payable

The following is a summary of taxes payable as of December 31, 2024 and 2025:

	December 31, 2024	December 31, 2025
	RMB in thousands	
EIT payable	134,304	152,250
VAT payable	92,043	56,818
Withholding individual income taxes for employees	42,051	33,208
Withholding income tax payable	41,626	29,876
Others	118,908	133,735
Total	**428,932**	**405,887**

12. Short-term loans and current portion of long-term debt

	December 31, 2024	December 31, 2025
	RMB in thousands	
Short-term loans	1,571,179	1,598,530
Current portion of long-term debt	657	3,262,316
Current portion of long-term bank loans and other long-term borrowing (Note14)	—	3,169,000
Current portion of Convertible senior notes (Note14)	657	93,316
Total	**1,571,836**	**4,860,846**

As of December 31, 2024 and 2025, the contractual maturities of the borrowings are all within one year.

As of December 31, 2024 and 2025, short-term loans mainly consist of unsecured bank loan arrangements with well-known banks. Interest rates for short-term loans were fixed, ranging from 2.3% to 2.7% and 1.15% to 1.74% per annum for the year ended December 31, 2024 and 2025, respectively.

As of December 31, 2025, the current portion of long-term bank loans and other long-term borrowing mainly represent RMB3,069.0 million bank loan with the interest rate of 2.30% per annum.

We entered into several one-year revolving loan facilities provided by certain financial institutions with an aggregate principal amount of RMB920.0 million (US$131.6 million) as of December 31, 2025. We have not utilized such facilities as of December 31, 2025.

13. Accrued Liabilities and Other Payables

The following is a summary of accrued liabilities and other payables as of December 31, 2024 and 2025:

	December 31, 2024	December 31, 2025
	RMB in thousands	
Accrued marketing expenses	1,292,710	1,497,695
Advances from/payables to third parties	551,167	864,244
Payables to producers and licensors	228,493	262,631
Leasing liabilities - current portion	214,624	149,304
Professional fees	86,795	137,597
Deposits	78,473	110,027
Consideration payable for acquisitions and investments	10,122	31,821
Other staff related cost	5,480	5,909
Interest payable	4,188	921
Others	82,229	114,417
Total	**2,554,281**	**3,174,566**

14. Long-term debt

	December 31, 2024	December 31, 2025
	RMB in thousands	
Convertible senior notes	95,153	4,775,871
Long-term bank loans	3,069,000	—
Other long-term borrowing	100,000	—
Total	**3,264,153**	**4,775,871**

Convertible Senior Notes

April 2026 Notes

In April 2019, the Group issued US$500.0 million of April 2026 Notes with an interest rate of 1.375% per annum. The net proceeds to the Company from the issuance of the April 2026 Notes were US$488.2 million (RMB3,356.1 million), net of issuance costs of US$11.8 million (RMB81.1 million). The April 2026 Notes may be converted, at an initial conversion rate of 40.4040 ADSs per US$1,000 principal amount (which represents an initial conversion price of US$24.75 per ADS) at each holder's option at any time prior to the close of business on the second business day immediately preceding the maturity date of April 1, 2026.

During the year ended December 31, 2024, the Company repurchased an aggregate principal amount of US$429.3 million (RMB3.0 billion) April 2026 Notes with the aggregate cash purchase price of US$429.3 million (RMB3.0 billion) and recognized an unamortized commission of US$3.0 million (RMB21.0 million) to "Debt extinguishment gain/(loss)".

As of December 31, 2024 and 2025, the principal amount of April 2026 Notes was RMB86.3 thousand and RMB84.3 thousand, respectively. The unamortized debt issuance costs were RMB0.4 thousand and RMB0.1 thousand as of December 31, 2024 and 2025, respectively. The issuance costs of the April 2026 Notes were amortized to interest expense over the contractual life to the maturity date (i.e., April 1, 2026). For the years ended December 31, 2023, 2024 and 2025, the April 2026 Notes related interest expense was US$7.4 million, US$1.8 million and US$0.2 thousand (RMB1.5 thousand), respectively.

14. Long-term debt (Continued)

Convertible Senior Notes (Continued)

2027 Notes

In June 2020, the Group issued US$800.0 million of 2027 Notes with an interest rate of 1.25% per annum. The net proceeds to the Company from the issuance of the 2027 Notes were US$786.1 million (RMB5,594.8 million), net of issuance costs of US$13.9 million (RMB98.6 million). The 2027 Notes may be converted, at an initial conversion rate of 24.5516 ADSs per US$1,000 principal amount (which represents an initial conversion price of US$40.73 per ADS) at each holder's option at any time prior to the close of business on the second business day immediately preceding the maturity date of June 15, 2027.

The issuance costs of the 2027 Notes were amortized to interest expense over the contractual life to the maturity date (i.e., June 15, 2027). For the years ended December 31,2023, 2024 and 2025, the 2027 Notes related interest expense was US$5.0 million, US$1.4 thousand and US$0.8 thousand (RMB5.6 thousand), respectively.

During the year ended December 31, 2023, the Company repurchased an aggregate principal amount of US$745.9 million (RMB5.3 billion) 2027 Notes with the aggregate cash purchase price of US$745.9 million (RMB5.3 billion) with the loss of US$7.6 million (RMB54.0 million).

During the year ended December 31, 2025, the Company repurchased an aggregate principal amount of US$66.0 thousand (RMB472.5 thousand) 2027 Notes with and aggregate cash consideration of US$66.0 thousand (RMB472.5 thousand).

As of December 31, 2024 and 2025, the principal amount of 2027 Notes was RMB0.7 million and RMB0.2 million, respectively. The unamortized debt issuance costs were RMB4.2 thousand and RMB0.7 thousand as of December 31, 2024 and 2025, respectively.

December 2026 Notes

In November 2021, the Group issued US$1,600 million of December 2026 Notes with an interest rate of 0.50% per annum. The net proceeds to the Company from the issuance of the December 2026 Notes were US$1,576.6 million (RMB10.1 billion), net of issuance costs of US$23.4 million (RMB149.6 million). The December 2026 Notes may be converted, at an initial conversion rate of 10.6419 ADSs per US$1,000 principal amount (which represents an initial conversion price of US$93.97 per ADS) at each holder's option at any time prior to the close of business on the second business day immediately preceding the maturity date of December 1, 2026. Upon conversion, the Company will pay or deliver, as the case may be, cash, ADSs or a combination of cash and ADSs, at the Company's election. Holders of the Notes may elect to receive Class Z ordinary shares in lieu of any ADSs deliverable upon conversion.

The issuance costs of the December 2026 Notes were amortized to interest expense over the contractual life to the maturity date (i.e., December 1, 2026). For the years ended December 31, 2023, 2024 and 2025 the December 2026 Notes related interest expense was US$3.6 million, US$3.1 million and US$0.1 million (RMB0.8 million).

14. Long-term debt (Continued)

Convertible Senior Notes (Continued)

December 2026 Notes (Continued)

During the year ended December 31, 2023, the Company repurchased an aggregate principal amount of US$384.8 million (RMB2.6 billion) of December 2026 Notes in the amount of US$331.2 million (RMB2.2 billion) funded by the net proceeds from the ADS offering, with the gain of US$49.5 million (RMB336.5 million). Besides, the Company repurchased an aggregate principal amount of US$14.5 million (RMB104.0 million) December 2026 Notes with the aggregate cash purchase price of US$13.0 million (RMB93.3 million) with the gain of US$1.4 million (RMB9.8 million).

During the year ended December 31, 2024, the Company repurchased an aggregate principal amount of US$419.1 million (RMB3.0 billion) of December 2026 Notes for a total cash consideration of US$419.1 million (RMB3.0 billion), with the loss of US$2.5 million (RMB17.7 million).

As of December 31, 2024 and 2025, the principal amount of December 2026 Notes was RMB95.6 million and RMB93.5 million. The unamortized debt issuance costs were RMB0.5 million and RMB0.3 million as of December 31, 2024 and 2025, respectively.

2030 Notes

In May 2025, the Group issued US$690.0 million of 2030 Notes with an interest rate of 0.625% per annum. The net proceeds to the Company from the issuance of the 2030 Notes were US$678.1 million (RMB4,876.9 million), net of issuance costs of US$11.9 million (RMB85.6 million). The 2030 Notes may be converted, at an initial conversion rate of 42.1747 Shares per US$1,000 principal amount (which represents an initial conversion price of HK$185.63 per Conversion Share) at each holder’s option at any time prior to the close of business on the seventh scheduled trading day immediately preceding the maturity date of June 1, 2030.

Holders of the 2030 Notes may require the Company to repurchase all or part of their 2030 Notes in cash on June 1, 2028, or in the event of certain fundamental changes at a repurchase price equal to 100% of the principal amount, plus accrued and unpaid interest.

The issuance costs of the 2030 Notes were amortized to interest expense over the contractual life to the maturity date (i.e., June 1, 2030). For the year ended December 31, 2025, the 2030 Notes related interest expense was US$3.9 million (RMB27.5 million).

As of December 31, 2025, the principal amount of 2030 Notes was US$690.0 million (RMB4,849.9 million). The unamortized debt issuance costs were RMB74.1 million as of December 31, 2025.

The Company accounted for the April 2026 Notes, 2027 Notes and December 2026 Notes and 2030 Notes as single instruments as debt measured at its amortized cost, as none of the embedded features require bifurcation and recognition as derivatives and the April 2026 Notes, 2027 Notes, December 2026 Notes and 2030 Notes were not issued with a substantial premium. The issuance costs were recorded as an adjustment to the debt and are amortized as interest expense using the effective interest method.

14. Long-term debt (Continued)

Convertible Senior Notes (Continued)

The following table provides a summary of the Company's non-current portion of unsecured senior notes as of December 31, 2024 and 2025:

	December 31, 2024 Amounts	December 31, 2025 Amounts	Effective interest rate
	RMB in thousands		
April 2026 Notes	86	—	1.74%
2027 Notes	—	182	1.52%
December 2026 Notes	95,067	—	0.80%
2030 Notes	—	4,775,689	0.98%
Carrying value	**95,153**	**4,775,871**	
Unamortized discount and debt issuance costs	539	74,122	
Total principal amounts of unsecured senior notes	**95,692**	**4,849,993**	

As of December 31, 2025, the aggregate fair value of April 2026 Notes, 2027 Notes, December 2026 Notes and 2030 Notes, based on Level 2 inputs, was RMB6.2 billion. As of December 31, 2025, RMB124.3 million, RMB91.1 million and RMB4,862.5 million in aggregate principal amount and interest expenses related to the above unsecured senior notes are expected to be repaid within one year, in 1-3 years and 3 years afterwards, respectively, unless earlier converted, redeemed or repurchased.

Long-term bank loans

The Group's long-term bank loans were RMB3,069.0 million (US$438.9 million) in aggregate. As of December 31, 2025, the entire balance of RMB3,069.0 million, representing the current portion due within one year, was classified as short-term loans (Note12) and the non-current portion was nil. The Group's long-term bank loans were substantially credit borrowing and the interest rate was 2.3% as of December 31, 2025. The Group is in compliance with all of the loan covenants as of December 31, 2025.

15. Ordinary Shares

In January 2023, the Company completed the offering of 15,344,000 ADSs at US$26.65 per ADS. The amount of net proceeds from such offering (after deducting all applicable costs and expenses including but not limited to selling commission) is approximately US$396.9 million (RMB2.7 billion).

The Company announced in March 2022 that its board of directors had authorized a share repurchase program, under which the Company may repurchase up to US$500.0 million of its ADSs for the next 24 months. The Company had repurchased a total of 2.6 million ADSs for a total cost of US$53.6 million as of December 31, 2022, and no ADSs had been repurchased during 2023.

In November 2024, the Company announced that its board of directors had approved a share repurchase program of up to US$200.0 million of its publicly traded securities over a 24-month period. The Company had repurchased a total of 0.8 million and 6.2 million of the Company's listed securities for a total cost of US$16.4 million and US$114.8 million during the years ended December 31, 2024 and 2025, with the remaining amount being approximately US$68.8 million as of December 31, 2025.

16. Employee Benefits

The Company's subsidiaries and the VIEs and subsidiaries of the VIEs incorporated in China participate in a government-mandated multi-employer defined contribution plan under which certain retirement, medical, housing and other welfare benefits are provided to employees. Chinese labor regulations require the Company's Chinese subsidiaries and VIEs and subsidiaries of the VIEs to pay to the local labor bureau a monthly contribution at a stated contribution rate based on the monthly basic compensation of qualified employees. The relevant local labor bureau is responsible for meeting all retirement benefit obligations; hence, the Group has no further commitments beyond its monthly contribution. The following table presents the Group's employee welfare benefits expenses for the years ended December 31, 2023, 2024 and 2025:

	For the Year Ended December 31,		
	2023	2024	2025
	RMB in thousands		
Contributions to medical and pension schemes	814,296	732,465	754,203
Other employee benefits	92,797	108,142	97,056
Total	**907,093**	**840,607**	**851,259**

17. Share-based Compensation

a) Description of share option and RSUs plans

In July 2014, the Group adopted its Global Share Incentive Plan (the "Global Share Plan"), which permits the grant of options of the Company to relevant directors, officers, other employees and consultants of the Group. The maximum aggregate number of Class Z Ordinary Shares, which may be issued pursuant to all awards under the Global Share Plan, is 19,880,315 shares. The Global Share Plan was terminated on the Primary Conversion Effective Date.

In February 2018, the Group adopted its 2018 Share Incentive Plan (the "2018 Plan") to provide additional incentives to employees, directors and consultants and promote the success of its business. The maximum aggregate number of Class Z Ordinary Shares, which may be issued pursuant to all awards under the 2018 Plan as at December 31, 2025 is 33,132,989 shares.

As at the date on which the voluntary conversion of its secondary listing status to primary listing on the Hong Kong Stock Exchange becomes effective , the Group subsequently amended its 2018 Plan, under which the maximum aggregate number of Class Z ordinary shares may be issued pursuant to all awards is 30,673,710 Class Z ordinary shares, representing 10% of the total number of issued Class Z ordinary shares, which permits the grant of restricted share units ("RSUs") of the Company to relevant directors, officers, other employees and consultants of the Group.

In June 2024, the Group adopted its Second Amended and Restated 2018 Share Incentive Plan (the "Restated 2018 Plan") to provide additional incentives to employee participants, related entity participants and service provider participants and promote the success of its business. The maximum aggregate number of Class Z Ordinary Shares, which may be issued pursuant to all awards under the 2018 Plan as at December 31, 2025 is 41,413,503 shares, and within the Scheme Limit, the maximum number of Class Z Ordinary Shares which may be issued pursuant to all awards to be granted to service provider participants under the Restated 2018 Plan is 2,070,675.

In May 2024, the Group adopted its 2024 Share Incentive Plan (the "2024 Plan") to provide additional incentives to employee participants, related entity participants and consultants and promote the success of its business. The maximum aggregate number of Class Z Ordinary Shares, which may be issued pursuant to all awards under the 2024 Plan as at December 31, 2025 is 41,272,920 shares. No awards have been granted under the 2024 Share Incentive Plan since its adoption.

17. Share-based Compensation (Continued)

a) Description of share option and RSUs plans (Continued)

Option awards are granted with an exercise price determined by the Board of Directors. Those option awards generally vest over a period of zero to six years and expire in six to seven years, and RSUs generally vest over a period of zero to six years.

RSUs

The following table presents a summary of the Group's RSUs activities for the years ended December 31, 2023, 2024 and 2025:

	Employees (In thousands)	Consultants (In thousands)	Total (In thousands)	Weighted Average Granted fair value US$
Outstanding at January 1, 2023	1,932	35	1,967	24.59
Granted	8,796	—	8,796	18.72
Vested	—	(23)	(23)	24.59
Forfeited	(1,059)	—	(1,059)	22.10
Unvested at December 31, 2023	**9,669**	**12**	**9,681**	**19.53**
Outstanding at January 1, 2024	9,669	12	9,681	19.53
Granted	10,841	1	10,842	17.14
Vested	(689)	(12)	(701)	24.59
Forfeited	(2,547)	—	(2,547)	17.37
Unvested at December 31, 2024	**17,274**	**1**	**17,275**	**18.14**
Outstanding at January 1, 2025	17,274	1	17,275	18.14
Granted	8,388	—	8,388	23.06
Vested	(2,931)	(1)	(2,932)	17.32
Forfeited	(2,853)	—	(2,853)	20.29
Unvested at December 31, 2025	**19,878**	—	**19,878**	**20.03**

The aggregate number of Class Z Ordinary Shares available for future grant under the Restated 2018 Plan was 28,704,359 as of December 31, 2025.

The aggregate number of Class Z Ordinary Shares available for future grant under the 2024 Plan was 41,272,920 as of December 31, 2025.

As of December 31, 2025, total unrecognized compensation expenses related to unvested RSUs granted under the 2018 Plan and the Restated 2018 Plan, adjusted for estimated forfeitures, was RMB 2,037.4 million, which is expected to be recognized over a weighted-average period of 3.1 years and may be adjusted for future changes in estimated forfeitures.

17. Share-based Compensation (Continued)

Share options

(b) Share options activities

The following table presents a summary of the Group's share options activities for the years ended December 31, 2023, 2024 and 2025:

	Employees	Consultants	Total	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
	(In thousands)	(In thousands)	(In thousands)	US$	(In years)	(RMB in thousands)
Outstanding at January 1, 2023	21,715	195	21,910	2.0283	4.70	3,305,336
Granted	—	—	—	—		
Exercised	(2,147)	(64)	(2,211)	0.0001		
Forfeited	(1,760)	—	(1,760)	0.1443		
Outstanding at December 31, 2023	**17,808**	**131**	**17,939**	**2.4701**	**3.79**	**1,232,411**
Outstanding at January 1, 2024	17,808	131	17,939	2.4701	3.79	1,232,411
Granted	—	—	—	—		
Exercised	(3,689)	(7)	(3,696)	0.3911		
Forfeited	(1,119)	(14)	(1,133)	0.6909		
Outstanding at December 31, 2024	**13,000**	**110**	**13,110**	**1.6543**	**2.85**	**1,550,782**
Outstanding at January 1, 2025	13,000	110	13,110	1.6543	2.85	1,550,782
Granted	—	—	—	—		
Exercised	(1,634)	(26)	(1,660)	0.5527		
Forfeited	(400)	—	(400)	3.7190		
Outstanding at December 31, 2025	**10,966**	**84**	**11,050**	**1.7386**	**1.87**	**1,774,828**
Exercisable at December 31, 2025	**8,821**	**59**	**8,880**	**1.8711**	**1.71**	**1,290,266**

No further options would be granted under the 2018 Share Incentive Plan after the Primary Conversion Effective Date. As of December 31, 2025, total unrecognized compensation expenses related to unvested options granted under the Global Share Plan and the 2018 Plan, adjusted for estimated forfeitures, was RMB504.5 million, which is expected to be recognized over a weighted-average period of 1.3 years and may be adjusted for future changes in estimated forfeitures.

18. Net (Loss)/Profit per Share

For the years ended December 31, 2023, 2024 and 2025, the Company had potential ordinary shares, including share options, RSUs granted, and ordinary shares issuable upon the conversion of the convertible senior notes, where applicable. As the Group incurred losses for the years ended December 31, 2023 and 2024, these potential ordinary shares were anti-dilutive and excluded from the calculation of diluted net loss per share. For the calculation of diluted net profit per share for the year ended December 31, 2025, net profit attributable to ordinary shareholders for basic net profit per share is adjusted by the effect of dilutive ordinary shares, including share options and RSUs granted, under the treasury stock method and convertible senior notes under the if-converted method.

For the year ended December 31, 2023, the incremental shares from share options, RSUs and the assumed conversion of the convertible senior notes, which were anti-dilutive and excluded from the computation of diluted net loss per share, were 1,271,196 shares, 56,329 shares and 30,467,211 shares, respectively.

For the year ended December 31, 2024, the incremental shares from share options, RSUs and the assumed conversion of the convertible senior notes, which were anti-dilutive and excluded from the computation of diluted net loss per share, were 828,336 shares, 2,096,485 shares and 8,432,613 shares, respectively.

For the year ended December 31, 2025, share options and RSUs that were anti-dilutive and excluded from the computation of diluted net profit per share totaled approximately 1.2 million shares and 2.0 million shares, respectively.

18. Net (Loss)/Profit per Share (Continued)

The following table sets forth the computation of basic and diluted net (loss)/profit per share for the years ended December 31, 2023, 2024 and 2025:

	For the Year Ended December 31,		
	2023	2024	2025
	RMB in thousands, except for share and per share data		
Numerator:			
Net (loss)/profit	(4,811,713)	(1,363,651)	1,190,941
Net (income)/loss attributable to noncontrolling interests	(10,608)	16,851	2,590
Dilution impact of the convertible senior notes	—	—	21,250
Net (loss)/profit attributable to Bilibili Inc.'s shareholders for basic/dilutive net (loss)/profit per share calculation	(4,822,321)	(1,346,800)	1,214,781
Denominator:			
Weighted average number of ordinary shares outstanding, basic	413,210,271	416,470,256	418,913,625
Dilutive share options and RSUs	—	—	7,110,797
Convertible senior notes	—	—	18,002,377
Weighted average number of ordinary shares outstanding, diluted	413,210,271	416,470,256	444,026,799
Net (loss)/profit per share, basic	(11.67)	(3.23)	2.85
Net (loss)/profit per share, diluted	(11.67)	(3.23)	2.74

19. Commitments and Contingencies

(a) Commitments

Long-term debts

The Group's long-term debts are to repay the principal amount and cash interests in connection with the long-term bank loans, other long-term borrowing and convertible senior notes. The expected repayment schedules have been disclosed in Note 14.

(b) Litigation

From time to time, the Group is involved in claims and legal proceedings that arise in the ordinary course of business. Based on currently available information, management does not believe that the ultimate outcome of any unresolved matters, individually and in the aggregate, is reasonably possible to have a material adverse effect on the Group's financial position, results of operations or cash flows.

However, litigation is subject to inherent uncertainties and the Group's view of these matters may change in the future. The Group records a liability when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Group reviews the need for any such liability on a regular basis. The Group has not recorded material liabilities in this regard as of December 31, 2024 and 2025, respectively.

20. Related Party Transactions and Balances

The Group entered into the following significant related party transactions for the periods presented:

	For the Year Ended December 31,		
	2023	2024	2025
	RMB in thousands		
Loans to an equity investee[1]	—	—	270,000
Funds (from)/to the Entity[2]	(696,624)	(58,101)	192,575
Purchases of goods and services	172,506	124,018	118,191
Investment income and interest income	48,069	34,344	42,399
Sales of goods and services	12,740	12,033	17,823

The Group had the following significant related party balances as of December 31, 2024 and 2025, respectively:

	December 31, 2024	December 31, 2025
	RMB in thousands	
Amounts due from related parties		
Due from an investment fund[3]	37,519	37,519
Due from the Entity[2]	609,823	817,400
Due from other investees	139,335	20,043
Total	786,677	874,962
Amounts due to related parties[4]	4,549	16,113

1. In 2025, the Company provided interest-bearing loans of RMB270.0 million to an equity investee, which is non-trade in nature, with annual interest rate of 4.50%.
2. The Company established the Entity with an independent third party and two entities controlled by Mr. Rui Chen and Ms. Ni Li, respectively, to acquire the land use rights for a parcel of land in Shanghai for construction. The balance as of December 31, 2024 and 2025 represents interest-bearing loans and interest expenses related to the Entity, which are non-trade in nature. The annual interest rates of the loans were 3.95% and 3.60% as of December 31, 2024 and 2025, respectively.
3. The balances due from the investment fund, of which the Company is the limited partner, as of December 31, 2024 and December 31, 2025 were consideration receivables related to the equity investments transferred, which is non-trade in nature.
4. The balances as of December 31, 2024 and 2025 mainly represent the payables in trade nature.

21. Segment Information

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker ("CODM"), or decision-making group, in deciding how to allocate resources and in assessing performance. The Group's CODM is Mr. Rui Chen, the Chairman of the Board of Directors and CEO.

The Group's organizational structure is based on a number of factors that the CODM uses to evaluate, view and run its business operations which include, but not limited to, customer base, homogeneity of products and technology. The Group's operating segment is based on such organizational structure and information reviewed by the Group's CODM to evaluate the operating segment results. The Group has internal reporting of revenue, cost and expenses by nature as a whole. Hence, the Group has only one operating segment.

The accounting policies of the single segment are the same as described in the significant accounting policies. The CODM assesses performance for the single segment and decides how to allocate resources based on net (loss)/profit that also is reported on the Consolidated Statements of Operations and Comprehensive (Loss)/Income as consolidated net (loss)/profit. The measure of the single segment assets is reported on the Consolidated Balance Sheets as total consolidated assets.

The CODM reviews revenues and expenses at the consolidated level as disclosed in the Group's Consolidated Statements of Operations and Comprehensive (Loss)/Income and uses net (loss)/profit to evaluate return on assets and to monitor budget versus actual results and in competitive analysis by benchmarking to the Group's competitors. Significant segment expenses regularly reviewed by the CODM within net (loss)/profit include cost of revenues, sales and marketing expenses, general and administrative expenses, research and development expenses and investment loss, net (including impairments), each of which is separately presented on the Consolidated Statements of Operations and Comprehensive (Loss)/Income. The competitive analysis and the monitoring of budgeted versus actual results are used in assessing the segment's performance and in establishing management's compensation.

Substantially the majority of the Group's revenues are derived from China based on the geographical locations where services are provided to customers. In addition, the Group's long-lived assets are substantially all located in and derived from China, and the amount of long-lived assets attributable to any other individual country is not material. Therefore, no geographical segments are presented.

22. Fair Value Measurement

When available, the Group uses quoted market prices to determine the fair value of an asset or liability. If quoted market prices are not available, the Group will measure fair value using valuation techniques that use, when possible, current market-based or independently sourced market parameters, such as interest rates and currency rates. The Group measures investments in financial products and equity investments in publicly traded companies at fair value.

Equity investments in publicly traded companies. The Group values its equity investments in publicly traded companies using observable inputs that reflect quoted prices for securities with identical characteristics, and accordingly, the Group classifies the valuation techniques that use these inputs as Level 1.

Financial products. The Group values its financial products investments held in certain banks using quoted prices for securities with similar characteristics and other observable inputs, and accordingly, the Group classifies the valuation techniques that use these inputs as Level 2.

Accounts receivable, amounts due from/to related parties and other current assets are financial assets with carrying values that approximate fair value due to their short-term nature. Accounts payable, accrued liabilities, short-term loans and other payables are financial liabilities with carrying values that approximate fair value due to their short-term nature.

The Group measures equity investments accounted for using the equity method at fair value on a non-recurring basis only if an impairment charge were to be recognized. Equity investments accounted for using the measurement alternative are generally not categorized in the fair value hierarchy. However, if equity investments without readily determinable fair values were re-measured or impaired during the years ended December 31, 2024 and 2025, they were classified within Level 3 in the fair value hierarchy because the Group estimated the value of the instruments based on valuation methods using the observable transaction price at the transaction date or other unobservable inputs.

As of December 31, 2024 and 2025, certain equity investments without determinable fair value (Note 9) were measured using unobservable inputs (Level 3) and written down from their respective carrying value to fair value, with impairment charges of RMB486.5 million and RMB320.7 million incurred and recorded in “Investment loss, net (including impairments)” for the years then ended.

23. Restricted Net Assets

Relevant PRC laws and regulations permit the PRC companies to pay dividends only out of their retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. Additionally, the Company's PRC subsidiaries and VIEs can only distribute dividends upon approval of the shareholders after they have met the PRC requirements for appropriation to the generically reserve fund and the statutory surplus fund respectively. The general reserve fund and the statutory surplus fund require that annual appropriations of 10% of net after-tax income should be set aside prior to payment of any dividends. As a result of these and other restrictions under the PRC laws and regulations, the PRC subsidiaries and VIEs are restricted in their abilities to transfer a portion of their net assets to the Company either in the form of dividends, loans or advances, which restricted portion amounted to approximately RMB9.5 billion or 61.9% of the Company's total consolidated net assets as of December 31, 2025. Furthermore, cash transfers from the Company's PRC subsidiaries to their parent companies outside of China are subject to PRC government control of currency conversion. Shortages in the availability of foreign currency may restrict the ability of the PRC subsidiaries and consolidated affiliated entities to remit sufficient foreign currency to pay dividends or other payments to the Company, or otherwise satisfy their foreign currency denominated obligations. Even though the Company currently does not require any such dividends, loans or advances from the PRC subsidiaries and VIEs for working capital and other funding purposes, the Company may in the future require additional cash resources from its PRC subsidiaries and VIEs due to changes in business conditions, to fund future acquisitions and developments, or merely declare and pay dividends to or distributions to the Company's shareholders.

24. Parent Company Only Condensed Financial Information

The Company performed a test on the restricted net assets of its consolidated subsidiaries and the VIEs in accordance with Securities and Exchange Commission Regulation S-X Rule 4-08 (e) (3), General Notes to Financial Statements and concluded that it was applicable for the Company to disclose the financial information for the Company only.

The subsidiaries did not pay any dividend to the Company for the years presented. Certain information and footnote disclosures generally included in financial statements prepared in accordance with US GAAP have been condensed and omitted. The footnote disclosures contain supplemental information relating to the operations of the Company, as such, these statements are not the general-purpose financial statements of the reporting entity and should be read in conjunction with the notes to the consolidated financial statements of the Company.

The Company did not have significant capital and other commitments, or guarantees as of December 31, 2024 and 2025, respectively.

Condensed balance sheets

	December 31, 2024	December 31, 2025
	RMB in thousands	
Cash and cash equivalents	10,721	4,173
Time Deposits	—	210,864
Amounts due from Group companies	15,688,455	19,066,168
Prepayments and other current assets	132,745	132,955
Short-term investments	445,470	345,823
Long-term investments, net	758,348	1,091,207
Investments in subsidiaries and net assets of VIEs and VIEs' subsidiaries	345,248	2,686,268
Total assets	**17,380,987**	**23,537,458**
Short-term loans and current portion of long-term debt	31,657	3,162,384
Deferred revenue	9,836	1,508
Accrued liabilities and other payables	64,151	24,413
Long-term debt and others	3,166,946	4,775,871
Total liabilities	**3,272,590**	**7,964,176**
Total Bilibili Inc's shareholders' equity	14,108,397	15,573,282
Total shareholders' equity	**14,108,397**	**15,573,282**
Total liabilities and shareholders' equity	**17,380,987**	**23,537,458**

24. Parent Company Only Condensed Financial Information (Continued)

Condensed statements of comprehensive loss and cash flows：

	For the Year Ended December 31,		
	2023	2024	2025
	RMB in thousands		
Total costs and expenses	**(43,924)**	**(24,139)**	**(16,408)**
Net (loss)/profit from subsidiaries and VIEs and VIEs' subsidiaries	(4,745,316)	(1,009,762)	1,446,123
Loss from non-operations	(33,081)	(312,899)	(236,184)
(Loss)/profit before income tax expenses	**(4,822,321)**	**(1,346,800)**	**1,193,531**
Net (loss)/profit	**(4,822,321)**	**(1,346,800)**	**1,193,531**

	For the Year Ended December 31,		
	2023	2024	2025
	RMB in thousands		
Net cash used in operating activities	**(111,392)**	**(118,834)**	**(120,821)**
Purchase of short-term investments	(3,863)	(70)	(427,465)
Maturity of short-term investments	982,151	175,717	422,568
Placement of time deposits	—	—	(211,779)
Maturity of time deposits	4,083,893	—	—
Investments and loans from/(to) subsidiaries, VIEs and VIEs' subsidiaries	383,391	3,180,316	(3,506,156)
Other investing activities	(76,697)	(147,691)	(352,608)
Net cash provided by/(used in) investing activities	**5,368,875**	**3,208,272**	**(4,075,440)**
Purchase of noncontrolling interests	(7,027)	—	—
Proceeds from exercise of employees' share options	2	10,268	6,559
Proceeds from issuance of ordinary shares, net of issuance costs	2,689,380	—	—
Proceeds from issuance of convertible senior notes, net of issuance costs	—	—	4,886,978
Proceeds of long-term loans	—	3,100,000	—
Repayment of long-term loans	—	—	(31,000)
Repurchase of shares	—	(117,523)	(822,713)
Repurchase of convertible senior notes	(7,675,227)	(6,058,432)	(474)
Net cash (used in)/provided by financing activities	**(4,992,872)**	**(3,065,687)**	**4,039,350**

24. Parent Company Only Condensed Financial Information (Continued)

Basis of presentation

The Company's accounting policies are the same as the Group's accounting policies with the exception of the accounting for the investments in subsidiaries and VIEs.

For the Company only condensed financial information, the Company records its investments in subsidiaries and VIEs under the equity method of accounting as prescribed in ASC 323, Investments—Equity Method and Joint Ventures.

Such investments are presented on the condensed balance sheets as "Investments in subsidiaries and net assets of VIEs and VIE's subsidiaries/Deficit in subsidiaries and net loss of VIEs and VIEs' subsidiaries" in the condensed balance sheets and share in the subsidiaries' loss are presented as "Net Loss from subsidiaries and net loss of VIEs and VIEs' subsidiaries" in the condensed statements of comprehensive loss. The parent company only condensed financial information should be read in conjunction with the Group's consolidated financial statements.

25. Subsequent Events

A total of 2.9 million of the Company's listed securities were repurchased for a total cost of US$68.8 million during the period from January 1, 2026 to the date of this report pursuant to the Company's existing US$200 million share repurchase program. This share repurchase program has been completed as of the date of this report and a total of 9.9 million of the Company's listed securities were repurchased.

Exhibit 2.8

EXECUTION VERSION

BILIBILI INC.

and

Deutsche Bank Trust Company Americas as Trustee

Deutsche Bank AG, Hong Kong Branch, as Registrar, Paying Agent,

Transfer Agent and Conversion Agent

INDENTURE

dated as of May 23, 2025

US$690,000,000 0.625% CONVERTIBLE SENIOR NOTES DUE 2030

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INDENTURE dated as of May 23, 2025 between BILIBILI INC., a Cayman Islands exempted company, as issuer (the "**Company**," as more fully set forth in Section 1.01), DEUTSCHE BANK TRUST COMPANY AMERICAS, a New York banking corporation, as trustee (the "**Trustee**," as more fully set forth in Section 1.01) and DEUTSCHE BANK AKTIENGESELLSCHAFT, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, acting through its branch in Hong Kong (also known as Deutsche Bank AG, Hong Kong Branch), as the Registrar, Paying Agent, Transfer Agent and Conversion Agent.

W I T N E S S E T H:

WHEREAS, for its lawful corporate purposes, the Company has duly authorized the issuance of its 0.625% Convertible Senior Notes due 2030 (the "**Notes**"), initially in an aggregate principal amount not to exceed US$690,000,000 (as increased by an amount equal to the aggregate principal amount of any additional Notes purchased by the Initial Purchasers pursuant to the exercise of their option to purchase additional Notes as set forth in the Purchase Agreement), subject to Section 2.10, and in order to provide the terms and conditions upon which the Notes are to be authenticated, issued and delivered, the Company has duly authorized the execution and delivery of this Indenture; and

WHEREAS, the Form of Note, the certificate of authentication to be borne by each Note, the Form of Notice of Conversion, the Form of Fundamental Change Repurchase Notice, the Form of Repurchase Notice and the Form of Assignment and Transfer to be borne by the Notes are to be substantially in the forms hereinafter provided; and

WHEREAS, all acts and things necessary to make the Notes, when executed by the Company and authenticated and delivered by the Trustee, as in this Indenture provided, the valid, binding and legal obligations of the Company, and this Indenture a valid agreement according to its terms, have been done and performed, and the execution of this Indenture and the issuance hereunder of the Notes have in all respects been duly authorized.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That in order to declare the terms and conditions upon which the Notes are, and are to be, authenticated, issued and delivered, and in consideration of the premises and of the purchase and acceptance of the Notes by the Holders thereof, the Company covenants and agrees with the Trustee for the equal and proportionate benefit of the respective Holders from time to time of the Notes (except as otherwise provided below), as follows:

ARTICLE 1
DEFINITIONS

Section 1.01 *Definitions*. The terms defined in this Section 1.01 (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Indenture and of any indenture supplemental hereto shall have the respective meanings specified in this Section 1.01. The words "herein," "hereof," "hereunder," and words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision. The terms defined in this Article include the plural as well as the singular.

"**Additional Amounts**" shall have the meaning specified in Section 4.07(a).

"**Additional Interest**" means all amounts, if any, payable pursuant to Section 4.06(d), Section 4.06(e) and Section 6.03, as applicable.

"**Additional Ordinary Shares**" shall have the meaning specified in Section 14.03(a).

"**ADS**" means an American depositary share, issued pursuant to the Unrestricted Deposit Agreement or Restricted Deposit Agreement, as applicable, and the Procedures Letter, representing one Class Z ordinary share of the Company as of the date of this Indenture, and deposited with the ADS Custodian.

"**ADS Custodian**" means Deutsche Bank AG, Hong Kong Branch, with respect to the ADSs delivered pursuant to the Unrestricted Deposit Agreement or the Restricted Deposit Agreement, as applicable, and the Procedures Letter, or any successor entity thereto.

"**ADS Depositary**" means Deutsche Bank Trust Company Americas, as depositary for the ADSs.

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control," when used with respect to any specified Person means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"**Agents**" means the Paying Agent, the Transfer Agent, the Note Registrar and the Conversion Agent.

"**Applicable PRC Rate**" means (i) in the case of deduction or withholding of People's Republic of China income tax, 10%, (ii) in the case of deduction or withholding of, or reduction for, People's Republic of China value added tax (including any related local levies), 6.72%, or (iii) in the case of deduction or withholding of, or reduction for, both People's Republic of China income tax and People's Republic of China value added tax (including any related local levies), 16.72%.

"**applicable taxes**" shall have the meaning specified in Section 4.07(a).

"**Board of Directors**" means the board of directors of the Company or an authorized committee of such board duly authorized to act for it hereunder.

"**Board Resolution**" means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors, and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"**Business Day**" means, with respect to any Note, each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in the State of New York, London or Hong Kong, or in the case of payment or delivery under this Indenture, place of payment or delivery are authorized or obligated by law or executive order to close.

"**Capital Stock**" means, for any entity, any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock issued by that entity.

"**CCASS**" means Central Clearing and Settlement System of the Hong Kong Stock Exchange.

"**Change in Tax Law**" shall have the meaning specified in Section 16.01.

"**Clause A Distribution**" shall have the meaning specified in Section 14.04(c).

"**Clause B Distribution**" shall have the meaning specified in Section 14.04(c).

"**Clause C Distribution**" shall have the meaning specified in Section 14.04(c).

"**Cleanup Redemption**" shall have the meaning specified in Section 16.03.

"**Clearstream**" means Clearstream Banking S.A.

"**Clearing System Business Day**" shall have the meaning specified in Section 2.03(b).

"**close of business**" means 5:00 p.m. Hong Kong time.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Commission**" means the U.S. Securities and Exchange Commission.

"**Common Depositary**" means, with respect to each Global Note, the Person specified in Section 2.05(d) as the Common Depositary with respect to such Notes, until a successor shall have been appointed and become such pursuant to the applicable provisions of this Indenture, and thereafter, "**Common Depositary**" shall mean or include such successor.

"**Common Equity**" of any Person means ordinary share capital or common stock of such Person that is generally entitled (a) to vote in the election of directors of such Person or (b) if such Person is not a corporation, to vote or otherwise participate in the selection of the governing body, partners, managers or others that will control the management or policies of such Person.

"**Company**" shall have the meaning specified in the first paragraph of this Indenture, and subject to the provisions of Article 11, shall include its successors and assigns.

"**Company Notice**" shall have the meaning specified in Section 15.01(a).

"**Company Order**" means a written order of the Company, signed by an Officer of the Company and delivered to the Trustee.

"**Consolidated Affiliated Entity**" means, with respect to any Person, any corporation, association or other entity which is or is required to be consolidated with such Person under Accounting Standards Codification subtopic 810-10, Consolidation: Overall (including any changes, amendments or supplements thereto) or, if such person prepares its financial statements in accordance with accounting principles other than the accounting principles generally accepted in the United States of America, the equivalent of Accounting Standards Codification subtopic 810-10, Consolidation: Overall under such accounting principles.

"**Conversion Agent**" shall have the meaning specified in Section 4.02.

"**Conversion Consideration**" means Ordinary Shares and, if expressly set forth in this Indenture, cash due upon conversion pursuant to Section 14.02(a).

"**Conversion Date**" shall have the meaning specified in Section 14.02(c).

"**Conversion Obligation**" shall have the meaning specified in Section 14.01.

"**Conversion Price**" means as of any time, US$1,000, divided by the Conversion Rate as of such time.

"**Conversion Rate**" shall have the meaning specified in Section 14.01.

"**Corporate Trust Office**" means the corporate trust office of the Trustee at which at any time its corporate trust business shall be administered, which office at the date hereof is located at 1 Columbus Circle, 4th Fl., New York, NY 10019, or such other address as the Trustee may designate from time to time by notice to the Holders and the Company, or the corporate trust office of any successor trustee (or such other address as such successor trustee may designate from time to time by notice to the Holders and the Company).

"**Default**" means any event that is, or after notice or passage of time, or both, would be, an Event of Default.

"**Defaulted Amounts**" means any amounts on any Note (including, without limitation, the Redemption Price, the Repurchase Price, the Fundamental Change Repurchase Price, principal and interest) that are payable but are not punctually paid or duly provided for.

"**Distributed Property**" shall have the meaning specified in Section 14.04(c).

"**Effective Date**" shall have the meaning specified in Section 14.03(c), except that, as used in Section 14.04 and Section 14.05, "Effective Date" means the first date on which Ordinary Shares trade on the applicable exchange or in the applicable market, regular way, reflecting the relevant share split or share combination, as applicable.

"**Euroclear**" means Euroclear Bank SA/NV.

"**Event of Default**" shall have the meaning specified in Section 6.01.

"**Ex-Dividend Date**" means the first date on which the Ordinary Shares trade on the applicable exchange or in the applicable market, regular way, without the right to receive the issuance, dividend or distribution in question, from the Company or, if applicable, from the seller of the Ordinary Shares on such exchange or market (in the form of due bills or otherwise) as determined by such exchange or market.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"**Expiring Rights**" means any rights, options or warrants (other than in connection with a stockholders rights plan) to purchase Ordinary Shares that expire on or prior to the Maturity Date.

"**FATCA**" shall have the meaning specified in Section 4.07(a)(i)(E).

"**Form of Assignment and Transfer**" shall mean the "Form of Assignment and Transfer" attached as Attachment 4 to the Form of Note attached hereto as Exhibit A.

"**Form of Fundamental Change Repurchase Notice**" shall mean the "Form of Fundamental Change Repurchase Notice" attached as Attachment 2 to the Form of Note attached hereto as Exhibit A.

"**Form of Notice of Conversion**" shall mean the "Form of Notice of Conversion" attached as Attachment 1 to the Form of Note attached hereto as Exhibit A.

"**Form of Repurchase Notice**" shall mean the "Form of Repurchase Notice" attached as Attachment 3 to the Form of Note attached hereto as Exhibit A.

"**Free Transferability Certificate**" means a certificate substantially in the form attached hereto as Attachment 5.

"**Freely Tradable**" shall mean, with respect to any Note, that such Note would be eligible to be offered, sold or otherwise transferred pursuant to Rule 144 under the Securities Act or otherwise if held by a person that is not an affiliate of the Company, and that has not been an affiliate of the Company during the immediately preceding three months, without any requirements as to volume, manner of sale, availability of current public information or notice under the Securities Act (except that, during the six-month period beginning on, and including, the date that is six months after the Last Date of Original Issuance of such Note, any such requirement as to the availability of current public information will be disregarded if the same is satisfied at that time); provided, however, that from and after the date that is one year after the Last Date of Original Issuance of such Note, such Note will not be deemed Freely Tradable unless such Note (x) is not identified by a "restricted" ISIN number and (y) is represented by any certificate that does not bear any restricted note legend.

"**Fundamental Change**" shall be deemed to have occurred at the time after the Notes are originally issued if any of the following occurs:

(a) (A) a "person" or "group" within the meaning of Section 13(d) of the Exchange Act, other than the Company, its Subsidiaries, the employee benefit plans of the Company and its Subsidiaries and the Permitted Holders, files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such person or group has become the direct or indirect "beneficial owner," as defined in Rule 13d-3 under the Exchange Act, of: (i) the Company's ordinary share capital (including ordinary share capital held in the form of ADSs) representing more than 50% of the voting power of the Company's ordinary share capital, or (ii) Ordinary Shares representing more than 50% of the Ordinary Shares (including Ordinary Shares held in the form of ADSs), or (B) the Permitted Holders (together with any of their respective affiliates that directly or indirectly through one or more intermediaries is controlling, is controlled by, or is under common control with, any or all of the Permitted Holders) have become the direct or indirect "beneficial owners", as defined in Rule 13d-3 under the Exchange Act, of Ordinary Shares (including Ordinary Shares held in the form of ADSs) representing, in the aggregate, more than 45% of the Ordinary Shares (including Ordinary Shares held in the form of ADSs) based on any Schedule TO or any schedule, form or report under the Exchange Act disclosing the same filed by any one or more of the Permitted Holders;

(b) the consummation of (A) any recapitalization, reclassification or change of the Ordinary Shares or the ADSs (other than changes resulting from a subdivision or combination) as a result of which the Ordinary Shares or the ADSs would be converted into, or exchanged for, stock, other securities, other property or assets; (B) any share exchange, consolidation or merger of the Company pursuant to which the Ordinary Shares or the ADSs will be converted into cash, securities or other property; or (C) any sale, lease or other transfer in one transaction or a series of transactions of all or substantially all of the consolidated assets of the Company and its Subsidiaries and Consolidated Affiliated Entities, taken as a whole, to any Person other than one of the Company's wholly-owned Subsidiaries; *provided*, *however*, that a transaction described in clause (B) in which the holders of all classes of the Company's ordinary share capital (including ordinary share capital held in the form of ADSs) immediately prior to such transaction own, directly or indirectly, more than 50% of all classes of Common Equity of the continuing or surviving corporation or transferee or the parent thereof immediately after such transaction in substantially the same proportions vis-a-vis each other as such ownership immediately prior to such transaction shall not be a Fundamental Change pursuant to this clause (b);

(c) the shareholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company;

(d) when the Ordinary Shares cease to be listed or admitted to trading or are suspended for trading for a period equal to or exceeding 30 consecutive Trading Days on the Hong Kong Stock Exchange; or

(e) any change in or amendment to the laws, regulations and rules of the People's Republic of China or the official interpretation or official application thereof (a "**Change in Law**") that results in (x) the Company, its Subsidiaries and its Consolidated Affiliated Entities (collectively, the "**Company Group**") (as in existence immediately subsequent to such Change in Law), as a whole, being legally prohibited from operating substantially all of the business operations conducted by the Company Group (as in existence immediately prior to such Change in Law) as of the last date of the period described in the Company's consolidated financial statements for the most recent fiscal quarter and (y) the Company's being unable to continue to derive substantially all of the economic benefits from the business operations conducted by the Company Group (as in existence immediately prior to such Change in Law) in the same manner as reflected in the Company's consolidated financial statements for the most recent fiscal quarter;

provided, *however*, that a transaction or event described in clause (b) above shall not constitute a Fundamental Change, if at least 90% of the consideration received or to be received by holders of the Ordinary Shares (directly or in the form of ADSs), excluding cash payments for fractional Ordinary Shares, in connection with such transaction or event consists of shares of Common Equity or Ordinary Shares in respect of Common Equity that are listed or quoted on the Hong Kong Stock Exchange (or any of their respective successors) or will be so listed or quoted when issued or exchanged in connection with such transaction or event that would otherwise constitute a Fundamental Change under clause (b) of the definition thereof and as a result of such transaction or event, the Notes become convertible into such consideration, excluding cash payments for fractional Ordinary Shares.

For the purposes of the definition of Fundamental Change, any transaction that would constitute a Fundamental Change pursuant to both clauses (a) and (b) above (prior to giving effect to the proviso to clause (b) and prior to giving effect to the immediately preceding paragraph) shall be deemed (i) not to be a transaction under clause (a) of the definition of "Fundamental Change"; and (ii) to be a transaction solely under clause (b) of the definition of "Fundamental Change" (but for the avoidance of doubt, subject to the immediately preceding paragraph to the extent applicable).

"**Fundamental Change Company Notice**" shall have the meaning specified in Section 15.02(c).

"**Fundamental Change Repurchase Date**" shall have the meaning specified in Section 15.02(a).

"**Fundamental Change Repurchase Notice**" shall have the meaning specified in Section 15.02(b)(i).

"**Fundamental Change Repurchase Price**" shall have the meaning specified in Section 15.02(a).

"**Global Note**" shall have the meaning specified in Section 2.05(b).

"**Holder**," as applied to any Note, or other similar terms (but excluding the term "beneficial holder"), shall mean any Person in whose name at the time a particular Note is registered on the Note Register.

"**Hong Kong Stock Exchange**" means the Main Board of The Stock Exchange of Hong Kong Limited.

"**Hong Kong Share Registrar**" means the share registrar engaged by the Company to maintain the branch register of members in Hong Kong for the Ordinary Shares, which shall initially be Computershare Hong Kong Investor Services Limited.

"**Indenture**" means this instrument as originally executed or, if amended or supplemented as herein provided, as so amended or supplemented.

"**Initial Purchasers**" means Goldman Sachs (Asia) L.L.C., Morgan Stanley & Co. LLC, J.P. Morgan Securities LLC and UBS AG Hong Kong Branch as representatives of the several "Purchasers" (as defined in the Purchase Agreement).

"**Interest Payment Date**" means each June 1 and December 1 of each year or, if the relevant date is not a Business Day, the immediately following Business Day, beginning on December 1, 2025.

"**Last Date of Original Issuance**" means (a) with respect to any Notes issued pursuant to the Offering Memorandum, and any Notes issued in exchange therefor or in substitution thereof, the later of (i) the date the Company first issues such Notes; and (ii) the last date any Notes are originally issued pursuant to the exercise of the Initial Purchasers' option to purchase additional Notes; and (b) with respect to any additional Notes issued as described in the Offering Memorandum and any Notes issued in exchange therefor or in substitution thereof, either (i) the later of (x) the date such Notes are originally issued and (y) the last date any Notes are originally issued as part of the same offering pursuant to the exercise of an option granted to the Initial Purchaser(s) of such Notes to purchase additional Notes; or (ii) such other date as is specified in an Officers' Certificate delivered to the Trustee before the original issuance of such Notes.

"**Last Reported Sale Price**" of the Ordinary Shares on any date means the closing sale price per Ordinary Share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported for the Hong Kong Stock Exchange. If the Ordinary Shares are not listed for trading on the Hong Kong Stock Exchange on the relevant date, the "Last Reported Sale Price" will be the average of the mid-point of the last bid and ask prices for the Ordinary Shares on the relevant date from each of at least three nationally recognized independent investment banking firms selected by the Company for this purpose.

"**Last Reported Sale Price (ADS)**" of the ADSs on any date means the closing sale price per ADS, provided that if such information is not available for any reason, or is manifestly incorrect, the price per ADS as determined by the Company in good faith.

"**Make-Whole Fundamental Change**" means any transaction or event described in clause (a), (b), (d) or (e) of the definition of Fundamental Change (determined after giving effect to any exceptions to or exclusions from such definition, including in the *proviso* immediately succeeding clause (e) of the definition thereof, but without regard to the *proviso* in clause (b) of the definition thereof).

"**Maturity Date**" means June 1, 2030.

"**Merger Event**" shall have the meaning specified in Section 14.07(a).

"**Note**" or "**Notes**" shall have the meaning specified in the first paragraph of the recitals of this Indenture.

"**Note Register**" shall have the meaning specified in Section 2.05(a).

"**Note Registrar**" shall have the meaning specified in Section 2.05(a).

"**Notice of Conversion**" shall have the meaning specified in Section 14.02(b).

"**Offering Memorandum**" means the preliminary offering memorandum dated May 21, 2025, as supplemented by the pricing term sheet dated May 21, 2025, relating to the offering and sale of the Notes.

"**Officer**" means, with respect to the Company, the President, the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer and the Treasurer.

"**Officers' Certificate**," when used with respect to the Company, means a certificate that is delivered to the Trustee and that is signed by (a) two Officers of the Company. Each such certificate shall include the statements provided for in Section 17.06 if and to the extent required by the provisions of such Section. One of the Officers giving an Officers' Certificate pursuant to Section 4.09 shall be the principal executive, financial or accounting officer of the Company.

"**open of business**" means 9:00 a.m. Hong Kong time.

"**Opinion of Counsel**" means an opinion in writing signed by legal counsel and in a form reasonably acceptable to the Trustee, who may be counsel to the Company, or other counsel acceptable to the Trustee, that is delivered to the Trustee. Each such opinion shall include the statements provided for in Section 17.06 if and to the extent required by the provisions of such Section 17.06.

"**Optional Redemption**" shall have the meaning specified in Section 16.02(a).

"**Ordinary Shares**" means Class Z ordinary shares of the Company, par value US$0.0001 per share, at the date of this Indenture, subject to Section 14.07.

"**Ordinary Share Price**" shall have the meaning specified in Section 14.03(c).

"**outstanding**," when used with reference to Notes, shall, subject to the provisions of Section 8.04, mean, as of any particular time, all Notes authenticated and delivered by the Trustee under this Indenture, except:

(a) Notes theretofore canceled by the Note Registrar or accepted by the Note Registrar for cancellation;

(b) Notes, or portions thereof, that have become due and payable and in respect of which monies in the necessary amount shall have been deposited with the Trustee or with any Paying Agent (other than the Company) or shall have been set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent);

(c) Notes that have been paid pursuant to Section 2.06 or Notes in lieu of which, or in substitution for which, other Notes shall have been authenticated and delivered pursuant to the terms of Section 2.06 unless proof satisfactory to the Trustee is presented that any such Notes are held by protected purchasers in due course;

(d) Notes converted pursuant to Article 14 and required to be cancelled pursuant to Section 2.08;

(e) Notes redeemed pursuant to Article 16; and

(f) Notes repurchased by the Company pursuant to the third sentence of Section 2.10.

"**Paying Agent**" shall have the meaning specified in Section 4.02.

"**Permitted Holders**" means each of Mr. Rui Chen and Mr. Yi Xu, together with any other respective "person" or "group" subject to aggregation with respect to the Capital Stock of the Company (including Ordinary Shares held in the form of ADSs) with any of the aforementioned persons under Section 13(d) of the Exchange Act.

"**Person**" means an individual, a corporation, a limited liability company, an association, a partnership, a joint venture, a joint stock company, a trust, an unincorporated organization or a government or an agency or a political subdivision thereof.

"**Physical Notes**" means permanent certificated Notes in registered form issued in denominations of US$200,000 principal amount and integral multiples of US$1,000 in excess thereof.

"**Predecessor Note**" of any particular Note means every previous Note evidencing all or a portion of the same debt as that evidenced by such particular Note; and, for the purposes of this definition, any Note authenticated and delivered under Section 2.06 in lieu of or in exchange for a mutilated, lost, destroyed or stolen Note shall be deemed to evidence the same debt as the mutilated, lost, destroyed or stolen Note that it replaces.

"**Prevailing Rate**" means, in respect of any day, the HKD/US$ exchange rate as displayed on Bloomberg page "BFIX" USDHKD Spot Mid Price as at 12:00 noon (Hong Kong time) or any successor page or, if there is no such page, on Reuters or such other information service provider that displays the relevant information or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12:00 noon (Hong Kong time) on the immediately preceding day on which such rate can be so determined.

"**Procedures Letter**" means an executed copy of the Procedures Letter, dated May 23, 2025, from the Company to the ADS Depositary.

"**Purchase Agreement**" means that certain Purchase Agreement, dated as of May 21, 2025, among the Company and the Initial Purchasers.

"**Record Date**" means, with respect to any dividend, distribution or other transaction or event in which the holders of the Ordinary Shares (or other applicable security) have the right to receive any cash, securities or other property or in which Ordinary Shares (or other applicable security) are exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of holders of the Ordinary Shares (or other applicable security) entitled to receive such cash, securities or other property (whether such date is fixed by the Board of Directors, statute, contract or otherwise).

"**Redemption Date**" shall have the meaning specified in Section 16.01(a).

"**Redemption Notice**" means the written notice of redemption of any Notes delivered by the Company to each Holder of such Notes, the Trustee, the Conversion Agent (if other than the Trustee) and the Paying Agent (if other than the Trustee) pursuant to Section 16.04.

"**Redemption Notice Date**" means, with respect to a redemption of any Notes, the date on which the Company sends the Redemption Notice for such redemption pursuant to Article 16.

"**Redemption Period**" means, with respect to an Optional Redemption, a Cleanup Redemption or a Tax Redemption pursuant to Article 16, the period from the Redemption Notice Date for such Optional Redemption, Cleanup Redemption or Tax Redemption, as applicable, until 5:00 p.m. Brussels time on the seventh Scheduled Trading Day immediately preceding the Redemption Date (or, if the Company fails to pay the Redemption Price, such later date on which the Company pays the Redemption Price).

"**Redemption Reference Date**" shall have the meaning specified in Section 14.03(g).

"**Redemption Reference Price**" shall have the meaning specified in Section 14.03(g).

"**Redemption Price**" shall have the meaning specified in Section 16.01(a).

"**Reference Property**" shall have the meaning specified in Section 14.07(a).

"**Regular Record Date**," with respect to any Interest Payment Date, shall mean the May 15 or November 15 (whether or not such day is a Business Day) immediately preceding the applicable June 1 or December 1 Interest Payment Date, respectively.

"**Relevant Jurisdiction**" shall have the meaning specified in Section 4.07(a).

"**Relevant Taxing Jurisdiction**" shall have the meaning specified in Section 4.07(a).

"**Repurchase Date**" shall have the meaning specified in Section 15.01(a).

"**Repurchase Expiration Time**" shall have the meaning specified in Section 15.01(a).

"**Repurchase Notice**" shall have the meaning specified in Section 15.01(a).

"**Repurchase Price**" shall have the meaning specified in Section 15.01(a).

"**Resale Restriction Termination Date**" shall have the meaning specified in Section 2.05(c).

"**Responsible Officer**" means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such Person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

"**Restricted Deposit Agreement**" means the deposit agreement for restricted securities dated as of April 3, 2019 by and among the Company, the ADS Depositary and the holders and beneficial owners of the restricted ADSs delivered thereunder or, if amended or supplemented as provided therein, as so amended or supplemented.

"**Restricted Securities**" shall have the meaning specified in Section 2.05(c).

"**Rule 144**" means Rule 144 as promulgated under the Securities Act.

"**Rule 144A**" means Rule 144A as promulgated under the Securities Act.

"**Scheduled Trading Day**" means a day that is scheduled to be a Trading Day on the Hong Kong Stock Exchange. If the Ordinary Shares are not so listed or admitted for trading, "Scheduled Trading Day" means a Business Day.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"**Significant Subsidiary**" means a Subsidiary of the Company that meets the definition of "significant subsidiary" in Article 1, Rule 1-02 of Regulation S-X under the Exchange Act. Each of the Company's Consolidated Affiliated Entities will be deemed to be a "subsidiary" for purposes of the definition of "significant subsidiary" in Article 1, Rule 1-02 of Regulation S-X.

"**Spin-Off**" shall have the meaning specified in Section 14.04(c).

"**Subsidiary**" means, with respect to any Person, any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Capital Stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, general partners or trustees thereof is at the time owned or controlled, directly or indirectly, by (i) such Person; (ii) such Person and one or more Subsidiaries of such Person; or (iii) one or more Subsidiaries of such Person.

"**Successor Company**" shall have the meaning specified in Section 11.01(a).

"**Tax Redemption**" shall have the meaning specified in Section 16.01(a).

"**Trading Day**" means a day on which (i) trading in the Ordinary Shares (or other security for which a closing sale price must be determined) generally occurs on the Hong Kong Stock Exchange, and (ii) a Last Reported Sale Price for the Ordinary Shares (or closing sale price for such other security) is available on the Hong Kong Stock Exchange. If the Ordinary Shares (or such other security) are not so listed, "Trading Day" means a Business Day.

"**transfer**" shall have the meaning specified in Section 2.05(c) and Section 2.05(f), as applicable.

"**Transfer Agent**" shall have the meaning specified in Section 2.05.

"**Trigger Event**" shall have the meaning specified in Section 14.04(c).

"**Trust Indenture Act**" means the Trust Indenture Act of 1939, as amended, as it was in force at the date of execution of this Indenture; *provided*, *however*, that in the event the Trust Indenture Act of 1939 is amended after the date hereof, the term "Trust Indenture Act" shall mean, to the extent required by such amendment, the Trust Indenture Act of 1939, as so amended.

"**Trustee**" means the Person named as the "Trustee" in the first paragraph of this Indenture until a successor trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean or include each Person who is then a Trustee hereunder.

"**unit of Reference Property**" shall have the meaning specified in Section 14.07(a).

"**Unrestricted Deposit Agreement**" means the deposit agreement dated as of March 27, 2018, by and among the Company, the ADS Depositary and the holders and beneficial owners of the ADSs delivered thereunder or, if amended or supplemented as provided therein, as so amended or supplemented.

"**Valuation Period**" shall have the meaning specified in Section 14.04(c).

Section 1.02 *References to Interest*. Unless the context otherwise requires, any reference to interest on, or in respect of, any Note in this Indenture shall be deemed to include Additional Interest if, in such context, Additional Interest is, was or would be payable pursuant to any of Section 4.06(d), Section 4.06(e) and Section 6.03. Unless the context otherwise requires, any express mention of Additional Interest in any provision hereof shall not be construed as excluding Additional Interest in those provisions hereof where such express mention is not made.

Section 1.03 *References to ADSs in lieu of Ordinary Shares*. Unless the context otherwise requires, any reference to ADSs in lieu of Ordinary Shares deliverable upon conversion in this Indenture shall be deemed to refer to the ADSs delivered or deliverable upon conversion of the Notes in lieu of such Ordinary Shares at a Holder's election pursuant to Section 14.02(a).

ARTICLE 2
ISSUE, DESCRIPTION, EXECUTION, REGISTRATION AND EXCHANGE OF NOTES

Section 2.01 *Designation and Amount*. The Notes shall be designated as the "0.625% Convertible Senior Notes due 2030." The aggregate principal amount of Notes that may be authenticated and delivered under this Indenture is initially limited to US$690,000,000 (as increased by an amount equal to the aggregate principal amount of any additional Notes purchased by the Initial Purchasers pursuant to the exercise of their option to purchase additional Notes as set forth in the Purchase Agreement), subject to Section 2.10 and except for Notes authenticated and delivered upon registration or transfer of, or in exchange for, or in lieu of other Notes pursuant to Section 2.05, Section 2.06, Section 2.07, Section 10.04, Section 14.02 and Section 15.04.

Section 2.02 *Form of Notes*. The Notes and the Trustee's certificate of authentication to be borne by such Notes shall be substantially in the respective forms set forth in Exhibit A, the terms and provisions of which shall constitute, and are hereby expressly incorporated in and made a part of this Indenture. To the extent applicable, the Company and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby.

Any Global Note may be endorsed with or have incorporated in the text thereof such legends or recitals or changes not inconsistent with the provisions of this Indenture as may be required by Euroclear and Clearstream, or as may be required to comply with any applicable law or any regulation thereunder or with the rules and regulations of any securities exchange or automated quotation system upon which the Notes may be listed or traded or designated for issuance or to conform with any usage with respect thereto, or to indicate any special limitations or restrictions to which any particular Notes are subject.

Any of the Notes may have such letters, numbers or other marks of identification and such notations, legends or endorsements as the Officers executing the same may approve (execution thereof to be conclusive evidence of such approval) and as are not inconsistent with the provisions of this Indenture, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange or automated quotation system on which the Notes may be listed or designated for issuance, or to conform to usage or to indicate any special limitations or restrictions to which any particular Notes are subject.

Each Global Note shall represent such principal amount of the outstanding Notes as shall be specified therein and shall provide that it shall represent the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be increased or reduced to reflect redemptions, repurchases, cancellations, conversions, transfers or exchanges permitted hereby. Any endorsement of the Global Note to reflect the amount of any increase or decrease in the amount of outstanding Notes represented thereby shall be made by the Trustee or the Note Registrar in such manner and upon instructions given by the Holder of such Notes in accordance with this Indenture. Payment of principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, and any premium or accrued and unpaid interest on, the Global Note shall be made to the Holder of such Note on the date of payment, unless a record date or other means of determining Holders eligible to receive payment is provided for herein.

Section 2.03 *Date and Denomination of Notes; Payments of Interest and Defaulted Amounts*. (a) The Notes shall be issuable in registered form without coupons in minimum denominations of US$200,000 principal amount and integral multiples of US$1,000 in excess thereof. Each Note shall be dated the date of its authentication and shall bear interest from, and including, the date specified on the face of such Note. Accrued interest on the Notes shall be computed on the basis of a 360-day year composed of twelve 30-day months and, for partial months, on the basis of the number of days actually elapsed in a 30-day month.

(b) The Person in whose name any Note (or its Predecessor Note) is registered on the Note Register at the close of business on any Regular Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date. Interest shall be payable at the office or agency of the Company maintained by the Company for such purposes, which shall initially be the office of the paying agent currently located at Level 60, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong. The Company shall pay or cause the Paying Agent to pay interest (i) on any Physical Notes to each Holder holding Physical Notes by wire transfer in immediately available funds to that Holder's U.S. dollar account specified by the Holder, which application shall remain in effect until the Holder notifies, in writing, the Note Registrar to the contrary or (ii) on any Global Note by wire transfer of immediately available funds to the account of the Euroclear and/or Clearstream or its nominee. So long as the Notes are held in global form, all payments in respect of the Global Note will be made to the Holder thereof as of the close of business (of the relevant clearing system) on the Clearing System Business Day before the due date for such payments, where "**Clearing System Business Day**" means a weekday (Monday to Friday, inclusive) except December 25 and January 1.

(c) Any Defaulted Amounts shall forthwith cease to be payable to the Holder on the relevant payment date but shall accrue interest per annum at the rate per annum borne by the Notes *plus* one percent, subject to the enforceability thereof under applicable law, from, and including, such relevant payment date, and such Defaulted Amounts together with such interest thereon shall be paid by the Company, at its election in each case, as provided in clause (i) or (ii) below:

(i) The Company may elect to make payment of any Defaulted Amounts to the Persons in whose names the Notes (or their respective Predecessor Notes) are registered at the close of business on a special record date for the payment of such Defaulted Amounts, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of the Defaulted Amounts proposed to be paid on each Note and the date of the proposed payment (which shall be not less than 25 days after the receipt by the Trustee of such notice, unless the Trustee in its sole discretion shall consent to an earlier date), and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount to be paid in respect of such Defaulted Amounts or shall make arrangements satisfactory to the Trustee for such deposit on or prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Amounts as in this clause provided. Thereupon the Company shall fix a special record date for the payment of such Defaulted Amounts which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment, and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Company shall promptly notify the Trustee in writing of such special record date and the Trustee, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Amounts and the special record date therefor to be mailed, first-class postage prepaid (at the Company's expense), to each Holder at its address as it appears in the Note Register or, in the case of Global Notes, sent electronically in accordance with the applicable rules and procedures of Euroclear and/or Clearstream, not less than 10 days prior to such special record date. Notice of the proposed payment of such Defaulted Amounts and the special record date therefor having been so mailed, such Defaulted Amounts shall be paid to the Persons in whose names the Notes (or their respective Predecessor Notes) are registered at the close of business on such special record date and shall no longer be payable pursuant to the following clause (ii) of this Section 2.03(c).

(ii) The Company may make payment of any Defaulted Amounts in any other lawful manner not inconsistent with the requirements of any securities exchange or automated quotation system on which the Notes may be listed or designated for issuance, and upon such notice as may be required by such exchange or automated quotation system, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

Section 2.04 *Execution, Authentication and Delivery of Notes*. The Notes shall be signed in the name and on behalf of the Company by the manual or facsimile signature of its Chief Executive Officer, President, Chief Financial Officer, Treasurer, Secretary or any of its Executive or Senior Vice Presidents. With the delivery of this Indenture, the Company is furnishing, and from time to time thereafter may furnish, a certificate substantially in the form of Exhibit B (an "**Authorization Certificate**") identifying and certifying the incumbency and specimen (and/or facsimile) signatures of its active authorized Officers. Until the Trustee and the Agent receive a subsequent Authorization Certificate, the Trustee and the Agents shall be entitled to conclusively rely on the last Authorization Certificate delivered to it for purposes of determining the relevant authorized Officers. Typographical and other minor errors or defects in any signature shall not affect the validity or enforceability of any Note which has been duly authenticated and delivered by the Trustee or the Note Registrar.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Notes executed by the Company to the Trustee or the Note Registrar for authentication, together with a Company Order for the authentication and delivery of such Notes, and the Trustee or the Note Registrar in accordance with such Company Order shall authenticate and deliver such Notes, without any further action by the Company hereunder.

The Company Order shall specify the amount of Notes to be authenticated, the applicable rate at which interest will accrue on such Notes, the date on which the original issuance of such Notes is to be authenticated, the date from which interest will begin to accrue, the date or dates on which interest on such Notes will be payable and the date on which the principal of such Notes will be payable and other terms relating to such Notes. The Trustee or the Note Registrar shall thereupon authenticate and deliver said Notes to or upon the written order of the Company (as set forth in such Company Order).

The Trustee or the Note Registrar shall have the right to decline to authenticate and deliver any Notes under this Section (a) unless and until it receives from the Company a Company Order instructing it to so authenticate and deliver such Notes and, if requested by the Trustee or the Note Registrar, an Officers' Certificate and an Opinion of Counsel in accordance with Section 17.06 hereof; (b) if the Trustee or the Note Registrar determines that such action may not lawfully be taken; or (c) if the Trustee or the Note Registrar determines that such action would expose the Trustee to personal liability, unless indemnity and/or security and/or pre-funding reasonably satisfactory to the Trustee and the Note Registrar against such liability is provided to the Trustee and the Note Registrar.

Only such Notes as shall bear thereon a certificate of authentication substantially in the form set forth on the form of Note attached as Exhibit A hereto, executed manually or electronically by an authorized officer of the Trustee or the Note Registrar, shall be entitled to the benefits of this Indenture or be valid or obligatory for any purpose. Such certificate by the Trustee upon any Note executed by the Company shall be conclusive evidence that the Note so authenticated has been duly authenticated and delivered hereunder and that the Holder is entitled to the benefits of this Indenture.

In case any Officer of the Company who shall have signed any of the Notes shall cease to be such Officer before the Notes so signed shall have been authenticated and delivered by the Trustee, or disposed of by the Company, such Notes nevertheless may be authenticated and delivered or disposed of as though the Person who signed such Notes had not ceased to be such Officer of the Company; and any Note may be signed on behalf of the Company by such Persons as, at the actual date of the execution of such Note, shall be the Officers of the Company, although at the date of the execution of this Indenture any such Person was not such an Officer.

For purposes of the issuance of the Notes, including any additional Notes purchased by the Initial Purchasers pursuant to the exercise of their option to purchase additional Notes, the Company hereby directs Deutsche Bank AG Hong Kong Branch, as Note Registrar (as defined in section 2.05) to authenticate the Notes.

Section 2.05 *Exchange and Registration of Transfer of Notes; Restrictions on Transfer; Euroclear and/or Clearstream*. (a) The Company shall cause to be kept at the Corporate Trust Office a register (the register maintained in such office or in any other office or agency of the Company designated pursuant to Section 4.02, the "**Note Register**") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Notes and of transfers of Notes. Such register shall be in written form or in any form capable of being converted into written form within a reasonable period of time. Deutsche Bank AG, Hong Kong Branch is hereby initially appointed the "**Note Registrar**" and "**Transfer Agent**" for the purpose of registering Notes and transfers of Notes as herein provided. The Company may appoint one or more co-Note Registrars in accordance with Section 4.02.

Upon surrender for registration of transfer of any Note to the Note Registrar or any co-Note Registrar, and satisfaction of the requirements for such transfer set forth in this Section 2.05, the Company shall execute, and the Trustee or the Note Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes of any authorized denominations, and of a like aggregate principal amount and bearing such restrictive legends as may be required by Section 2.05(c).

Notes may be exchanged for other Notes of any authorized denominations and of a like aggregate principal amount, upon surrender of the Notes to be exchanged at any such office or agency maintained by the Company pursuant to Section 4.02. Whenever any Notes are so surrendered for exchange, the Company shall execute, and the Trustee or the Note Registrar shall authenticate and deliver the Notes that the Holder making the exchange is entitled to receive, bearing registration numbers not contemporaneously outstanding.

All Notes presented or surrendered for registration of transfer or for exchange, repurchase or conversion shall (if so required by the Company, the Trustee, the Note Registrar or any co-Note Registrar) be duly endorsed, or be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company and duly executed, by the Holder thereof or its attorney-in-fact duly authorized in writing.

No service charge shall be imposed by the Company, the Transfer Agent, the Note Registrar, any co-Note Registrar or the Paying Agent for any exchange or registration of transfer of Notes, but the Company may require a Holder to pay a sum sufficient to cover any documentary, stamp, issue, transfer or similar tax required in connection therewith as a result of the name of the Holder of new Notes issued upon such exchange or registration of transfer being different from the name of the Holder of the old Notes surrendered for exchange or registration of transfer.

None of the Company, the Trustee, the Note Registrar or any co-Note Registrar shall be required to exchange or register a transfer of (i) any Notes surrendered for conversion or, if a portion of any Note is surrendered for conversion, such portion thereof surrendered for conversion, (ii) any Notes, or a portion of any Note, surrendered for repurchase (and not withdrawn) in accordance with Article 15 or (iii) any Notes selected for redemption in accordance with Article 16.

All Notes issued upon any registration of transfer or exchange of Notes in accordance with this Indenture shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture as the Notes surrendered upon such registration of transfer or exchange.

The Trustee shall have no responsibility or obligation to any direct or indirect participant or any other Person with respect to the accuracy of the books or records, or the acts or omissions, of Euroclear and/or Clearstream or of any participant or member thereof, with respect to any ownership interest in the Notes or with respect to the delivery to any direct or indirect participant or other Person (other than the Common Depositary and any other registered Holder of Notes) of any notice (including any Redemption Notice pursuant to Article 16) or the payment of any amount, under or with respect to such Notes. All notices and communications to be given to the Holders and all payments to be made to Holders under the Notes shall be given or made only to or upon the order of the registered Holders (which shall be the Common Depositary or its nominee in the case of a Global Note). The rights of beneficial owners in any Global Note shall be exercised only through the Common Depositary subject to the rules and customary procedures of the Euroclear and/or Clearstream. The Trustee may rely and shall be fully protected in relying upon information furnished by Euroclear and/or Clearstream with respect to their respective direct or indirect participants.

The Trustee and the Agents shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among direct or indirect participants in any Global Note) other than to require delivery of such certificates as are expressly required by, and to do so if and when expressly required by, the terms of this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(b) So long as the Notes are eligible for book-entry settlement with Euroclear and/or Clearstream, unless otherwise required by law, subject to the fourth paragraph from the end of Section 2.05(c) all Notes shall be represented by one or more Notes in global form (each, a "**Global Note**") registered in the name of the Common Depositary or the nominee of the Common Depositary for the accounts of Euroclear and/or Clearstream. The transfer and exchange of beneficial interests in a Global Note that does not involve the issuance of a Physical Note shall be effected through Euroclear and/or Clearstream in accordance with this Indenture (including the restrictions on transfer set forth herein), and the rules and procedures of the Euroclear and/or Clearstream.

(c) Every Note that bears or is required under this Section 2.05(c) to bear the legend set forth in this Section 2.05(c) (the "**Restricted Securities**") shall be subject to the restrictions on transfer set forth in this Section 2.05(c) (including the legend set forth below), unless such restrictions on transfer shall be eliminated or otherwise waived by written consent of the Company, and the Holder of each such Restricted Security, by such Holder's acceptance thereof, agrees to be bound by all such restrictions on transfer. As used in this Section 2.05(c) and Section 2.05(d), the term "**transfer**" encompasses any sale, pledge, transfer or other disposition whatsoever of any Restricted Security.

Until the date (the "**Resale Restriction Termination Date**") that is the later of (1) the date that is one year after the Last Date of Original Issuance of the Notes, or such shorter period of time as permitted by Rule 144 under the Securities Act or any successor provision thereto, and (2) such later date, if any, as may be required by applicable law, any certificate evidencing such Note (and all securities issued in exchange therefor or substitution thereof, other than Ordinary Shares) issued upon conversion thereof, which shall bear the legend or be subject to certain transfer restrictions, in each case set forth in Section 2.05(d), if applicable, shall bear a legend in substantially the following form (unless (x) such Notes have been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 under the Securities Act or any similar provision then in force under the Securities Act and (y) subject to the procedures of Euroclear and Clearstream, if any, applicable to the removal of such legends in the circumstances set forth in (x) above, unless otherwise agreed by the Company in writing, with notice thereof to the Trustee):

THIS SECURITY AND THE CLASS Z ORDINARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY (OR THE AMERICAN DEPOSITARY SHARES DELIVERABLE IN LIEU THEREOF) HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), ARE "RESTRICTED SECURITIES" WITHIN THE MEANING OF RULE 144 UNDER THE SECURITIES ACT OR CONTRACTUALLY RESTRICTED SECURITIES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF (OR THEREOF) OR OF A BENEFICIAL INTEREST HEREIN (OR THEREIN), THE ACQUIRER:

(1) REPRESENTS THAT IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT AND THAT IT AND ANY SUCH ACCOUNT IS NOT, AND HAS NOT BEEN FOR THE IMMEDIATELY PRECEDING THREE MONTHS, AN AFFILIATE OF BILIBILI INC. (THE "**COMPANY**"), AND

(2) AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY AND THE CLASS Z ORDINARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY (OR AMERICAN DEPOSITARY SHARES DELIVERABLE IN LIEU THEREOF) OR ANY BENEFICIAL INTEREST HEREIN OR THEREIN PRIOR TO THE DATE THAT IS THE LATER OF (X) ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE HEREOF OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THERETO AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW, EXCEPT:

(A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, OR

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, OR

(C) TO A PERSON REASONABLY BELIEVED TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, OR

(D) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), OR

(E) PURSUANT TO ANY OTHER EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(E) ABOVE, THE COMPANY AND THE TRUSTEE RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

NO AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY OR PERSON THAT HAS BEEN AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY DURING THE THREE IMMEDIATELY PRECEDING MONTHS MAY PURCHASE, OTHERWISE ACQUIRE OR OWN THIS NOTE, THE CLASS Z ORDINARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY (OR AMERICAN DEPOSITARY SHARES DELIVERABLE IN LIEU THEREOF) OR A BENEFICIAL INTEREST HEREIN OR THEREIN.

No transfer of any Note prior to the Resale Restriction Termination Date will be registered by the Note Registrar unless the applicable box on the Form of Assignment and Transfer has been checked.

If, on the Resale Restriction Termination Date, or the next succeeding Business Day if the Resale Restriction Termination Date is not a Business Day, any Notes are represented by a Global Note that bears the restrictive legends required by Section 2.05(c) (any such Global Note, a "**Restricted Global Note**"), as promptly as practicable, the Company will automatically exchange (or cause to be automatically exchanged) every beneficial interest in each Restricted Global Note for beneficial interests in Global Notes that do not bear the restrictive legends required by Section 2.05(c) and are not subject to the restrictions set forth in Section 2.05(c). To effect such automatic exchange, the Company will (A) deliver to the Trustee, the Note Registrar and the Common Depositary an instruction letter in the customary form for the mandatory exchange process at least 15 days immediately prior to the Resale Restriction Termination Date (with a copy to the Trustee) and (B) deliver to each of the Trustee and the Note Registrar a duly completed Free Transferability Certificate on or promptly after the Resale Restriction Termination Date. The Trustee shall assume that the Resale Restriction Termination Date has not occurred unless and until it receives a Free Transferability Certificate. Immediately upon receipt of the Free Transferability Certificate by each of the Trustee and the Registrar, the restrictive legends required by Section 2.05(c) will be deemed removed from each of the Global Notes specified in such Free Transferability Certificate and the restricted ISIN number will be deemed removed from each of such Global Notes and deemed replaced with the unrestricted ISIN number. Promptly after the Resale Restriction Termination Date, the Company will provide Bloomberg LLP with a copy of the Free Transferability Certificate and will use reasonable efforts to cause Bloomberg LLP to adjust its screen page for the Notes to indicate that the Notes are no longer restricted security and are then identified by an unrestricted ISIN number. Prior to the Company's delivery of the Free Transferability Certificate and afterwards, the Company and the Trustee will comply with the applicable procedures of the Depositary and the Company shall otherwise use reasonable efforts to cause each Global Note that is not required to bear the restrictive legends required by Section 2.05(c) to be identified by an unrestricted ISIN number in the facilities of the Depositary by the date the Free Transferability Certificate is delivered to the Trustee and the Registrar or as promptly as possible thereafter. Notwithstanding anything to the contrary in this Paragraph, the Company will not be required to deliver the Free Transferability Certificate if it reasonably believes that removal of the restrictive legends required by Section 2.05(c) or the changes to the ISIN numbers for the Notes could result in or facilitate transfers of the Notes in violation of applicable law. Notwithstanding anything in this Indenture or in the Notes to the contrary, the Company's failure to comply with any requirements set forth in this paragraph shall not constitute an Event of Default pursuant to Section 6.01(f) and the sole remedy of the Holders (whether acting directly or by the Trustee at the request of such Holders) relating to the Company's failure to comply with the requirements set forth in this paragraph shall consist exclusively of the right to receive Additional Interest on the Notes, in the circumstances and to the extent set forth in Section 4.06(e) (for the avoidance of doubt, subject to the terms of Section 4.06(f)).

Any Note (or security issued in exchange or substitution therefor) as to which such restrictions on transfer shall have expired in accordance with their terms may, upon surrender of such Note for exchange to the Note Registrar in accordance with the provisions of this Section 2.05, be exchanged for a new Note or Notes, of like tenor and aggregate principal amount, which shall not bear the restrictive legend required by this Section 2.05(c) and shall not be assigned a restricted ISIN number. The Company shall be entitled to instruct the Trustee in writing to so surrender any Global Note as to which such restrictions on transfer shall have expired in accordance with their terms for exchange, and, upon such instruction, the Trustee shall so surrender such Global Note for exchange; and any new Global Note so exchanged therefor shall not bear the restrictive legend specified in this Section 2.05(c) and shall not be assigned a restricted ISIN number. The Company shall promptly notify the Trustee in writing upon the occurrence of the Resale Restriction Termination Date and after a registration statement, if any, with respect to the Notes or the Ordinary Shares issued upon conversion of the Notes has been declared effective under the Securities Act.

Ownership of beneficial interests in the Global Notes (the "**book-entry interests**") will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that may hold interests through such participants. Book-entry interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream and their participants. Except as set forth in this Section 2.05(c), the book-entry interests will not be held in definitive form. Instead, Euroclear and/or Clearstream will credit on their respective book-entry registration and transfer systems a participant's account with the interest beneficially owned by such participant. The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may impair the ability to own, transfer or pledge book-entry interests. So long as the Notes are held in global form, the common depositary for Euroclear and/or Clearstream (or its nominee) will be considered the sole holder of the Global Notes. As such, participants must rely on the rules and procedures of Euroclear and Clearstream and indirect participants must rely on the procedures of the participants through which they own book-entry interests in order to transfer their interests in the Notes or to exercise any rights of Holders under this Indenture.

Notwithstanding any other provisions of this Indenture (other than the provisions set forth in this Section 2.05(c)), a Global Note may not be transferred as a whole or in part except (i) by the Common Depositary to a nominee of the Common Depositary or by a nominee of the Common Depositary to the Common Depositary or another nominee of the Common Depositary or by the Common Depositary or any such nominee to a successor Common Depositary or a nominee of such successor Common Depositary and (ii) for transfers of portions of a Global Note in certificated form made upon request of a member of, or a participant in, the Common Depositary (for itself or on behalf of a beneficial owner) by written notice given to the Trustee and the Note Registrar by or on behalf of the Common Depositary in accordance with customary procedures of Euroclear and/or Clearstream and in compliance with this Section 2.05(c).

Each Global Note shall be deposited with and registered in name of the nominee of the common depositary for Euroclear and Clearstream (the "**Common Depositary**"), which shall initially be Deutsche Bank AG, Hong Kong Branch.

If (i) the Common Depositary notifies the Company at any time that the Common Depositary is unwilling or unable to continue as depositary for the Global Notes and a successor depositary is not appointed within 90 days, (ii) either Euroclear or Clearstream, or a successor clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention to permanently cease business or does in fact do so or (iii) an Event of Default with respect to the Notes has occurred and is continuing and a beneficial owner of any Note requests that its beneficial interest therein be issued as a Physical Note, the Company shall execute, and the Trustee, upon receipt of an Officers' Certificate and a Company Order for the authentication and delivery of Notes, shall authenticate and deliver (x) in the case of clause (iii), a Physical Note to such beneficial owner in a principal amount equal to the principal amount of such Note corresponding to such beneficial owner's beneficial interest and (y) in the case of clause (i) or (ii), Physical Notes to each beneficial owner of the related Global Notes (or a portion thereof) in an aggregate principal amount equal to the aggregate principal amount of such Global Notes in exchange for such Global Notes, and upon delivery of the Global Notes to the Note Registrar such Global Notes shall be canceled.

Persons exchanging interests in the Global Notes for Physical Notes pursuant to this Section 2.05(c) shall be required to provide to the Note Registrar, through the relevant clearing system, written instructions and other information required by the Company and the Note Registrar to complete, execute and deliver such Physical Notes. Physical Notes delivered in exchange for the Global Notes or beneficial interests therein will be registered in the names, and issued in such authorized denominations, requested by the relevant clearing system.

At such time as all interests in a Global Note have been converted, canceled, repurchased, redeemed or transferred, such Global Note shall be, upon receipt thereof, canceled by the Note Registrar in accordance with standing procedures and existing instructions of the Common Depositary. At any time prior to such cancellation, if any interest in a Global Note is exchanged for Physical Notes, converted, canceled, repurchased, redeemed or transferred to a transferee who receives Physical Notes therefor or any Physical Note is exchanged or transferred for part of such Global Note, the principal amount of such Global Note shall, in accordance with the standing procedures and existing instructions of the Common Depositary, be appropriately reduced or increased, as the case may be, and an endorsement shall be made on such Global Note, by the Note Registrar, to reflect such reduction or increase.

None of the Company, the Trustee, the Agents, any agent of the Company or any agent of the Trustee shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Note or maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(d) Until the Resale Restriction Termination Date, any certificate representing Ordinary Shares issued upon conversion of such Note will be subject to the applicable procedures and requirements of the Hong Kong Share Registrar, unless the Note or such Ordinary Shares has been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 or any similar provision then in force under the Securities Act, or such Ordinary Shares have been issued upon conversion of Notes that have been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 under the Securities Act or any similar provision then in force under the Securities Act, or unless otherwise agreed by the Company and the Hong Kong Share Registrar with written notice thereof to the Note Registrar. If the Resale Restriction Termination Date has not occurred prior to the Conversion Date, the Company will make the share certificate or certificates representing such number of Ordinary Shares available for collection at the office of the Hong Kong Share Registrar or, if so requested in the relevant Notice of Conversion, cause the Hong Kong Share Registrar to mail (at the risk, and, if sent at the Holder's request otherwise than by ordinary mail, at the expense, of the person to whom such certificate or certificates are sent) such certificate or certificates to the person and at the place specified in the Notice of Conversion.

(e) Until the Resale Restriction Termination Date, any certificate representing ADSs (including the Ordinary Shares represented thereby) issued upon conversion of such Note shall bear a legend in substantially the following form, unless the Note or such ADSs (including the Ordinary Shares represented thereby) have been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 or any similar provision then in force under the Securities Act, or such ADS or the Ordinary Shares represented thereby have been issued upon conversion of Notes that have been transferred pursuant to a registration statement that has become or been declared effective under the Securities Act and that continues to be effective at the time of such transfer, or pursuant to the exemption from registration provided by Rule 144 under the Securities Act or any similar provision then in force under the Securities Act, or unless otherwise agreed by the Company and the ADS Depositary with written notice thereof to the Note Registrar:

THE AMERICAN DEPOSITARY SHARES EVIDENCED HEREBY AND THE CLASS Z ORDINARY SHARES REPRESENTED THEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), ARE "RESTRICTED SECURITIES" WITHIN THE MEANING OF RULE 144 UNDER THE SECURITIES ACT OR CONTRACTUALLY RESTRICTED SECURITIES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

(1) REPRESENTS THAT IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT AND THAT IT AND ANY SUCH ACCOUNT IS NOT, AND HAS NOT FOR THE IMMEDIATELY PRECEDING THREE MONTHS, AN AFFILIATE OF BILIBILI INC. (THE "**COMPANY**"), AND

(2) AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY AND THE CLASS Z ORDINARY SHARES REPRESENTED THEREBY, OR ANY BENEFICIAL INTEREST HEREIN OR THEREIN PRIOR TO THE DATE THAT IS THE LATER OF (X) ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE OF THE SERIES OF NOTES UPON THE CONVERSION OF WHICH THIS SECURITY WAS ISSUED OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THERETO AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW, EXCEPT:

(A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, OR

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, OR

(C) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, OR

(D) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), OR

(E) PURSUANT TO ANY OTHER EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(D) ABOVE, THE COMPANY, THE DEPOSITARY AND THE TRANSFER AGENT FOR THE COMPANY'S CLASS Z ORDINARY SHARES RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

NO AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY OR PERSON THAT HAS BEEN AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY DURING THE THREE IMMEDIATELY PRECEDING MONTHS MAY PURCHASE, OTHERWISE ACQUIRE OR OWN THE AMERICAN DEPOSITARY SHARES EVIDENCED HEREBY OR A BENEFICIAL INTEREST THEREIN.

Pursuant to the terms of the Unrestricted Deposit Agreement, the Restricted Deposit Agreement and the Procedures Letter, as applicable, the ADS Depositary will not accept the surrender of any ADSs subject to such restrictions on transfer for the purpose of withdrawal of the Ordinary Shares represented thereby prior to the Resale Restriction Termination Date. Any such ADSs as to which such restrictions on transfer shall have expired in accordance with their terms may, upon surrender of the certificates representing such ADSs for exchange in accordance with the procedures of the transfer agent for the ADSs, the Restricted Deposit Agreement and the Procedures Letter, as applicable, be exchanged for a new certificate or certificates for a like aggregate number of ADSs, which shall not bear the restrictive legend required by this Section 2.05(d).

(f) Any Note or Ordinary Shares (or ADSs in lieu thereof) delivered upon the conversion or exchange of any Note that is repurchased or owned by any Affiliate of the Company may not be resold by such Affiliate (or a Holder that was the Company's Affiliate at any time during three months preceding the resale) unless registered under the Securities Act or resold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act in a transaction that results in such Note or Ordinary Shares (or ADSs in lieu thereof), as the case may be, no longer being a "restricted security" (as defined under Rule 144 under the Securities Act). The Company shall cause any Note that is repurchased or owned by it to be surrendered to the Note Registrar for cancellation in accordance with Section 2.08.

Section 2.06 *Mutilated, Destroyed, Lost or Stolen Notes*. In case any Note shall become mutilated or be destroyed, lost or stolen, the Company in its discretion may execute, and upon receipt of a Company Order, the Trustee or the Note Registrar shall authenticate and deliver, a new Note, bearing a registration number not contemporaneously outstanding, in exchange and substitution for the mutilated Note, or in lieu of and in substitution for the Note so destroyed, lost or stolen. In every case the applicant for a substituted Note shall furnish to the Company and to the Trustee and Note Registrar such security and/or indemnity as may be required by them to save each of them harmless from any loss, liability, cost or expense caused by or connected with such substitution, and, in every case of destruction, loss or theft, the applicant shall also furnish to the Company and to the Trustee and Note Registrar evidence to their satisfaction of the destruction, loss or theft of such Note and of the ownership thereof.

The Trustee or Note Registrar may authenticate any such substituted Note and deliver the same upon the receipt of such security and/or indemnity as the Trustee the Note Registrar and the Company may require. No service charge shall be imposed by the Company, the Transfer Agent, the Note Registrar, any co-Note Registrar or the Paying Agent upon the issuance of any substitute Note, but the Company may require a Holder to pay a sum sufficient to cover any documentary, stamp, issue, transfer or similar tax required in connection therewith as a result of the name of the Holder of the new substitute Note being different from the name of the Holder of the old Note that became mutilated or was destroyed, lost or stolen. In case any Note that has matured or is about to mature or has been surrendered for repurchase (and not withdrawn) in accordance with Article 15 or has been selected for redemption in accordance with Article 16 or is about to be converted in accordance with Article 14 shall become mutilated or be destroyed, lost or stolen, the Company may, in its sole discretion, instead of issuing a substitute Note, pay or authorize the payment of or convert or authorize the conversion of the same (without surrender thereof except in the case of a mutilated Note), as the case may be, if the applicant for such payment or conversion shall furnish to the Company and to the Trustee and the Note Registrar such security and/or indemnity as may be required by them to save each of them harmless for any loss, liability, cost or expense caused by or connected with such substitution, and, in every case of destruction, loss or theft, evidence satisfactory to the Company, and the Trustee and the Note Registrar evidence of their satisfaction of the destruction, loss or theft of such Note and of the ownership thereof.

Every substitute Note issued pursuant to the provisions of this Section 2.06 by virtue of the fact that any Note is destroyed, lost or stolen shall constitute an additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Note shall be found at any time, and shall be entitled to all the benefits of (but shall be subject to all the limitations set forth in) this Indenture equally and proportionately with any and all other Notes duly issued hereunder. To the extent permitted by law, all Notes shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement, payment, redemption, conversion or repurchase of mutilated, destroyed, lost or stolen Notes and shall preclude any and all other rights or remedies notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement, payment, redemption, conversion or repurchase of negotiable instruments or other securities without their surrender.

Section 2.07 *Temporary Notes*. Pending the preparation of Physical Notes, the Company may execute and the Trustee or the Note Registrar shall, upon receipt of a Company Order, authenticate and deliver temporary Notes (printed or lithographed). Temporary Notes shall be issuable in any authorized denomination, and substantially in the form of the Physical Notes but with such omissions, insertions and variations as may be appropriate for temporary Notes, all as may be determined by the Company. Every such temporary Note shall be executed by the Company and authenticated by the Trustee or the Note Registrar upon the same conditions and in substantially the same manner, and with the same effect, as the Physical Notes. Without unreasonable delay, the Company shall execute and deliver to the Trustee or the Note Registrar Physical Notes (other than any Global Note) and thereupon any or all temporary Notes (other than any Global Note) may be surrendered in exchange therefor, at each office or agency maintained by the Company pursuant to Section 4.02 and the Trustee or the Note Registrar shall upon receipt of a Company Order authenticate and deliver in exchange for such temporary Notes an equal aggregate principal amount of Physical Notes. Such exchange shall be made by the Company at its own expense and without any charge therefor. Until so exchanged, the temporary Notes shall in all respects be entitled to the same benefits and subject to the same limitations under this Indenture as Physical Notes authenticated and delivered hereunder.

Section 2.08 *Cancellation of Notes Paid, Converted, Etc.* The Company shall cause all Notes surrendered for the purpose of payment, repurchase, redemption, registration of transfer or exchange or conversion, if surrendered to any Person other than the Note Registrar (including any of the Company's agents, Subsidiaries, Consolidated Affiliated Entities or Affiliates), to be delivered and surrendered to the Note Registrar for cancellation. All Notes delivered to the Note Registrar shall be canceled promptly by it, and no Notes shall be authenticated in exchange thereof except as expressly permitted by any of the provisions of this Indenture. The Note Registrar shall dispose of canceled Notes in accordance with its customary procedures and, after such disposition, shall deliver a certificate of such cancellation and disposition to the Company, at the Company's written request in a Company Order.

Section 2.09 *ISIN or Common Code Numbers*. The Company in issuing the Notes may use "ISIN" or "Common Code" numbers (if then generally in use), and, if so, the Trustee shall use "ISIN" or "Common Code" numbers in all notices issued to Holders as a convenience to such Holders; *provided* that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or on such notice and that reliance may be placed only on the other identification numbers printed on the Notes. The Company shall promptly notify the Trustee in writing of any change in the "ISIN" or "Common Code" numbers.

Section 2.10 *Additional Notes; Repurchases*. The Company may, without the consent of, or notice to, the Holders and notwithstanding Section 2.01, reopen this Indenture and issue additional Notes hereunder with the same terms as the Notes initially issued hereunder (except for any differences in the issue price, the issue date and interest accrued, if any, and, if applicable, restrictions on transfer in respect of such additional Notes) in an unlimited aggregate principal amount; *provided* that if any such additional Notes are not fungible with the Notes initially issued hereunder for U.S. federal income tax or securities law purposes, such additional Notes shall have a separate ISIN number from the Notes initially offered pursuant to Rule 144A. Prior to the issuance of any such additional Notes, the Company shall deliver to the Trustee and the Note Registrar a Company Order, an Officers' Certificate and an Opinion of Counsel, such Officers' Certificate and Opinion of Counsel to cover such matters, in addition to those required by Section 17.06, as the Trustee and the Note Registrar shall reasonably request. In addition, the Company may, to the extent permitted by law, and, without the consent of, or notice to, any Holders, directly or indirectly (regardless of whether such Notes are surrendered to the Company), repurchase Notes in the open market or otherwise, whether by the Company or through its Subsidiaries or Consolidated Affiliated Entities or through a private or public tender or exchange offer or through counterparties to private agreements. The Company shall cause any Notes so repurchased to be surrendered to the Note Registrar for cancellation in accordance with Section 2.08 and upon receipt of a Company Order, the Note Registrar shall cancel all Notes so surrendered and such Notes shall no longer be considered outstanding under this Indenture upon their cancellation. The Company may also enter into cash-settled swaps or other derivatives with respect to the Notes. For the avoidance of doubt, any Notes underlying such cash-settled swaps or other derivatives shall not be required to be surrendered to the Note Registrar for cancellation in accordance with Section 2.08 and will continue to be considered outstanding for purposes of this Indenture, subject to the provisions of Section 8.04.

ARTICLE 3
SATISFACTION AND DISCHARGE

Section 3.01 *Satisfaction and Discharge*. This Indenture shall upon request of the Company contained in an Officers' Certificate cease to be of further effect, and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when (a) (i) all Notes theretofore authenticated and delivered (other than (x) Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.06 and (y) Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 4.04(d)) have been delivered to the Note Registrar for cancellation; or (ii) the Company has deposited with the Paying Agent or delivered to Holders, as applicable, after the Notes have become due and payable, whether on the Maturity Date, the Redemption Date, any Repurchase Date, any Fundamental Change Repurchase Date, upon conversion or otherwise, Ordinary Shares (or ADSs in lieu thereof) solely to satisfy the Company's Conversion Obligation, sufficient to pay all of the outstanding Notes and all other sums due and payable under this Indenture by the Company; and (b) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with. Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 7.06 shall survive.

ARTICLE 4
PARTICULAR COVENANTS OF THE COMPANY

Section 4.01 *Payment of Principal and Interest*. The Company covenants and agrees that it will cause to be paid the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, and accrued and unpaid interest on, each of the Notes at the places, at the respective times and in the manner provided herein and in the Notes.

Section 4.02 *Maintenance of Office or Agency*. The Company will maintain an office or agency (which will be the Corporate Trust Office initially) where the Notes may be surrendered for registration of transfer or exchange or for presentation for payment or repurchase ("**Paying Agent**") or for conversion ("**Conversion Agent**") and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office, *provided*, *however*, that the legal service of process against the Company shall in no circumstance be made at an office or agency of the Trustee.

The Company may also from time to time designate as co-Note Registrars one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided* that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain a specified office or agency for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency. The terms "**Paying Agent**" and "**Conversion Agent**" include any such additional or other offices or agencies, as applicable.

The Company hereby initially designates Deutsche Bank AG, Hong Kong Branch as the Paying Agent, Note Registrar, Transfer Agent and Conversion Agent and the Corporate Trust Office and the office or agency of Deutsche Bank AG, Hong Kong Branch in Hong Kong SAR, each shall be considered as one such office or agency of the Company for each of the aforesaid purposes.

Section 4.03 *Appointments to Fill Vacancies in Trustee's Office*. The Company, whenever necessary to avoid or fill a vacancy in the office of Trustee, will appoint, in the manner provided in Section 7.09, a trustee, so that there shall at all times be a trustee hereunder.

Section 4.04 *Provisions as to Paying Agent*. (a) If the Company shall appoint a Paying Agent other than the Trustee, the Company will cause such Paying Agent to execute and deliver to the Trustee an instrument in which such agent shall agree with the Trustee, subject to the provisions of this Section 4.04:

(i) that it will hold all sums held by it as such agent for the payment of the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, and accrued and unpaid interest on, the Notes for the benefit of the Holders of the Notes;

(ii) that it will give the Trustee prompt notice of any failure by the Company to make any payment of the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, and accrued and unpaid interest on, the Notes when the same shall be due and payable; and

(iii) that at any time during the continuance of an Event of Default, upon request of the Trustee, it will forthwith pay to the Trustee all sums so held.

The Company shall, on or before each due date of the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, or accrued and unpaid interest on, the Notes, deposit with the Paying Agent a sum sufficient to pay such principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) or accrued and unpaid interest and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of any failure to take such action; *provided* that such deposit must be received by the Paying Agent by 10:00 a.m., Hong Kong time, one Business Day prior to the relevant due date. The Paying Agent shall not be bound to make any payment until it has received, in immediately available and cleared funds, an amount which shall be sufficient to pay, as applicable, the aggregate amount of principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, or accrued and unpaid interest on, the Notes when such principal or interest shall become due and payable. The Agents shall not be responsible or liable for any delay in making the payment if it does not receive funds before 10:00 a.m. one Business Day prior to the payment date. The Company shall use reasonable efforts to procure that, before 10:00 a.m., Hong Kong time, on the second Business Day before each payment date, the bank effecting payment for it has confirmed by email or facsimile to the Paying Agent the payment instructions relating to such payment.

(b) If the Company shall act as its own Paying Agent, it will, on or before each due date of the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, and accrued and unpaid interest on, the Notes, set aside, segregate and hold in trust for the benefit of the Holders of the Notes a sum sufficient to pay such principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) and accrued and unpaid interest so becoming due and will promptly notify the Trustee in writing of any failure to take such action and of any failure by the Company to make any payment of the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, or accrued and unpaid interest on, the Notes when the same shall become due and payable. Upon an Event of Default under Section 6.01(i) or Section 6.01(j) hereof, the Trustee shall automatically become the Paying Agent.

(c) Anything in this Section 4.04 to the contrary notwithstanding, the Company may, at any time, for the purpose of obtaining a satisfaction and discharge of this Indenture, or for any other reason, pay, cause to be paid or deliver to the Trustee all sums or amounts held by the Company in trust or by any Paying Agent as required by this Section 4.04, such sums or amounts to be held by the Trustee upon the trusts herein contained and upon such payment or delivery by the Company or any Paying Agent to the Trustee, the Company or such Paying Agent shall be released from all further liability but only with respect to such sums or amounts.

(d) Any money deposited with the Trustee or any Paying Agent, or any money and Ordinary Shares (or any ADSs in lieu thereof) then held by the Company, in trust for the payment of principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, and accrued and unpaid interest on, any Note (or, in the case of Ordinary Shares or ADSs in lieu thereof, in satisfaction of the Conversion Obligation) and remaining unclaimed for two years after such principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) or interest has become due and payable or such Conversion Obligation has become due shall be paid or delivered, as the case may be, to the Company on request of the Company contained in an Officers' Certificate, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Note shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such money, and all liability of the Company with respect to such money and Ordinary Shares (or any ADSs in lieu thereof), and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment or delivery, may at the expense of the Company cause to be published once, in a newspaper published in the English language, customarily published on each Business Day and of general circulation in The City of New York, notice that such money and Ordinary Shares (or ADSs in lieu thereof) remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money and Ordinary Shares (or ADSs in lieu thereof) then remaining will be repaid or delivered to the Company. Such notice shall be sufficiently given if given to the Euroclear and/or Clearstream pursuant to the standing instructions from the Euroclear and/or Clearstream or its designee, including by electronic mail in accordance with the applicable procedures of the Euroclear and/or Clearstream.

Section 4.05 *Existence*. Subject to Article 11, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence. The Company shall promptly provide the Trustee with written notice of any change to its name, jurisdiction of incorporation or change to its corporate organization.

Section 4.06 *Rule 144A Information Requirement and Annual Reports*. (a) At any time the Company is not subject to Section 13 or 15(d) of the Exchange Act, the Company shall, so long as any of the Notes or any Ordinary Shares deliverable upon conversion thereof shall, at such time, constitute "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, promptly provide to the Trustee and shall, upon written request, provide to any Holder, beneficial owner or prospective purchaser of such Notes or the Ordinary Shares (or ADSs in lieu thereof) deliverable upon conversion of such Notes, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act to facilitate the resale of such Notes or Ordinary Shares (or ADSs in lieu thereof) pursuant to Rule 144A. The Company shall take such further action as any Holder or beneficial owner of such Notes or such Ordinary Shares (or ADSs in lieu thereof) may reasonably request to the extent from time to time required to enable such Holder or beneficial owner to sell such Notes or Ordinary Shares (or ADSs in lieu thereof) in accordance with Rule 144A, as such rule may be amended from time to time.

(b) The Company shall provide to the Trustee within 15 days after the same are required to be filed with the Commission, copies of any documents or reports that the Company is required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act (giving effect to any applicable grace period provided by Rule 12b-25 under the Exchange Act). Any such document or report that the Company files with the Commission via the Commission's EDGAR system (or any successor thereto) shall be deemed to be provided to the Trustee for purposes of this Section 4.06(b) at the time such documents are filed via the EDGAR system (or any successor thereto). The Trustee shall have no obligation to determine if and when the Company's statements or reports are publicly available and/or accessible electronically.

(c) Delivery of the reports and documents described in subsection (b) above to the Trustee is for informational purposes only, and the Trustee's receipt of such shall not constitute actual or constructive notice or knowledge of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to conclusively rely on an Officers' Certificate).

(d) If, at any time during the six-month period beginning on, and including, the date that is six months after the Last Date of Original Issuance of the Notes, the Company fails to timely file any document or report that it is required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act, as applicable (after (i) giving effect to all applicable grace periods thereunder and (ii) other than reports on Form 6-K to the extent such reports are not required to satisfy the "current public information" requirement of Rule 144), or the Notes are not otherwise Freely Tradable by Holders other than the Company's Affiliates or Holders that were the Company's Affiliates at any time during the three months immediately preceding (as a result of restrictions pursuant to U.S. securities laws or the terms of this Indenture or the Notes), the Company shall pay or cause the Paying Agent (on behalf of the Company and subject to receipt of funds from the Company pursuant to the last paragraph in Section 4.04(a)) to pay Additional Interest on the Notes. Such Additional Interest shall accrue on the Notes at the rate of 0.50% per annum of the principal amount of the Notes outstanding for each day during such period for which the Company's failure to file has occurred and is continuing or the period during which the Notes are not Freely Tradable by Holders other than Affiliates of the Company (or Holders that were Affiliates of the Company during the three months immediately preceding). As used in this Section 4.06(d), documents or reports that the Company is required to "file" with the Commission pursuant to Section 13 or 15(d) of the Exchange Act does not include documents or reports that the Company furnishes to the Commission pursuant to Section 13 or 15(d) of the Exchange Act.

(e) If (x) the restrictive legend on the Notes specified in Section 2.05(c) has not been removed, (y) the Notes are assigned a restricted ISIN or (z) the Notes are not otherwise Freely Tradable by Holders thereof without restrictions pursuant to U.S. securities laws or the terms of this Indenture or the Notes (in each case (x), (y) and (z), except for the Notes that are owned by the Company's Affiliates or Holders that were the Company's Affiliates at any time during the three months immediately preceding) as of the 380th day (the "**De-legending Deadline Date**") after the Last Date of Original Issuance of the Notes, the Company shall thereafter pay or cause the Paying Agent (on behalf of the Company and subject to receipt of funds from the Company pursuant to the last paragraph in Section 4.04(a)) to pay Additional Interest on the Notes at a rate equal to 0.50% per annum of the principal amount of Notes outstanding until (x) the restrictive legend on the Notes has been removed in accordance with Section 2.05(c), (y) the Notes have been assigned an unrestricted ISIN and (z) the Notes are Freely Tradable by Holders thereof without restrictions pursuant to U.S. securities laws or the terms of this Indenture or the Notes (in each case (x), (y) and (z), except for the Notes that are owned by the Company's Affiliates or Holders that were the Company's Affiliates at any time during the three months immediately preceding).

(f) Notwithstanding anything to the contrary, Additional Interest that accrues on any Note for any period on or after the De-legending Deadline Date of such Note will not be payable on any Interest Payment Date occurring on or after such De-legending Deadline Date unless:

(i) a Holder (or an owner of a beneficial interest in a Global Note) has delivered to the Company and the Trustee (with a copy to the Paying Agent and the Conversion Agent if other than the Trustee), before the Regular Record Date immediately before such Interest Payment Date, a written notice (a "**Deferred Additional Interest Demand Request**") demanding payment of Additional Interest; or

(ii) the Company, in its sole and absolute discretion, elects, by sending notice of such election (a "**Notice of Election to Pay Deferred Additional Interest**") to Holders before such Regular Record Date, to pay such Additional Interest on such Interest Payment Date.

Any accrued and unpaid Additional Interest that, in accordance with the provision described in the preceding sentence, is not paid on the Interest Payment Date immediately after the date on which such Additional Interest first accrued is referred to as "**Deferred Additional Interest**," and interest will accrue on such Deferred Additional Interest from, and including, such Interest Payment Date at a rate per annum equal to the rate per annum at which stated interest accrues on the Notes to, but excluding, the date on which such Deferred Additional Interest, together with accrued interest thereon, is paid.

Notwithstanding the foregoing, the Company may pay any accrued Additional Interest on a payment date selected by the Company to the Holder of such Note as of the close of business on a special record date selected by the Company, *provided* that such special record date must be no more than fifteen (15), nor less than ten (10), calendar days before such payment date, and at least fifteen (15) calendar days before such special record date, the Company will send notice to the Trustee, the Paying Agent and the Holders that states such special record date, such payment date and the amount of such Additional Interest to be paid on such payment date.

Once any accrued and unpaid Additional Interest becomes payable on an Interest Payment Date (whether as a result of the delivery of a written notice as described above or, if earlier, the Company's election to pay the same), Additional Interest will thereafter not be subject to deferral as described above.

For the avoidance of doubt, the failure to pay any accrued and unpaid Additional Interest on an Interest Payment Date will not constitute a Default or an Event of Default under this Indenture or the Notes if such payment is deferred in accordance with the provisions described above. Otherwise, such a failure to pay will be subject to Section 6.01(a).

(g) Notwithstanding anything to the contrary in this Indenture or the Notes, if (i) any unpaid Deferred Additional Interest exists on any Notes as of the close of business on the Regular Record Date immediately preceding the Maturity Date; (ii) no Holder (or owner of a beneficial interest in a Global Note) has delivered a Deferred Additional Interest Demand Request in the manner described above before such Regular Record Date; and (iii) the Company has not sent a Notice of Election to Pay Deferred Additional Interest in the manner described above before such Regular Record Date, then Deferred Additional Interest on each Note then outstanding will cease to accrue, and all Deferred Additional Interest, together with interest thereon, on such Note will be deemed to be extinguished on the following date: (a) if such note is to be converted, the Conversion Date for such conversion; and (b) in all other cases, the later of (x) the Maturity Date; and (y) the first date on which the Company has repaid the principal of, and accrued and unpaid interest (other than such Deferred Additional Interest and any interest thereon) on, such Note in full.

(h) Additional Interest will be payable in arrears on each Interest Payment Date following accrual in the same manner as regular interest on the Notes.

(i) The Additional Interest that is payable in accordance with Section 4.06(d) or Section 4.06(e) shall be in addition to, and not in lieu of, any Additional Interest that may be payable as a result of the Company's election pursuant to Section 6.03. In no event shall Additional Interest accrue on any day under the terms of this Indenture (taking any Additional Interest payable pursuant to Section 4.06(d) and Section 4.06(e) together with any Additional Interest payable pursuant to Section 6.03) at an annual rate in excess of 0.50%, in the aggregate, for any violation or Default caused by the Company's failure to be current in respect of its Exchange Act reporting obligations.

(j) If Additional Interest is payable by the Company pursuant to Section 4.06(d) or Section 4.06(e), the Company shall deliver to the Trustee and the Paying Agent an Officers' Certificate to that effect stating (i) the amount of such Additional Interest that is payable and (ii) the date on which such Additional Interest is payable. Unless and until the Paying Agent or a Responsible Officer of the Trustee receives at the Corporate Trust Office such a certificate, the Trustee and the Paying Agent may assume without inquiry that no such Additional Interest is payable. If the Company has paid such Additional Interest directly to the Persons entitled to it, the Company shall deliver to the Trustee and Paying Agent an Officers' Certificate setting forth the particulars of such payment. For the avoidance of doubt, the Paying Agent and the Trustee shall not be required to calculate Additional Interest on the Notes.

Section 4.07 *Additional Amounts*. (a) All payments and deliveries made by, or on behalf of, the Company or any successor to the Company under or with respect to this Indenture and the Notes, including, but not limited to, payments of principal (including, if applicable, the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price), payments of interest and deliveries of Ordinary Shares (together with payments of cash for any fractional Ordinary Share), including any ADSs deliverable upon conversion of Notes in lieu of such Ordinary Shares at a Holder's election, shall be made without withholding, deduction or reduction for any other collection at source for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied (including any penalties and interest related thereto) ("**applicable taxes**") by or within any jurisdiction in which the Company or any successor to the Company is, for tax purposes, incorporated, organized or resident or doing business (each, as applicable, a "**Relevant Taxing Jurisdiction**") or through which payment is made or deemed made (together with each Relevant Taxing Jurisdiction, a "**Relevant Jurisdiction**," and in each case, any political subdivision or taxing authority thereof or therein) unless such withholding, deduction or reduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding, deduction or reduction is so required with respect to any such payments or deliveries, other than any payments or deliveries that are made upon conversion of the Notes, whether made in cash, Ordinary Shares or other consideration (including any payments of cash for any fractional Ordinary Share or other consideration), the Company or any successor to the Company shall pay or deliver to the Holder of each Note such additional amounts, as applicable ("**Additional Amounts**") as may be necessary to ensure that the net amount received by the beneficial owner of the Notes after such withholding, deduction or reduction (and after deducting any taxes on the Additional Amounts) shall equal the amounts that would have been received by such beneficial owner had no such withholding, deduction or reduction been required; provided that no Additional Amounts shall be payable:

(i) for or on account of:

(A) any applicable taxes that would not have been imposed but for:

(1) the existence of any present or former connection between the relevant Holder or beneficial owner of such Note and the Relevant Jurisdiction, other than merely acquiring or holding such Note, receiving Ordinary Shares or ADSs in lieu thereof (together with the payment of cash for any fractional Ordinary Share) or the receipt of payments or the exercise or enforcement of rights thereunder, including, without limitation, such Holder or beneficial owner being or having been a national, domiciliary or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having had a permanent establishment therein;

(2) the presentation of such Note (in cases in which presentation is required) more than 30 days after the later of the date on which the payment of the principal of (including the Redemption Price, the Repurchase Price and Fundamental Change Repurchase Price, if applicable) or interest on such Note became due and payable pursuant to the terms thereof or was made or duly provided for;

(3) the failure of the Holder or beneficial owner to comply with a timely written request from the Company or any successor of the Company, addressed to the Holder, to the extent such Holder or beneficial owner is legally entitled to provide certification, information, documents or other evidence concerning such Holder's or beneficial owner's nationality, residence, identity or connection with the Relevant Taxing Jurisdiction, or to make any declaration or satisfy any other reporting requirement relating to such matters, if and to the extent that due and timely compliance with such request is required by statute, regulation or administrative practice of the Relevant Jurisdiction in order to reduce or eliminate any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Holder or beneficial owner; or

(4) the presentation of such Note (in cases in which presentation is required) for payment in the Relevant Jurisdiction, unless such Note could not have been presented for payment elsewhere;

(B) any estate, inheritance, gift, sale, transfer, personal property or similar applicable tax or any excise or similar taxes imposed with respect to a transfer;

(C) any applicable tax that is payable otherwise than by withholding, deduction or any other collection at source from payments under or with respect to the Notes;

(D) any tax, duty, assessment or other governmental charge that is imposed in connection with any payments or deliveries that are made upon conversion of the Notes, whether made in cash, Ordinary Shares or other consideration, and including, for the avoidance of doubt, any payments of cash for any fractional Ordinary Share or other consideration;

(E) any applicable tax required to be withheld or deducted under Sections 1471 to 1474 of the Code (or any amended or successor versions of such Sections) ("**FATCA**"), any regulations or other official guidance thereunder, any intergovernmental agreement or agreement pursuant to Section 1471(b)(1) of the Code entered into in connection with FATCA, or any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA or an intergovernmental agreement entered into in connection with FATCA; or

(F) any combination of applicable taxes referred to in the preceding clauses (A), (B), (C), (D) or (E); or

(ii) with respect to any payment of the principal of (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable), or interest on, such Note, if the Holder is a fiduciary, partnership or person other than the sole beneficial owner of that payment to the extent that such payment would be required to be included in the income under the laws of the Relevant Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a partner or member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner, member or beneficial owner been the Holder thereof.

(b) If the Company or its successor becomes obligated to pay Additional Amounts with respect to any payment under or with respect to the Notes, the Company or its successor shall deliver to the Trustee and the Paying Agent, if other than the Trustee, on a date that is at least 30 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises after the 30th day prior to that payment date, in which case the Company or its successor shall notify the Trustee and the Paying Agent promptly thereafter) an Officers' Certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The Officers' Certificate must also set forth any other information reasonably necessary to enable the Paying Agent (on behalf of the Company and subject to receipt of funds from the Company pursuant to the last paragraph in Section 4.04(a)) to pay Additional Amounts to Holders on the relevant payment date. The Trustee and the Paying Agent shall be entitled to rely solely on such Officers' Certificate as conclusive proof that such payments are necessary. The Company or its successor shall provide the Trustee and the Paying Agent with documentation reasonably satisfactory to the Trustee evidencing the payment of Additional Amounts.

(c) The Company or its successor shall make all withholdings and deductions required by law and shall remit the full amount deducted or withheld to the relevant tax authority in accordance with applicable law. Upon request, the Company or its successor shall provide to the Trustee an official receipt or, if official receipts are not obtainable, an Officers' Certificate evidencing the payment of any applicable taxes so deducted or withheld. Copies of those receipts or other documentation, as the case may be, shall be made available by the Trustee to the Holders of the Notes upon written request.

(d) Any reference in this Indenture or the Notes in any context to the payment of principal of (including the Redemption Price, the Repurchase Price and Fundamental Change Repurchase Price, if applicable) and any interest, including any Additional Interest, on any Note or any other amount payable with respect to such Note, shall be deemed to include payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable with respect to that amount pursuant to this Section 4.07.

(e) Notwithstanding any other provisions, the Company or its successor, the Trustee and the Paying Agent shall be entitled to make any withholding or deduction pursuant to FATCA or applicable law or regulation.

(f) If the Company or its successor is required to make any deduction or withholding from any payments or deliveries with respect to the Notes, it will deliver to the Trustee official tax receipts or other relevant documentation evidencing the remittance to the relevant tax authorities of the amounts so withheld or deducted.

(g) The foregoing obligations shall survive termination or discharge of this Indenture.

Section 4.08 *Stay, Extension and Usury Laws*. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law that would prohibit or forgive the Company from paying all or any portion of the principal of or interest on the Notes as contemplated herein, wherever enacted, now or at any time hereafter in force, or that may affect the covenants or the performance of this Indenture; and the Company (to the extent it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 4.09 *Compliance Certificate; Statements as to Defaults*. The Company shall deliver to the Trustee within 120 days after the end of each fiscal year of the Company (beginning with the fiscal year ending on December 31, 2025) an Officers' Certificate stating that a review has been conducted of the Company's activities under this Indenture and the Company has fulfilled its obligations hereunder, and whether the authorized Officers thereof have knowledge of any Default by the Company that occurred during the previous year that is then continuing and, if so, specifying each such Default and the nature thereof.

In addition, the Company shall deliver to the Trustee, as soon as possible, and in any event within 30 days after the Company becomes aware of the occurrence of any Default if such Default is then continuing, an Officers' Certificate setting forth the details of such Default, its status and the action that the Company is taking or proposing to take in respect thereof. The Trustee shall have no responsibility to take any steps to ascertain whether any Event of Default or Default has occurred, and until (i) a Responsible Officer of the Trustee has received an Officers' Certificate regarding such an occurrence, or (ii) the Trustee has received written notice at the Corporate Trust Office from the Holders of at least 25% in aggregate principal amount of the Notes then outstanding regarding such an occurrence, the Trustee is entitled to assume, without liability, that no Event of Default or Default has occurred.

Section 4.10 *Further Instruments and Acts*. The Company will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Indenture.

ARTICLE 5
LISTS OF HOLDERS AND REPORTS BY THE COMPANY AND THE TRUSTEE

Section 5.01 *Lists of Holders*. The Company covenants and agrees that it will furnish or cause to be furnished to the Trustee, semi-annually, not more than 15 days after each June 1 and December 1 in each year beginning with December 1, 2025, and at such other times as the Trustee may request in writing, within 30 days after receipt by the Company of any such request (or such lesser time as the Trustee may reasonably request in order to enable it to timely provide any notice to be provided by it hereunder), a list in such form as the Trustee may reasonably require of the names and addresses of the Holders as of a date not more than 15 days (or such other date as the Trustee may reasonably request in order to so provide any such notices) prior to the time such information is furnished, except that no such list need be furnished so long as the Deutsche Bank AG, Hong Kong Branch is acting as Note Registrar.

Section 5.02 *Preservation and Disclosure of Lists*. The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the Holders contained in the most recent list furnished to it as provided in Section 5.01 or maintained by the Trustee in its capacity as Note Registrar, if so acting. The Trustee may destroy any list furnished to it as provided in Section 5.01 upon receipt of a new list so furnished.

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01 *Events of Default*. The following events shall be "**Events of Default**" with respect to the Notes:

(a) default in any payment of interest or Additional Amounts, if any, on any Note when due and payable and the default continues for a period of 30 days;

(b) default in the payment of principal of any Note when due and payable on the Maturity Date, upon redemption, upon any required repurchase, upon declaration of acceleration or otherwise;

(c) failure by the Company to comply with its obligation to convert the Notes in accordance with this Indenture upon exercise of a Holder's conversion right and such failure continues for a period of five Business Days;

(d) failure by the Company to issue notices in connection with a Tax Redemption, an Optional Redemption and a Cleanup Redemption in accordance with Section 16.04 or Section 14.03(g), a Company Notice in accordance with Section 15.01(a), a Fundamental Change Company Notice in accordance with Section 15.02(c) or a notice of a Make-Whole Fundamental Change in accordance with Section 14.03(a), in each case, when due and such failure continues for a period of five Business Days;

(e) failure by the Company to comply with its obligations under Article 11;

(f) failure by the Company for 60 days after written notice from the Trustee or by the Trustee at the request of the Holders of at least 25% in aggregate principal amount of the Notes then outstanding has been received by the Company to comply with any of its other agreements contained in the Notes or this Indenture;

(g) default by the Company or any Significant Subsidiary of the Company with respect to any mortgage, agreement or other instrument under which there may be outstanding, or by which there may be secured or evidenced, any indebtedness for money borrowed in excess of US$50 million (or the foreign currency equivalent thereof) in the aggregate of the Company and/or any such Significant Subsidiary, whether such indebtedness now exists or shall hereafter be created (i) resulting in such indebtedness becoming or being declared due and payable or (ii) constituting a failure to pay the principal or interest of any such debt when due and payable at its stated maturity, upon required repurchase, upon declaration of acceleration or otherwise;

(h) a final judgment for the payment of US$50 million (or the foreign currency equivalent thereof) or more (excluding any amounts covered by insurance) rendered against the Company or any Significant Subsidiary of the Company, which judgment is not paid, bonded or otherwise discharged or stayed within 60 days after (i) the date on which the right to appeal thereof has expired if no such appeal has commenced, or (ii) the date on which all rights to appeal have been extinguished;

(i) the Company or any Significant Subsidiary shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to the Company or any such Significant Subsidiary or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Company or any such Significant Subsidiary or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due; or

(j) an involuntary case or other proceeding shall be commenced against the Company or any Significant Subsidiary seeking liquidation, reorganization or other relief with respect to the Company or such Significant Subsidiary or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Company or such Significant Subsidiary or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 30 consecutive days.

Section 6.02 *Acceleration; Rescission and Annulment*. If one or more Events of Default shall have occurred and be continuing (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body), then, and in each and every such case (other than an Event of Default specified in Section 6.01(i) or Section 6.01(j) with respect to the Company or any of its Significant Subsidiaries), unless the principal of all of the Notes shall have already become due and payable, the Trustee may by notice in writing to the Company, or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding determined in accordance with Section 8.04, by notice in writing to the Company and to the Trustee may, and the Trustee at the written request of such Holders shall (subject to being indemnified and/or secured and/or pre-funded to its reasonable satisfaction), declare 100% of the principal of, and accrued and unpaid interest on, all the Notes to be due and payable immediately, and upon any such declaration the same shall become and shall automatically be immediately due and payable, notwithstanding anything contained in this Indenture or in the Notes to the contrary. If an Event of Default specified in Section 6.01(i) or Section 6.01(j) with respect to the Company or any of its Significant Subsidiaries occurs and is continuing, 100% of the principal of, and accrued and unpaid interest on, all Notes shall become and shall automatically be immediately due and payable without any action on the part of the Trustee. If an Event of Default occurs and is continuing, all agents of the Company appointed under this Indenture will be required to act on the direction of the Trustee.

The immediately preceding paragraph, however, is subject to the conditions that if, at any time after the principal of the Notes shall have been so declared due and payable, and before any judgment or decree for the payment of the monies due shall have been obtained or entered as hereinafter provided, the Company shall pay or shall deposit with the Trustee a sum sufficient to pay installments of accrued and unpaid interest upon all Notes and the principal of any and all Notes that shall have become due otherwise than by acceleration (with interest on overdue installments of accrued and unpaid interest to the extent that payment of such interest is enforceable under applicable law, and on such principal at the rate per annum borne by the Notes *plus* one percent) and amounts due to the Trustee pursuant to Section 7.06, and if (1) rescission would not conflict with any judgment or decree of a court of competent jurisdiction and (2) any and all existing Events of Default under this Indenture, other than the nonpayment of the principal of and accrued and unpaid interest on Notes that shall have become due solely by such acceleration, shall have been cured or waived pursuant to Section 6.09, then and in every such case (except as provided in the immediately succeeding sentence) the Holders of a majority in aggregate principal amount of the Notes then outstanding, by written notice to the Company and to the Trustee, may waive all Defaults or Events of Default with respect to the Notes and rescind and annul such declaration and its consequences and such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver or rescission and annulment shall extend to or shall affect any subsequent Default or Event of Default, or shall impair any right consequent thereon. Notwithstanding anything to the contrary herein, no such waiver or rescission and annulment shall extend to or shall affect any Default or Event of Default resulting from (i) the nonpayment of the principal of, or accrued and unpaid interest on, any Notes, (ii) a failure to repurchase any Notes when required or (iii) a failure to pay or deliver, as the case may be, the consideration due upon conversion of the Notes.

Section 6.03 *Additional Interest*. Notwithstanding anything in this Indenture or in the Notes to the contrary, to the extent the Company elects, the sole remedy for Event of Default relating to the Company's failure to comply with its obligations as set forth in Section 4.06(b) shall after the occurrence of such an Event of Default consist exclusively of the right to receive Additional Interest on the Notes at a rate equal to:

(a) 0.25% per annum of the principal amount of the Notes outstanding for each day during the period beginning on, and including, the date on which such an Event of Default first occurs and ending on the earlier of (i) the date on which such Event of Default is cured or validly waived and (ii) the 90th day immediately following, and including, the date on which such Event of Default first occurred; and

(b) if such Event of Default has not been cured or validly waived prior to the 91st day immediately following, and including, the date on which such Event of Default first occurred, 0.50% per annum of the principal amount of the Notes outstanding for each day during the period beginning on, and including, the 91st day immediately following, and including, the date on which such an Event of Default first occurred and ending on the earlier of (i) the date on which such Event of Default is cured or validly waived and (ii) the 180th day immediately following, and including, the date on which such Event of Default first occurred.

Interest payable pursuant to this Section 6.03 shall be in addition to, not in lieu of, any Additional Interest payable pursuant to Section 4.06(d) or Section 4.06(e). In no event shall Additional Interest accrue on the Notes on any day under this Indenture (taking any Additional Interest payable pursuant to this Section 6.03 together with any Additional Interest payable pursuant to Section 4.06(d) and Section 4.06(e)) at an annual rate accruing in excess of 0.50%, in the aggregate, for any violation or Default caused by the Company's failure to be current in respect of its Exchange Act reporting obligations. If the Company so elects, such Additional Interest shall be payable in the same manner and on the same dates as regular interest on the Notes. On the 181st day after such Event of Default (if the Event of Default with respect to the Company's obligations under Section 4.06(b) is not cured or waived prior to such 181st day), the Notes will be subject to acceleration as provided in Section 6.02. In the event the Company does not elect to pay Additional Interest following an Event of Default in accordance with this Section 6.03 or the Company elected to make such payment but does not pay the Additional Interest when due, the Notes shall be subject to acceleration as provided in Section 6.02.

In order to elect to pay Additional Interest as the sole remedy during the first 180 days after the occurrence of any Event of Default described in the immediately preceding paragraph, the Company must notify in writing all Holders of the Notes, the Trustee and the Paying Agent of such election prior to the beginning of such 180-day period. Upon the failure to timely give such notice, the Notes shall be immediately subject to acceleration as provided in Section 6.02.

Section 6.04 *Payments of Notes on Default; Suit Therefor*. If an Event of Default described in clause (a) or (b) of Section 6.01 shall have occurred, the Company shall, upon demand of the Trustee acting in its own discretion or at the request of Holders of at least 25% in aggregate principal amount of the Notes then outstanding determined in accordance with Section 8.04 and subject to indemnity and/or security and/or pre-funding reasonably satisfactory to the Trustee, pay to the Trustee, for the benefit of the Holders of the Notes, the whole amount then due and payable on the Notes for principal and interest, if any, with interest on any overdue principal and interest, if any, at the rate per annum borne by the Notes at such time *plus* one percent, and, in addition thereto, such further amount as shall be sufficient to cover any amounts due to the Trustee under Section 7.06. If the Company shall fail to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Company or any other obligor upon the Notes and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company or any other obligor upon the Notes, wherever situated.

In the event there shall be pending proceedings for the bankruptcy or for the reorganization of the Company or any other obligor on the Notes under Title 11 of the United States Code, or any other applicable law, or in case a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of the Company or such other obligor, the property of the Company or such other obligor, or in the event of any other judicial proceedings relative to the Company or such other obligor upon the Notes, or to the creditors or property of the Company or such other obligor, the Trustee, irrespective of whether the principal of the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand pursuant to the provisions of this Section 6.04, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount of principal and accrued and unpaid interest, if any, in respect of the Notes, and, in case of any judicial proceedings, to file such proofs of claim and other papers or documents and to take such other actions as it may deem necessary or advisable in order to have the claims of the Trustee (including any claim for the compensation, properly incurred expenses, properly incurred disbursements and advances of the Trustee, its agents and counsel) and of the Holders allowed in such judicial proceedings relative to the Company or any other obligor on the Notes, its or their creditors, or its or their property, and to collect and receive any monies or other property payable or deliverable on any such claims, and to distribute the same after the deduction of any amounts due to the Trustee under Section 7.06; and any receiver, assignee or trustee in bankruptcy or reorganization, liquidator, custodian or similar official is hereby authorized by each of the Holders to make such payments to the Trustee, as administrative expenses, and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for compensation, properly incurred expenses, advances and properly incurred disbursements, including agents and counsel fees and expenses, and including any other amounts due to the Trustee under Section 7.06, incurred by it up to the date of such distribution. To the extent that such payment of compensation, properly incurred expenses, advances and properly incurred disbursements out of the estate in any such proceedings shall be denied for any reason, payment of the same shall be secured by a lien on, and shall be paid out of, any and all distributions, dividends, monies, securities and other property that the Holders of the Notes may be entitled to receive in such proceedings, whether in liquidation or under any plan of reorganization or arrangement or otherwise.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting such Holder or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

All rights of action and of asserting claims under this Indenture, or under any of the Notes, may be enforced by the Trustee without the possession of any of the Notes, or the production thereof at any trial or other proceeding relative thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its own name or as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the compensation, properly incurred expenses, properly incurred disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Notes.

In any proceedings brought by the Trustee (and in any proceedings involving the interpretation of any provision of this Indenture to which the Trustee shall be a party) the Trustee shall be held to represent all the Holders of the Notes, and it shall not be necessary to make any Holders of the Notes parties to any such proceedings.

In case the Trustee shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned because of any waiver pursuant to Section 6.09 or any rescission and annulment pursuant to Section 6.02 or for any other reason or shall have been determined adversely to the Trustee, then and in every such case the Company, the Holders, and the Trustee shall, subject to any determination in such proceeding, be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Company, the Holders, and the Trustee shall continue as though no such proceeding had been instituted.

Section 6.05 *Application of Monies Collected by Trustee*. Any monies collected by the Trustee pursuant to this Article 6 with respect to the Notes shall be applied in the following order, at the date or dates fixed by the Trustee for the distribution of such monies, upon presentation of the several Notes, and stamping thereon the payment, if only partially paid, and upon surrender thereof, if fully paid:

First, to the payment of all amounts due to the Trustee, including to its agents and counsel, under Section 7.06 and any payments due to the Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar;

Second, in case the principal of the outstanding Notes shall not have become due and be unpaid, to the payment of interest on, the Notes in default in the order of the date due of the payments of such interest, with interest (to the extent that such interest has been collected by the Trustee) upon such overdue payments at the rate per annum borne by the Notes at such time (including, without duplication, any additional interest on such overdue payments pursuant to Section 6.04), such payments to be made ratably to the Persons entitled thereto;

Third, in case the principal of the outstanding Notes shall have become due, by declaration or otherwise, and be unpaid to the payment of the whole amount (including, if applicable, the payment of the Redemption Price, Repurchase Price or Fundamental Change Repurchase Price and any cash due upon conversion) then owing and unpaid upon the Notes for principal and interest, if any, with interest on the overdue principal and, to the extent that such interest has been collected by the Trustee, upon overdue installments of interest at the rate per annum borne by the Notes at such time *plus* one percent, and in case such monies shall be insufficient to pay in full the whole amounts so due and unpaid upon the Notes, then to the payment of such principal (including, if applicable, the Redemption Price, Repurchase Price or Fundamental Change Repurchase Price and the cash due upon conversion) and interest without preference or priority of principal over interest, or of interest over principal or of any installment of interest over any other installment of interest, or of any Note over any other Note, ratably to the aggregate of such principal (including, if applicable, the Redemption Price, Repurchase Price or Fundamental Change Repurchase Price) and accrued and unpaid interest; and

Fourth, to the payment of the remainder, if any, to the Company.

Section 6.06 *Proceedings by Holders*. Except to enforce the right to receive payment of principal (including, if applicable, the Redemption Price, the Repurchase Price or Fundamental Change Repurchase Price) or interest when due, or the right to receive payment or delivery of the consideration due upon conversion, no Holder of any Note shall have any right by virtue of or by availing of any provision of this Indenture to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Indenture, or for the appointment of a receiver, trustee, liquidator, custodian or other similar official, or for any other remedy hereunder, unless:

(a) such Holder previously shall have given to the Trustee written notice of an Event of Default and of the continuance thereof, as herein provided;

(b) Holders of at least 25% in aggregate principal amount of the Notes then outstanding shall have made written request upon the Trustee to institute such action, suit or proceeding in its own name as Trustee hereunder;

(c) such Holders shall have offered to the Trustee such security and/or indemnity and/or pre-funding reasonably satisfactory to it against any loss, liability or expense to be incurred therein or thereby;

(d) the Trustee for 60 days after its receipt of such notice, request and offer of security and/or indemnity and/or pre-funding, shall have not complied with such written request of the Holders to institute any such action, suit or proceeding; and

(e) no direction that, in the opinion of the Trustee, is inconsistent with such written request shall have been given to the Trustee by the Holders of a majority of the aggregate principal amount of the Notes then outstanding within such 60-day period pursuant to Section 6.09,

it being understood and intended, and being expressly covenanted by the taker and Holder of every Note with every other taker and Holder and the Trustee that no one or more Holders shall have any right in any manner whatever by virtue of or by availing of any provision of this Indenture to affect, disturb or prejudice the rights of any other Holder, or to obtain or seek to obtain priority over or preference to any other such Holder, or to enforce any right under this Indenture, except in the manner herein provided and for the equal, ratable and common benefit of all Holders (except as otherwise provided herein). For the protection and enforcement of this Section 6.06, each and every Holder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

Notwithstanding any other provision of this Indenture and any provision of any Note, the right of any Holder to receive payment or delivery, as the case may be, of (x) the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of, (y) accrued and unpaid interest on, and (z) the consideration due upon conversion of, such Note, on or after the respective due dates expressed or provided for in such Note or in this Indenture, or to institute suit for the enforcement of any such payment or delivery, as the case may be, on or after such respective due dates against the Company shall not be impaired or affected without the consent of such Holder.

Section 6.07 *Proceedings by Trustee*. In case of an Event of Default, the Trustee may in its discretion proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as are necessary to protect and enforce any of such rights, either by suit in equity or by action at law or by proceeding in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture or in aid of the exercise of any power granted in this Indenture, or to enforce any other legal or equitable right vested in the Trustee by this Indenture or by law.

Section 6.08 *Remedies Cumulative and Continuing*. Except as provided in the last paragraph of Section 2.06, all powers and remedies given by this Article 6 to the Trustee or to the Holders shall, to the extent permitted by law, be deemed cumulative and not exclusive of any thereof or of any other powers and remedies available to the Trustee or the Holders of the Notes, by judicial proceedings or otherwise, to enforce the performance or observance of the covenants and agreements contained in this Indenture, and no delay or omission of the Trustee or of any Holder of any of the Notes to exercise any right or power accruing upon any Default or Event of Default shall impair any such right or power, or shall be construed to be a waiver of any such Default or Event of Default or any acquiescence therein; and, subject to the provisions of Section 6.06, every power and remedy given by this Article 6 or by law to the Trustee or to the Holders may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or by the Holders.

Section 6.09 *Direction of Proceedings and Waiver of Defaults by Majority of Holders*. The Holders of a majority of the aggregate principal amount of the Notes at the time outstanding determined in accordance with Section 8.04 shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to Notes; *provided*, *however*, that (a) such direction shall not be in conflict with any rule of law or with this Indenture, and (b) the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction. The Trustee may refuse to follow any direction that would involve the Trustee in personal liability, or if it is not provided with security and/or indemnity and/or pre-funding to its reasonable satisfaction, or that the Trustee determines is unduly prejudicial to the rights of any other Holder. In addition, the Trustee will not be required to expend its own funds under any circumstances. The Holders of a majority in aggregate principal amount of the Notes at the time outstanding determined in accordance with Section 8.04 may on behalf of the Holders of all of the Notes waive any past Default or Event of Default hereunder and its consequences except (i) a default in the payment of accrued and unpaid interest on, or the principal (including, if applicable, the Redemption Price, Repurchase Price or Fundamental Change Repurchase Price) of, the Notes when due that has not been cured pursuant to the provisions of Section 6.02, (ii) a failure by the Company to pay or deliver, or cause to be delivered, as the case may be, the consideration due upon conversion of the Notes or (iii) a default in respect of a covenant or provision hereof which under Article 10 cannot be modified or amended without the consent of each Holder of an outstanding Note affected. Upon any such waiver the Company, the Trustee and the Holders of the Notes shall be restored to their former positions and rights hereunder; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. Whenever any Default or Event of Default hereunder shall have been waived as permitted by this Section 6.09, said Default or Event of Default shall for all purposes of the Notes and this Indenture be deemed to have been cured and to be not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon.

Section 6.10 *Notice of Defaults and Events of Default*. If a Default or Event of Default occurs and is continuing and is notified in writing to a Responsible Officer of the Trustee, the Trustee shall, within 90 days after the occurrence and continuance of such Default or Event of Default, mail to all Holders (at the Company's expense) as the names and addresses of such Holders appear upon the Note Register, notice of all Defaults so notified in writing, unless such Defaults shall have been cured or waived before the giving of such notice; provided that the Trustee shall not be deemed to have knowledge of any occurrence of a Default or Event of Default unless a Responsible Officer of the Trustee has received written notice. Except in the case of a Default in the payment of the principal of (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable), or any premium or accrued and unpaid interest on, any of the Notes or a Default in the payment or delivery of the consideration due upon conversion, the Trustee shall be protected in withholding such notice if and so long as the Trustee's board of directors, a Responsible Officer, an executive committee or a committee of Responsible Officers of the Trustee (in its sole discretion) in good faith determines that the withholding of such notice is in the interests of the Holders.

Section 6.11 *Undertaking to Pay Costs*. All parties to this Indenture agree, and each Holder of any Note by its acceptance thereof shall be deemed to have agreed, that any court may, in its discretion, require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit and that such court may in its discretion assess costs, including attorneys' fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; *provided* that the provisions of this Section 6.11 (to the extent permitted by law) shall not apply to any suit instituted by or against the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Notes at the time outstanding determined in accordance with Section 8.04, or to any suit instituted by any Holder for the enforcement of the payment of the principal of or accrued and unpaid interest on any Note (including, but not limited to, the Redemption Price and the Repurchase Price and Fundamental Change Repurchase Price with respect to the Notes being repurchased as provided in this Indenture) on or after the due date expressed or provided for in such Note or to any suit for the enforcement of the right to convert any Note in accordance with the provisions of Article 14.

ARTICLE 7
CONCERNING THE TRUSTEE

Section 7.01 *Duties and Responsibilities of Trustee and Agents*. The Trustee, prior to the occurrence of an Event of Default and after the curing or waiver of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants or obligations will be read into this Indenture against the Trustee. In case an Event of Default, of which the Trustee has actual written notice, has occurred that has not been cured or waived the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs; *provided* that if an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under this Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity and/or security and/or pre-funding reasonably satisfactory to it against any loss, liability or expense that might be incurred by it in compliance with such request or direction.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act or its own willful misconduct, except that:

(a) prior to the occurrence of an Event of Default and after the curing or waiving of all Events of Default that may have occurred:

(i) the duties and obligations of the Trustee and the Agents shall be determined solely by the express provisions of this Indenture, and the Trustee and the Agents shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture and no implied covenants or obligations shall be read into this Indenture against either of them in their respective roles; and

(ii) in the absence of gross negligence and willful misconduct on the part of the Trustee, as proven in a final decision of a court of competent jurisdiction, the Trustee may conclusively and without liability rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but, in the case of any such certificates or opinions that by any provisions hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of any mathematical calculations or other facts, statements, opinions or conclusions stated therein);

(b) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Responsible Officers of the Trustee, unless it shall be proved in a final decision in a court of competent jurisdiction that the Trustee was grossly negligent in ascertaining the pertinent facts;

(c) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with (i) the direction of the Holders of not less than a majority of the aggregate principal amount of the Notes at the time outstanding determined as provided in Section 8.04 relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture or (ii) the direction of Holders of not less than 25% of the aggregate principal amount of the Notes at the time outstanding determined as provided in Section 8.04 as per Section 6.02;

(d) whether or not therein provided, every provision of this Indenture relating to the conduct or affecting the liability of, or affording protection to, the Trustee shall be subject to the provisions of this Section;

(e) the Trustee shall not be liable in respect of any payment (as to the correctness of amount, entitlement to receive or any other matters relating to payment) or notice effected by the Company or any Paying Agent or any records maintained by any co-Note Registrar with respect to the Notes;

(f) if any party fails to deliver a notice relating to an event the fact of which, pursuant to this Indenture, requires notice to be sent to the Trustee, the Trustee may conclusively and without liability rely on its failure to receive such notice as reason to act as if no such event occurred;

(g) [*RESERVED*]

(h) the rights, immunities, privileges, disclaimers from liability and protections (including the right to compensation and indemnity) afforded to the Trustee pursuant to this Article 7 shall also be afforded to the Note Registrar, the Paying Agent, the Conversion Agent and the Transfer Agent;

(i) the Trustee shall have no duty to inquire, no duty to determine and no duty to monitor as to the performance of the Company's covenants in this Indenture or the financial performance of the Company; the Trustee shall be entitled to assume, until it has received written notice in accordance with this Indenture, that the Company is properly performing its duties hereunder;

(j) the Trustee shall be under no obligation to enforce any of the provisions of this Indenture unless it is instructed by Holders of at least 25% of the aggregate principal amount of outstanding Notes and is provided with security and/or indemnity and/or pre-funding reasonably satisfactory to it;

(k) the Trustee will be under no obligation to exercise any of its rights or powers under this Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity and/or security and/or pre-funding reasonably satisfactory to it against any costs, expenses and liabilities that might be incurred by it in compliance with such requests or direction;

(l) before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel prepared and delivered at the cost of the Company conforming to Section 17.06 and the Trustee and the Agents may rely conclusively on such certificate or opinion and will not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel;

(m) in connection with the exercise by it of its trusts, powers, authorities or discretions (including, without limitation, any modification, waiver, authorization or determination), the Trustee shall have regard to the general interests of the Holders as a class but shall not have regard to any interests arising from circumstances particular to individual Holders (whatever their number) and in particular, but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers, authorities or discretions for individual Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any country, state or territory; and

(n) the Trustee is not obliged to do or omit to do anything which in its reasonable opinion, would or may be illegal or would constitute a breach of any fiduciary duty or duty of confidentiality, or any law, rule, regulation, or any decree, order or judgment of any court, or practice, request, direction, notice, announcement or similar action (whether or not having the force of law) of any relevant government, government agency, regulatory authority, stock exchange or self-regulatory organization to which the Trustee is subject. The Trustee may without liability do anything which is, in its reasonable opinion, necessary to comply with any such law, directive or regulations.

None of the provisions contained in this Indenture shall require the Trustee or Agents to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

Section 7.02 *Reliance on Documents, Opinions, Etc.* Except as otherwise provided in Section 7.01:

(a) the Trustee and Agents may conclusively and without liability rely and shall be fully protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, Note, coupon or other paper or document (whether in its original or facsimile form) believed by it in good faith to be genuine and to have been signed or presented by the proper party or parties;

(b) any request, direction, order or demand of the Company mentioned herein shall be sufficiently evidenced by an Officers' Certificate (unless other evidence in respect thereof be herein specifically prescribed); and any Board Resolution may be evidenced to the Trustee by a copy thereof certified by the Secretary or an Assistant Secretary of the Company;

(c) the Trustee may consult with counsel and require an Opinion of Counsel and any advice of such counsel or Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in accordance with such advice or Opinion of Counsel;

(d) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney at the expense of the Company and shall incur no liability of any kind by reason of such inquiry or investigation;

(e) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, delegates, custodians, nominees or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent, delegate, representative, custodian, nominee or attorney appointed by it with due care hereunder;

(f) the permissive rights of the Trustee enumerated herein shall not be construed as duties;

(g) under no circumstances and notwithstanding any contrary provision included herein, neither the Trustee, the Paying Agent, the Transfer Agent, the Conversion Agent nor the Note Registrar shall be responsible or liable for special, indirect, punitive, or consequential damages or loss of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether any of them have been advised of the likelihood of such loss or damage and regardless of the form of action; this provision shall remain in full force and effect notwithstanding the discharge of the Notes, the termination of this Indenture or the resignation, replacement or removal of the Trustee, the Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar;

(h) the Trustee, the Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction or, to the extent applicable, of New York; furthermore, the Trustee, the Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or New York or if, in its opinion based on such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or in New York or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power;

(i) [*RESERVED*];

(j) the Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder;

(k) the Trustee may request that the Company deliver Officers' Certificates setting forth the names of individuals and their titles and specimen signatures of officers authorized at such time to take specified actions pursuant to this Indenture, which Officers' Certificates may be signed by any Person authorized to sign an Officers' Certificate, as the case may be, including any Person specified as so authorized in any such certificate previously delivered and not superseded;

(l) the Trustee shall not be responsible or liable for any action it takes or omits to take in good faith which it reasonably believes to be authorized or within its rights or powers;

(m) the Trustee shall not be responsible or liable for any action taken or omitted by it in good faith at the direction, in accordance with Section 6.09, of the Holders of not less than a majority in aggregate principal amount of the Notes at the time outstanding determined in accordance with Section 8.04 as to the time, method and place of conducting any proceeding for any remedy available to the Trustee or the exercising of any power conferred by this Indenture; and

(n) the Trustee shall not be responsible for any inaccuracy in the information obtained from the Company or for any inaccuracy or omission in the records which may result from such information or any failure by the Trustee to perform its duties as set forth herein as a result of any inaccuracy or incompleteness of such information; and

(o) neither the Trustee nor any agent thereof shall have any responsibility or liability for any actions taken or not taken by the Common Depositary.

Section 7.03 *No Responsibility for Recitals, Etc.* The recitals, statements, warranties and representations contained herein and in the Notes (except in the Trustee's certificate of authentication) shall be taken as the statements of the Company, and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the accuracy or correctness of the same or for any failure by the Company or any other party to disclose events that may have occurred and may affect the significance or accuracy of such information, or the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of this Indenture or of the Notes. The Trustee shall not be accountable for the use or application by the Company of any Notes or the proceeds of any Notes authenticated and delivered by the Trustee in conformity with the provisions of this Indenture. Notwithstanding the generality of the foregoing, each Holder shall be solely responsible for making its own independent appraisal of, and investigation into, the financial condition, creditworthiness, condition, affairs, status and nature of the Company, and the Trustee shall not at any time have any responsibility for the same and each Holder shall not rely on the Trustee in respect thereof.

Section 7.04 *Trustee, Paying Agents, Conversion Agents or Note Registrar May Own Notes*. The Trustee, any Paying Agent, any Conversion Agent or Note Registrar, in its individual or any other capacity, may engage in business and contractual relationships with the Company or its Affiliates and may become the owner or pledgee of Notes with the same rights it would have if it were not the Trustee, Paying Agent, Conversion Agent or Note Registrar, and nothing herein shall obligate any of them to account for any profits earned from any business or transactional relationship.

Section 7.05 *Monies to Be Held in Trust*. All monies received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received. Money held by the Trustee in trust or by the Paying Agent hereunder need not be segregated from other funds except to the extent required by law. Neither the Trustee nor the Paying Agent shall be under any liability for interest on any money received by it hereunder.

Section 7.06 *Compensation and Expenses of Trustee*. (a) The Company covenants and agrees to pay to the Trustee from time to time, and the Trustee shall be entitled to, compensation for all services rendered by it hereunder in any capacity (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) as mutually agreed to in writing between the Trustee and the Company (which sum shall be paid free and clear of deduction and withholding on account of taxation, set-off and counterclaim), and the Company will pay or reimburse the Trustee upon its request for all properly incurred expenses, disbursements and advances properly incurred or made by the Trustee in accordance with any of the provisions of this Indenture in any capacity thereunder (including the compensation and the properly incurred expenses and disbursements of its agents and counsel and of all Persons not regularly in its employ) except any such expense, disbursement or advance as shall have been caused by its gross negligence or willful misconduct as proven in a final decision in a court of competent jurisdiction. The Company also covenants to indemnify the Trustee (which for the purposes of this Section 7.06 shall be deemed to include its officers, directors, agents and employees) in any capacity under this Indenture (including without limitation as Note Registrar, Transfer Agent, Conversion Agent and Paying Agent) and any other document or transaction entered into in connection herewith, and to hold it harmless against, any loss, claim, damage, liability or expense (whether arising from third party claims or claims by or against the Company) incurred without gross negligence or willful misconduct on the part of the Trustee, its officers, directors, agents or employees, as the case may be, as proven in a final decision of a court of competent jurisdiction, and arising out of or in connection with the acceptance or administration of this Indenture or in any other capacity hereunder, including the costs and expenses of defending themselves against any claim of liability in the process of enforcing this indemnity. The obligations of the Company under this Section 7.06 to compensate or indemnify the Trustee and to pay or reimburse the Trustee for expenses, disbursements and advances shall be secured by a senior claim to which the Notes are hereby made subordinate on all money or property held or collected by the Trustee, except, subject to the effect of Section 6.05, funds held in trust herewith for the benefit of the Holders of particular Notes. The Trustee's right to receive payment of any amounts due under this Section 7.06 shall not be subordinate to any other liability or indebtedness of the Company. The indemnity under this Section 7.06(a) is payable upon demand by the Trustee. The obligation of the Company under this Section 7.06(a) shall survive the satisfaction and discharge of the Notes, the termination or discharge of this Indenture and the resignation, replacement or removal of the Trustee. The indemnification provided in this Section 7.06(a) shall extend to the officers, directors, agents and employees of the Trustee. Subject to Section 7.02(e), any negligence or misconduct of any agent, delegate, attorney or representative, in each case, of the Trustee, shall not affect indemnification of the Trustee.

Without prejudice to any other rights available to the Trustee under applicable law, when the Trustee and its agents incur expenses or render services after an Event of Default specified in Section 6.01(i) or Section 6.01(j) occurs, the expenses and the compensation for the services are intended to constitute expenses of administration under any bankruptcy, insolvency or similar laws. If a Default or Event of Default shall have occurred or if the Trustee finds it expedient or necessary or is requested by the Company and/or the Holders to undertake duties which are of an exceptional nature or otherwise outside the scope of the Trustee's normal duties under this Indenture, the Company will pay such additional remuneration as the Company and the Trustee may separately agree in writing.

(b) The Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar shall be entitled to the compensation to be agreed upon in writing with the Company for all services rendered by it under this Indenture, and the Company agrees promptly to pay such compensation and to reimburse the Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar for its out-of-pocket expenses (including fees and expenses of counsel) properly incurred by it in connection with the services rendered by it under this Indenture. The Company hereby agrees to indemnify the Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar and their respective officers, directors, agents and employees and any successors thereto for, and to hold it harmless against, any loss, liability or expense (including fees and expenses of counsel) properly incurred without gross negligence or willful misconduct on its part arising out of or in connection with its acting as the Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar hereunder. The obligations of the Company under this paragraph (b) shall survive the payment of the Notes, the termination or discharge of this Indenture and the resignation, replacement or removal of the Paying Agent, the Transfer Agent, the Conversion Agent and the Note Registrar.

Section 7.07 *Officers' Certificate as Evidence*. Except as otherwise provided in Section 7.01, whenever in the administration of the provisions of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or omitting any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by an Officers' Certificate delivered to the Trustee, and such Officers' Certificate shall be full warrant to the Trustee for any action taken or omitted by it under the provisions of this Indenture upon the faith thereof.

Section 7.08 *Eligibility of Trustee*. There shall at all times be a Trustee hereunder which shall be a Person that is eligible pursuant to the Trust Indenture Act to act as such and has a combined capital and surplus of at least US$50,000,000. If such Person publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 7.09 *Resignation or Removal of Trustee*. (a) The Trustee and Agents may at any time resign by giving 30 days written notice of such resignation to the Company and by mailing notice thereof to the Holders at their addresses as they shall appear on the Note Register.

Upon receiving such notice of resignation, the Company shall promptly appoint a successor trustee or agent by written instrument, in duplicate, executed by order of the Board of Directors, one copy of which instrument shall be delivered to the resigning Trustee or agent and one copy to the successor trustee or successor agent. If no successor trustee or successor agent shall have been so appointed and have accepted appointment within 30 days after the mailing of such notice of resignation to the Holders, the resigning Trustee or resigning agent may at the expense of the Company appoints its own successor or petition any court of competent jurisdiction for the appointment of a successor trustee, or successor agent or any Holder who has been a bona fide holder of a Note or Notes for at least six months may, subject to the provisions of Section 6.11, on behalf of himself or herself and all others similarly situated, petition any such court for the appointment of a successor trustee or successor agent. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee or successor agent.

(b) In case at any time any of the following shall occur:

(i) the Trustee shall cease to be eligible in accordance with the provisions of Section 7.08 and shall fail to resign after written request therefor by the Company or by any such Holder, or

(ii) the Trustee shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in either case, the Company may by a Board Resolution remove the Trustee and appoint a successor trustee by written instrument, in duplicate, executed by order of the Board of Directors, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor trustee, or, subject to the provisions of Section 6.11, any Holder who has been a bona fide holder of a Note or Notes for at least six months may, on behalf of himself or herself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, remove the Trustee and appoint a successor trustee.

(c) The Holders of a majority in aggregate principal amount of the Notes at the time outstanding, as determined in accordance with Section 8.04, may at any time remove the Trustee and nominate a successor trustee that shall be deemed appointed as successor trustee unless within ten days after notice to the Company of such nomination the Company objects thereto, in which case the Trustee so removed or any Holder, upon the terms and conditions and otherwise as in Section 7.09(a) provided, may petition any court of competent jurisdiction for an appointment of a successor trustee.

(d) Any resignation or removal of the Trustee and appointment of a successor trustee pursuant to any of the provisions of this Section 7.09 shall become effective upon acceptance of appointment by the successor trustee as provided in Section 7.10.

Section 7.10 *Acceptance by Successor Trustee*. Any successor trustee appointed as provided in Section 7.09 shall execute, acknowledge and deliver to the Company and to its predecessor trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Trustee herein; but, nevertheless, on the written request of the Company or of the successor trustee, the trustee ceasing to act shall, upon payment of any amounts then due to it pursuant to the provisions of Section 7.06, execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act. Upon request of any such successor trustee, the Company shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers. Any trustee ceasing to act shall, nevertheless, retain a senior claim to which the Notes are hereby made subordinate on all money or property held or collected by such trustee as such, except for funds held in trust for the benefit of Holders of particular Notes, to secure any amounts then due to it pursuant to the provisions of Section 7.06.

No successor trustee shall accept appointment as provided in this Section 7.10 unless at the time of such acceptance such successor trustee shall be eligible under the provisions of Section 7.08.

Upon acceptance of appointment by a successor trustee as provided in this Section 7.10, each of the Company and the successor trustee, at the written direction and at the expense of the Company shall mail or cause to be mailed notice of the succession of such trustee hereunder to the Holders at their addresses as they shall appear on the Note Register. If the Company fails to mail such notice within ten days after acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be mailed at the expense of the Company.

Section 7.11 *Succession by Merger, Etc.* Any corporation or other entity into which the Trustee or Agents may be merged or converted or with which it may be consolidated, or any corporation or other entity resulting from any merger, conversion or consolidation to which the Trustee or Agents shall be a party, or any corporation or other entity succeeding to all or substantially all of the corporate trust business of the Trustee or Agents (including the administration of this Indenture), shall be the successor to the Trustee or Agents hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto; *provided* that in the case of any corporation or other entity succeeding to all or substantially all of the corporate trust business of the Trustee or Agents such corporation or other entity shall be eligible under the provisions of Section 7.08.

In case at the time such successor to the Trustee shall succeed to the trusts created by this Indenture, any of the Notes shall have been authenticated but not delivered, any such successor to the Trustee may adopt the certificate of authentication of any predecessor trustee, and deliver such Notes so authenticated; and in case at that time any of the Notes shall not have been authenticated, any successor to the Trustee may authenticate such Notes either in the name of any predecessor trustee hereunder or in the name of the successor trustee; and in all such cases such certificates shall have the full force which it is anywhere in the Notes or in this Indenture provided that the certificate of the Trustee shall have; *provided*, *however*, that the right to adopt the certificate of authentication of any predecessor trustee or to authenticate Notes in the name of any predecessor trustee shall apply only to its successor or successors by merger, conversion or consolidation.

Section 7.12 *Trustee's Application for Instructions from the Company*. Any application by the Trustee for written instructions from the Company (other than with regard to any action proposed to be taken or omitted to be taken by the Trustee that affects the rights of the Holders of the Notes under this Indenture) may, at the option of the Trustee, set forth in writing any action proposed to be taken or omitted by the Trustee under this Indenture and the date on and/or after which such action shall be taken or such omission shall be effective. The Trustee shall not be liable for any action taken by, or omission of, the Trustee in accordance with a proposal included in such application on or after the date specified in such application (which date shall not be less than three Business Days after the date any officer that the Company has indicated to the Trustee should receive such application actually receives such application, unless any such officer shall have consented in writing to any earlier date), unless, prior to taking any such action (or the effective date in the case of any omission), the Trustee shall have received written instructions in accordance with this Indenture in response to such application specifying the action to be taken or omitted.

ARTICLE 8
CONCERNING THE HOLDERS

Section 8.01 *Action by Holders*. Whenever in this Indenture it is provided that the Holders of a specified percentage of the aggregate principal amount of the Notes may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action, the Holders of such specified percentage have joined therein may be evidenced (a) by any instrument or any number of instruments of similar tenor executed by Holders in person or by agent or proxy appointed in writing, or (b) by the record of the Holders voting in favor thereof at any meeting of Holders duly called and held in accordance with the provisions of Article 9, or (c) by a combination of such instrument or instruments and any such record of such a meeting of Holders. Whenever the Company or the Trustee solicits the taking of any action by the Holders of the Notes, the Company or the Trustee may fix, but shall not be required to, in advance of such solicitation, a date as the record date for determining Holders entitled to take such action. The record date if one is selected shall be not more than 15 days prior to the date of commencement of solicitation of such action.

Section 8.02 *Proof of Execution by Holders*. Subject to the provisions of Section 7.01, Section 7.02 and Section 9.05, proof of the execution of any instrument by a Holder or its agent or proxy shall be sufficient if made in accordance with such reasonable rules and regulations as may be prescribed by the Trustee or in such manner as shall be satisfactory to the Trustee. The holding of Notes shall be proved by the Note Register or by a certificate of the Note Registrar. The record of any Holders' meeting shall be proved in the manner provided in Section 9.06.

Section 8.03 *Who Are Deemed Absolute Owners*. The Company, the Trustee, any Paying Agent, any Conversion Agent and any Note Registrar may deem the Person in whose name a Note shall be registered upon the Note Register to be, and may treat it as, the absolute owner of such Note (whether or not such Note shall be overdue and notwithstanding any notation of ownership or other writing thereon made by any Person other than the Company or any Note Registrar) for the purpose of receiving payment of or on account of the principal of and (subject to Section 2.03) accrued and unpaid interest on such Note, for the purpose of conversion of such Note and for all other purposes; and neither the Company nor the Trustee nor any Paying Agent nor any Conversion Agent nor any Note Registrar shall be affected by any notice to the contrary. All such payments or deliveries so made to any Holder for the time being, or upon its order, shall be valid, and, to the extent of the sums or Ordinary Shares so paid or delivered, effectual to satisfy and discharge the liability for monies payable or Ordinary Shares deliverable upon any such Note. Notwithstanding anything to the contrary in this Indenture or the Notes following an Event of Default, any Holder of a beneficial interest in a Global Note may directly enforce against the Company, without the consent, solicitation, proxy, authorization or any other action of the Common Depositary or any other Person, such Holder's right to exchange such beneficial interest for a Note in certificated form in accordance with the provisions of this Indenture.

Section 8.04 *Company-Owned Notes Disregarded.* In determining whether the Holders of the requisite aggregate principal amount of Notes have concurred in any direction, consent, waiver or other action under this Indenture, Notes that are owned by the Company, by any Subsidiary or Consolidated Affiliated Entity thereof or by any Affiliate of the Company or any Subsidiary or Consolidated Affiliated Entity thereof shall be disregarded and deemed not to be outstanding for the purpose of any such determination; *provided* that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, consent, waiver or other action only Notes in respect of which a Responsible Officer is notified in writing shall be so disregarded. Notes so owned that have been pledged in good faith may be regarded as outstanding for the purposes of this Section 8.04 if the pledgee shall establish its right to so act with respect to such Notes and that the pledgee is not the Company, a Subsidiary or Consolidated Affiliated Entity thereof or an Affiliate of the Company or a Subsidiary or Consolidated Affiliated Entity thereof. Within five days of acquisition of the Notes by any of the above described persons or entities or at the request of the Trustee, the Company shall furnish to the Trustee promptly an Officers' Certificate listing and identifying all Notes, if any, known by the Company to be owned or held by or for the account of any of the above described Persons; and, subject to Section 7.01, the Trustee shall be entitled to accept such Officers' Certificate as conclusive evidence of the facts therein set forth and of the fact that all Notes not listed therein are outstanding for the purpose of any such determination.

Section 8.05 *Revocation of Consents; Future Holders Bound.* At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 8.01, of the taking of any action by the Holders of the percentage of the aggregate principal amount of the Notes specified in this Indenture in connection with such action, any Holder of a Note that is shown by the evidence to be included in the Notes the Holders of which have consented to such action may, by filing written notice with the Trustee at its Corporate Trust Office and upon proof of holding as provided in Section 8.02, revoke such action so far as concerns such Note. Except as aforesaid, any such action taken by the Holder of any Note shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Note and of any Notes issued in exchange or substitution therefor or upon registration of transfer thereof, irrespective of whether any notation in regard thereto is made upon such Note or any Note issued in exchange or substitution therefor or upon registration of transfer thereof.

ARTICLE 9
HOLDERS' MEETINGS

Section 9.01 *Purpose of Meetings*. A meeting of Holders may be called at any time and from time to time pursuant to the provisions of this Article 9 for any of the following purposes:

(a) to give any notice to the Company or to the Trustee or to give any directions to the Trustee permitted under this Indenture, or to consent to the waiving of any Default or Event of Default hereunder and its consequences, or to take any other action authorized to be taken by Holders pursuant to any of the provisions of Article 6;

(b) to remove the Trustee and nominate a successor trustee pursuant to the provisions of Article 7;

(c) to consent to the execution of an indenture or indentures supplemental hereto pursuant to the provisions of Section 10.02; or

(d) to take any other action authorized to be taken by or on behalf of the Holders of any specified aggregate principal amount of the Notes under any other provision of this Indenture or under applicable law.

Section 9.02 *Call of Meetings by Trustee*. The Trustee may (in its sole discretion and without obligation) at any time call a meeting of Holders to take any action specified in Section 9.01, to be held at such time and at such place as the Trustee shall determine. Notice of every meeting of the Holders, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting and the establishment of any record date pursuant to Section 8.01, shall be mailed to Holders of such Notes at their addresses as they shall appear on the Note Register. Such notice shall also be mailed to the Company. Such notices shall be mailed not less than 20 nor more than 90 days prior to the date fixed for the meeting.

Any meeting of Holders shall be valid without notice if the Holders of all Notes then outstanding are present in person or by proxy or if notice is waived before or after the meeting by the Holders of all Notes then outstanding, and if the Company and the Trustee are either present by duly authorized representatives or have, before or after the meeting, waived notice.

Section 9.03 *Call of Meetings by Company or Holders*. In case at any time the Company, pursuant to a Board Resolution, or the Holders of at least 10% of the aggregate principal amount of the Notes then outstanding, shall have requested the Company to call a meeting of Holders, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Company shall not have mailed the notice of such meeting within 20 days after receipt of such request, then the Trustee or such Holders may determine the time and the place for such meeting and may call such meeting to take any action authorized in Section 9.01, by mailing notice thereof as provided in Section 9.02.

Section 9.04 *Qualifications for Voting*. To be entitled to vote at any meeting of Holders a Person shall (a) be a Holder of one or more Notes on the record date pertaining to such meeting or (b) be a Person appointed by an instrument in writing as proxy by a Holder of one or more Notes on the record date pertaining to such meeting. The only Persons who shall be entitled to be present or to speak at any meeting of Holders shall be the Persons entitled to vote at such meeting and their counsel and any representatives of the Trustee and its counsel and any representatives of the Company and its counsel.

Section 9.05 *Regulations*. Notwithstanding any other provisions of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Holders, in regard to proof of the holding of Notes and of the appointment of proxies, and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall think fit.

The Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Company or by Holders as provided in Section 9.03, in which case the Company or the Holders calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by vote of the Holders of a majority in principal amount of the Notes represented at the meeting and entitled to vote at the meeting.

Subject to the provisions of Section 8.04, at any meeting of Holders each Holder or proxyholder shall be entitled to one vote for each US$1,000 principal amount of Notes held or represented by him or her; *provided*, *however*, that no vote shall be cast or counted at any meeting in respect of any Note challenged as not outstanding and ruled by the chairman of the meeting to be not outstanding. The chairman of the meeting shall have no right to vote other than by virtue of Notes held by it or instruments in writing as aforesaid duly designating it as the proxy to vote on behalf of other Holders. Any meeting of Holders duly called pursuant to the provisions of Section 9.02 or Section 9.03 may be adjourned from time to time by the Holders of a majority of the aggregate principal amount of Notes represented at the meeting, whether or not constituting a quorum, and the meeting may be held as so adjourned without further notice.

Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairman of that meeting or of the next succeeding meeting of Holders of the Notes, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

Section 9.06 *Voting*. The vote upon any resolution submitted to any meeting of Holders shall be by written ballot on which shall be subscribed the signatures of the Holders or of their representatives by proxy and the outstanding principal amount of the Notes held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record in duplicate of the proceedings of each meeting of Holders shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more Persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was mailed as provided in Section 9.02. The record shall show the principal amount of the Notes voting in favor of or against any resolution. The record shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one of the duplicates shall be delivered to the Company and the other to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting.

Any record so signed and verified shall be conclusive evidence of the matters therein stated.

Section 9.07 *No Delay of Rights by Meeting*. Nothing contained in this Article 9 shall be deemed or construed to authorize or permit, by reason of any call of a meeting of Holders or any rights expressly or impliedly conferred hereunder to make such call, any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the Holders under any of the provisions of this Indenture or of the Notes.

ARTICLE 10
SUPPLEMENTAL INDENTURES

Section 10.01 *Supplemental Indentures Without Consent of Holders*. The Company, when authorized by the resolutions of the Board of Directors, and the Trustee, at the Company's expense and direction, may from time to time and at any time amend or supplement this Indenture or the Notes for one or more of the following purposes:

(a) to cure any ambiguity, omission, defect or inconsistency;

(b) to provide for the assumption by a Successor Company of the obligations of the Company under this Indenture and the Notes pursuant to Article 11;

(c) to add guarantees or any credit enhancements of similar nature with respect to the Notes;

(d) to secure the Notes;

(e) to add to the covenants or Events of Defaults of the Company for the benefit of the Holders or surrender any right or power conferred upon the Company;

(f) upon the occurrence of any transaction or event described in Section 14.07(a), to (i) provide that the Notes are convertible into Reference Property, subject to Section 14.02, and (ii) effect the related changes to the terms of the Notes described under Section 14.07(a), in each case, in accordance with Section 14.07;

(g) to make any change that does not adversely affect the rights of any Holder;

(h) to comply with the rules and procedures of Euroclear and Clearstream;

(i) to evidence and provide for the acceptance of the appointment of a successor trustee in accordance with this Indenture;

(j) to conform the provisions of this Indenture or the Notes to the "Description of the Notes" section of the Offering Memorandum; or

(k) make changes to this Indenture and the Notes as contemplated under Section 14.08.

Upon the written request of the Company, the Trustee and the Agents are hereby authorized to join with the Company in the execution of any such amendment or supplement to this Indenture or the Notes, to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee and Agents shall not be obligated to, but may in its discretion, enter into any supplemental indenture that affects the Trustee's own rights, duties or immunities under this Indenture or otherwise. The Trustee and Agents shall seek an Officers' Certificate and an Opinion of Counsel, at the Company's expense, that any such amendment or supplement to this Indenture or the Notes is authorized and permitted by the terms of this Indenture and not contrary to law.

Any amendment or supplement to this Indenture or the Notes authorized by the provisions of this Section 10.01 may be executed by the Company, the Agents and the Trustee without the consent of the Holders of any of the Notes at the time outstanding, notwithstanding any of the provisions of Section 10.02.

Section 10.02 *Supplemental Indentures with Consent of Holders*. With the consent (evidenced as provided in Article 8) of the Holders of at least a majority of the aggregate principal amount of the Notes then outstanding (determined in accordance with Article 8 and including, without limitation, consents obtained in connection with a repurchase of, or tender or exchange offer for, Notes), the Company, when authorized by the resolutions of the Board of Directors, and the Trustee, at the Company's expense, may from time to time and at any time enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or any supplemental indenture or the Notes or modifying in any manner the rights of the Holders; *provided*, *however*, that, without the consent of each Holder of an outstanding Note affected, no such supplemental indenture shall:

(a) reduce the amount of Notes whose Holders must consent to an amendment or waiver;

(b) reduce the rate of or extend the stated time for payment of interest on any Notes;

(c) reduce the principal of or change the Maturity Date of any Notes;

(d) make any change that adversely affects the conversion rights of any Notes;

(e) reduce the Repurchase Price payable on the Repurchase Date, the Fundamental Change Repurchase Price or the Redemption Price of any Note or amend or modify in any manner adverse to the Holders the Company's obligation to make such payments, whether through an amendment or waiver of provisions in the covenants, definitions or otherwise;

(f) make any Note payable in a currency other than U.S. dollars;

(g) change the ranking of the Notes;

(h) impair the right of any Holder to receive payment of principal and interest on such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Note;

(i) change the Company's obligation to pay Additional Amounts on any Note; or

(j) make any change in this Article 10 that requires each Holder's consent or in the waiver provisions in Section 6.02 or Section 6.09.

Upon the written request of the Company, and upon the filing with the Trustee of evidence of the consent of Holders as aforesaid and subject to Section 10.05, the Trustee and the Agents shall join with the Company in the execution of such supplemental indenture unless (i) the Trustee and the Agents have has not received an Officers' Certificate and an Opinion of Counsel that such supplemental indenture is authorized and permitted by the terms of this Indenture and not contrary to law or (ii) such supplemental indenture affects the Agents or the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee and the Agents may in its discretion, but shall not be obligated to, enter into such supplemental indenture.

Holders do not need under this Section 10.02 to approve the particular form of any proposed supplemental indenture. It shall be sufficient if such Holders approve the substance thereof. After any supplemental indenture becomes effective under Section 10.01 or Section 10.02, the Company shall mail to the Holders a notice briefly describing such supplemental indenture. However, the failure to give such notice to all the Holders, or any defect in the notice, will not impair or affect the validity of the supplemental indenture.

Section 10.03 *Effect of Supplemental Indentures*. Upon the execution of any supplemental indenture pursuant to the provisions of this Article 10, this Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, limitation of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company and the Holders shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.04 *Notation on Notes*. Notes authenticated and delivered after the execution of any supplemental indenture pursuant to the provisions of this Article 10 may, at the Company's expense, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company or the Trustee shall so determine, new Notes so modified as to conform, in the opinion of the Trustee and the Board of Directors, to any modification of this Indenture contained in any such supplemental indenture may, at the Company's expense, be prepared and executed by the Company, authenticated by the Trustee upon receipt of a Company Order and delivered in exchange for the Notes then outstanding, upon surrender of such Notes then outstanding.

Section 10.05 *Evidence of Compliance of Supplemental Indenture to Be Furnished Trustee*. In addition to the documents required by Section 17.06, the Trustee shall receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any supplemental indenture executed pursuant hereto complies with the requirements of this Article 10 and is permitted or authorized by this Indenture and is not contrary to law.

ARTICLE 11
CONSOLIDATION, MERGER, SALE, CONVEYANCE AND LEASE

Section 11.01 *Company May Consolidate, Etc. on Certain Terms*. Subject to the provisions of Section 11.02, the Company shall not consolidate with, merge with or into, or sell, convey, transfer or lease all or substantially all of the consolidated assets of the Company, its Subsidiaries and its Consolidated Affiliated Entities, taken as a whole, to another Person, unless:

(a) the resulting, surviving or transferee Person (the "**Successor Company**"), if not the Company, shall be a corporation organized and existing under the laws of the United States, any State thereof, the District of Columbia, the Cayman Islands, the British Virgin Islands, Bermuda or Hong Kong and the Successor Company (if not the Company) shall expressly assume, by supplemental indenture all of the obligations of the Company under the Notes and this Indenture (including, for the avoidance of doubt, the obligation to pay Additional Amounts pursuant to Section 4.07);

(b) if the Company will not be the resulting or surviving corporation, the Company shall have, at or prior to the effective date of such transaction, delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that the execution and delivery of the supplemental indenture do not conflict with the requirements set forth in this Indenture and that all conditions precedent to the execution and delivery of such supplemental indenture have been satisfied; and

(c) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing under this Indenture.

For purposes of this Section 11.01, the sale, conveyance, transfer or lease of all or substantially all of the assets of one or more Subsidiaries or Consolidated Affiliated Entities of the Company to another Person, which properties and assets, if held by the Company instead of such Subsidiaries or Consolidated Affiliated Entities, would constitute all or substantially all of the assets of the Company on a consolidated basis, shall be deemed to be the sale, conveyance, transfer or lease of all or substantially all of the consolidated assets of the Company to another Person.

Section 11.02 *Successor Corporation to Be Substituted*. In case of any such consolidation, merger, sale, conveyance, transfer or lease and upon the assumption by the Successor Company, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the due and punctual payment of the principal of and accrued and unpaid interest on all of the Notes (including, for the avoidance of doubt, any Additional Amounts), the due and punctual delivery or payment, as the case may be, of any consideration due upon conversion of the Notes (including, for the avoidance of doubt, any Additional Amounts) and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Company, such Successor Company (if not the Company) shall succeed to and, except in the case of a lease of all or substantially all of the Company's properties and assets, shall be substituted for the Company, with the same effect as if it had been named herein as the party of the first part. Such Successor Company thereupon may cause to be signed, and may issue either in its own name or in the name of the Company any or all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee; and, upon the order of such Successor Company instead of the Company and subject to all the terms, conditions and limitations in this Indenture prescribed, the Trustee shall authenticate and shall deliver, or cause to be authenticated and delivered, any Notes that previously shall have been signed and delivered by the Officers of the Company to the Trustee for authentication, and any Notes that such Successor Company thereafter shall cause to be signed and delivered to the Trustee for that purpose. All the Notes so issued shall in all respects have the same legal rank and benefit under this Indenture as the Notes theretofore or thereafter issued in accordance with the terms of this Indenture as though all of such Notes had been issued at the date of the execution hereof. In the event of any such consolidation, merger, sale, conveyance or transfer (but not in the case of a lease), upon compliance with this Article 11 the Person named as the "Company" in the first paragraph of this Indenture (or any successor that shall thereafter have become such in the manner prescribed in this Article 11) may be dissolved, wound up and liquidated at any time thereafter and, except in the case of a lease, such Person shall be released from its liabilities as obligor and maker of the Notes and from its obligations under this Indenture and the Notes.

In case of any such consolidation, merger, sale, conveyance, transfer or lease, such changes in phraseology and form (but not in substance) may be made in the Notes thereafter to be issued as may be appropriate.

Section 11.03 *Opinion of Counsel to Be Given to Trustee*. No consolidation, merger, sale, conveyance, transfer or lease shall be effective unless the Trustee shall receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any such consolidation, merger, sale, conveyance, transfer or lease and any such assumption and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, complies with the provisions of this Article 11, that all conditions precedent thereto have been satisfied and that the Notes and such supplemental indenture are the legal, valid and binding obligations of the Successor Company, enforceable against it in accordance with its terms, subject to customary assumptions, qualifications, and exceptions.

ARTICLE 12
IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS

Section 12.01 *Indenture and Notes Solely Corporate Obligations*. No recourse for the payment of the principal of or accrued and unpaid interest on any Note, nor for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Company in this Indenture or in any supplemental indenture or in any Note, nor because of the creation of any indebtedness represented thereby, shall be had against any incorporator, stockholder, employee, agent, Officer or director or Subsidiary, as such, past, present or future, of the Company or of any successor corporation, either directly or through the Company or any successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that all such liability is hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Indenture and the issue of the Notes.

ARTICLE 13
INTENTIONALLY OMITTED

ARTICLE 14
CONVERSION OF NOTES

Section 14.01 *Conversion Privilege*. Subject to and upon compliance with the provisions of this Article 14, each Holder of a Note shall have the right, at such Holder's option, to convert all or any portion (if the portion to be converted is in denominations of US$200,000 principal amount or an integral multiple of US$1,000) of such Note at any time prior to 5:00 p.m. Brussels time on the seventh Scheduled Trading Day immediately preceding the Maturity Date, at an initial conversion rate of 42.1747 Ordinary Shares (subject to adjustment as provided in this Article 14, the "**Conversion Rate**") per US$1,000 principal amount of Notes (subject to, and in accordance with, the settlement provisions of Section 14.02, the "**Conversion Obligation**").

Section 14.02 *Conversion Procedure; Settlement Upon Conversion*.

(a) Upon conversion of any Note, the Company shall cause to be delivered to the converting Holder (or such Holder's nominee), in respect of each US$1,000 principal amount of Notes being converted, a number of Ordinary Shares (the "**Conversion Consideration**") equal to the Conversion Rate in effect immediately prior to the close of business on the relevant Conversion Date, together with a cash payment, if applicable, in lieu of any fractional Ordinary Share in accordance with subsection (j) of this Section 14.02, on the fifth Business Day immediately following the relevant Conversion Date; *provided* that, if a Conversion Date occurs (i) following the Regular Record Date immediately preceding the Maturity Date, subject to clause (ii) below, the Company shall cause such delivery (and payment, if applicable) to be made on the Maturity Date or (ii) after the Ordinary Shares or the ADSs in lieu thereof have been replaced by the Reference Property consisting solely of cash in accordance with Section 14.07, the Company shall cause the consideration due in respect of the conversion to be paid to the converting Holder on the tenth Business Day immediately following the related Conversion Date. Notwithstanding the forgoing, if a Holder elects to receive ADSs in lieu of Ordinary Shares deliverable upon conversion, the Company shall deliver the ADSs due in respect of conversion on the fifth Business Day immediately following the relevant Conversion Date. For the avoidance of doubt, neither the Trustee nor any Agent shall have any responsibility to deliver the Ordinary Shares or ADSs upon conversion of any Note to any person or deal with cash payments in relation to conversions, except for cash payments in lieu of any fractional Ordinary Shares.

If as of the Conversion Date the "Deposited Securities" as defined in the Restricted Deposit Agreement or Unrestricted Deposit Agreement consist exclusively of our Ordinary Shares, the Holders may elect to receive ADSs in lieu of Ordinary Shares deliverable upon conversion by specifying in the relevant Notice of Conversion such election. In the event that a whole number of ADS does not result from a whole number of Ordinary Shares otherwise deliverable under this Indenture, the provisions regarding fractional Ordinary Shares in subsection (j) of this Section 14.02 shall apply mutatis mutandis to any fractional ADSs. Such application shall be based on the same per-share value as is set forth in subsection (j) of this Section 14.02.

(b) Subject to Section 14.02(e), before any Holder of a Note shall be entitled to convert a Note as set forth above, such Holder shall (i) in the case of a Global Note, comply with the applicable procedures of Euroclear and/or Clearstream, and the Conversion Agent, if applicable, and, if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 14.02(h), and/or all transfer or similar taxes as described herein and (ii) in the case of a Physical Note (1) complete, manually sign and deliver a duly completed irrevocable notice to the Conversion Agent and the Company as set forth in the Form of Notice of Conversion (or a facsimile, PDF or other electronic transmission thereof) (a "**Notice of Conversion**") at the specified office of the Conversion Agent and state in writing therein the principal amount of Notes to be converted, including, if applicable, the Holder's election to receive ADSs in lieu of any Ordinary Shares deliverable upon conversion and, the Holder's election to receive the Ordinary Shares through CCASS after the restricted legend on the Notes has been removed, its Hong Kong stock account in CCASS, and the name or names (with addresses) in which such Holder wishes the certificate or certificates for any Ordinary Shares to be delivered upon settlement of the Conversion Obligation to be registered; (2) surrender such Notes, duly endorsed to the Company or in blank (and accompanied by appropriate endorsement and transfer documents), at the specified office of the Trustee; and (3) if required, furnish appropriate endorsements and transfer documents. The Trustee (and if different, the Conversion Agent) shall notify the Company of any conversion pursuant to this Article 14 on the Conversion Date for such conversion. No Notice of Conversion with respect to any Notes may be delivered and no Notes may be surrendered by a Holder for conversion thereof if such Holder has also delivered a Repurchase Notice or Fundamental Change Repurchase Notice to the Company in respect of such Notes and has not validly withdrawn such Repurchase Notice or Fundamental Change Repurchase Notice in accordance with Section 15.03. A Notice of Conversion shall be deposited at the office of any Conversion Agent on any Business Day from 9:00 a.m. to 3:00 p.m. at the location of the Conversion Agent to which such Notice of Conversion is delivered. Any Notice of Conversion and any Physical Note (if issued) deposited outside the hours specified or on a day that is not a Business Day at the location of the Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent between 9:00 a.m. and 3:00 p.m. on the next Business Day.

If more than one Note shall be surrendered for conversion at one time by the same Holder, the Conversion Obligation with respect to such Notes shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof to the extent permitted thereby) so surrendered. None of the Agents of the Trustee shall have any responsibility whatsoever with respect to the issuance and delivery of the Ordinary Shares to the converting Holder.

(c) A Note shall be deemed to have been converted immediately prior to the close of business on the date (the "**Conversion Date**") that the Holder has complied with the requirements set forth in subsection (b) above.

(d) In case any certificated Note shall be surrendered for partial conversion, the Company shall execute and instruct the Trustee who shall authenticate and deliver to, or upon the written order of the Holder of the Note so surrendered, a new Note or Notes in authorized denominations in an aggregate principal amount equal to the unconverted portion of the surrendered Note, without payment of any service charge by the converting Holder but, if required by the Company or Trustee, with payment of a sum sufficient to cover any transfer tax or similar governmental charge required by law or that may be imposed in connection therewith as a result of the name of the Holder of the new Notes issued upon such conversion being different from the name of the Holder of the old Notes surrendered for such conversion.

(e) If a Holder submits a Note for conversion, the Company shall pay any documentary, stamp, issue, transfer or similar tax due on the issuance or delivery of the Ordinary Shares or upon conversion of the Notes, or the issuance or delivery of the ADSs in lieu of such Ordinary Shares, unless the tax is due because the Holder requests such Ordinary Shares (or ADSs in lieu thereof) to be issued in a name other than the Holder's name, in which case the Holder shall pay that tax. The Company may refuse to deliver the certificates representing the Ordinary Shares (or ADSs in lieu thereof) being issued in a name other than the Holder's name until the Company receives a sum sufficient to pay any tax that is due by such Holder in accordance with the immediately preceding sentence. The Company shall pay all other expenses arising from the issue and listing of Ordinary Shares to be delivered upon conversion and all the charges of the Hong Kong Share Registrar in connection with the offering of the Notes. The Company shall also pay the ADS Depositary's fees for issuance of all ADSs deliverable in lieu of Ordinary Shares.

(f) Except as provided in Section 14.04, no adjustment shall be made for dividends on any Ordinary Shares or ADSs in lieu of such Ordinary Shares delivered upon the conversion of any Note as provided in this Article 14.

(g) Upon the conversion of an interest in a Global Note, the Common Depositary shall make a notation on such Global Note as to the reduction in the principal amount represented thereby. The Company shall notify the Trustee in writing of any conversion of Notes effected through any Conversion Agent other than the Trustee.

(h) Upon conversion, a Holder shall not receive any separate cash payment for accrued and unpaid interest, if any, except as set forth below. The Company's settlement of the Conversion Obligation shall be deemed to satisfy in full its obligation to pay the principal amount of the Note and accrued and unpaid interest, if any, to, and including, the relevant Conversion Date. As a result, accrued and unpaid interest, if any, to, and including, the relevant Conversion Date shall be deemed to be paid in full rather than cancelled, extinguished or forfeited. Notwithstanding the foregoing, (i) if Notes are converted after the close of business on or after the Regular Record Date immediately preceding the Maturity Date, (ii) if the Company has specified a Redemption Date that is after a Regular Record Date and on or prior to the seventh Scheduled Trading Day immediately succeeding the corresponding Interest Payment Date and notes are converted during the related Redemption Period after the Regular Record Date, or (iii) if the Company has specified a Fundamental Change Repurchase Date that is after a Regular Record Date and on or prior to the seventh Scheduled Trading Day immediately succeeding the corresponding Interest Payment Date and notes are converted during the related Redemption Period after the Regular Record Date, then Holders of such Notes at the close of business on such Regular Record Date will receive the full amount of interest payable on such Notes on the Maturity Date, such Redemption Date or such Fundamental Change Repurchase Date (as the case may be) notwithstanding the conversion.

(i) The Person in whose name Ordinary Shares (or ADSs in lieu thereof) delivered upon conversion are registered shall be entitled to participate in any distribution or other transaction relating to the Ordinary Shares (or ADSs in lieu thereof) as though such Person were the holder of record of such Ordinary Shares or ADSs as of the close of business on the relevant Conversion Date (or if such Conversion Date is not a Trading Day, the immediately preceding Trading Day). Upon a conversion of Notes, such Person shall no longer be a Holder of such Notes surrendered for conversion.

(j) The Company shall not issue any fractional Ordinary Shares or ADSs in lieu thereof upon conversion of the Notes and shall instead pay cash in lieu of delivering any fractional Ordinary Shares issuable upon conversion based the Last Reported Sale Price (ADS) on the relevant Conversion Date (or if such Conversion Date is not a Trading Day, the immediately preceding Trading Day).

(k) In accordance with the Unrestricted Deposit Agreement or the Restricted Deposit Agreement, as applicable, and the Procedures Letter, the Company shall issue to the ADS Custodian such Ordinary Shares required for the issuance of the ADSs upon conversion of the Notes, plus written delivery instructions (if requested by the ADS Depositary or the ADS Custodian) for such ADSs, shall deliver such legal opinions and any other information or documentation and shall comply with the Unrestricted Deposit Agreement and the Restricted Deposit Agreement (as the case may be) and the Procedures Letter, in each case, as required by the ADS Depositary or the ADS Custodian in connection with each issuance and delivery of ADSs.

Section 14.03 *Increased Conversion Rate Applicable to Certain Notes Surrendered in Connection with Make-Whole Fundamental Changes*. (a) If a Make-Whole Fundamental Change occurs prior to the Maturity Date and a Holder elects to convert its Notes in connection with such Make-Whole Fundamental Change, the Company shall, under the circumstances described below, increase the Conversion Rate for the Notes so surrendered for conversion by a number of additional Ordinary Shares (the "**Additional Ordinary Shares**"), as described below. A conversion of Notes shall be deemed for these purposes to be "in connection with" such Make-Whole Fundamental Change if the relevant Notice of Conversion is received by the Conversion Agent from, and including, the Effective Date of the Make-Whole Fundamental Change up to, and including, the seventh Scheduled Trading Day immediately prior to the related Fundamental Change Repurchase Date (or, in the case of a Make-Whole Fundamental Change that would have been a Fundamental Change but for the *proviso* in clause (b) of the definition thereof, the 35th Trading Day immediately following the Effective Date of such Make-Whole Fundamental Change). The Company shall provide written notification to Holders and the Trustee (and the Conversion Agent, if other than the Trustee) of the Effective Date of any Make-Whole Fundamental Change and issue a press release announcing such Effective Date no later than five Scheduled Trading Days after such Effective Date.

(b) Upon surrender of Notes for conversion in connection with a Make-Whole Fundamental Change, the Company shall satisfy its Conversion Obligation by causing to be delivered Ordinary Shares (or ADSs in lieu thereof) in accordance with Section 14.02; *provided*, *however*, that if, at the effective time of a Make-Whole Fundamental Change described in clause (b) of the definition of Fundamental Change, the Reference Property following such Make-Whole Fundamental Change is composed entirely of cash, for any conversion of Notes following the Effective Date of such Make-Whole Fundamental Change, the Conversion Obligation shall be calculated based solely on the Ordinary Share Price for the transaction and shall be deemed to be an amount of cash per US$1,000 principal amount of converted Notes equal to the Conversion Rate (including any adjustment for Additional Ordinary Shares), *multiplied by* such Ordinary Share Price (converted into U.S. dollars at the Prevailing Rate as of the Effective Date of such Make-Whole Fundamental Change). In such event, the Conversion Obligation will be determined and paid to Holders in cash on the tenth Business Day following the Conversion Date.

(c) The number of Additional Ordinary Shares, if any, by which the Conversion Rate shall be increased shall be determined by reference to the table below, based on the date on which the Make-Whole Fundamental Change occurs or becomes effective (the "**Effective Date**") and the price (the "**Ordinary Share Price**") paid (or deemed to be paid) per Ordinary Share in the Make-Whole Fundamental Change (converted into U.S. dollars at the Prevailing Rate as of the Effective Date of such Make-Whole Fundamental Change). If the holders of the Ordinary Share receive in exchange for their Ordinary Shares only cash in a Make-Whole Fundamental Change described in clause (b) of the definition of Fundamental Change, the Ordinary Share Price shall be the cash amount paid per Ordinary Share (converted into U.S. dollars at the Prevailing Rate as of the Effective Date of such Make-Whole Fundamental Change). Otherwise, the Ordinary Share Price shall be the average of the Last Reported Sale Prices of the Ordinary Shares over the five Trading Day period (as converted into U.S. dollars at the Prevailing Rate on each relevant Trading Day) ending on, and including, the Trading Day immediately preceding the Effective Date of the Make-Whole Fundamental Change.

(d) The Ordinary Share Prices set forth in the column headings of the table below shall be adjusted as of any date on which the Conversion Rate of the Notes is otherwise adjusted. The adjusted Ordinary Share Prices shall equal the Ordinary Share Prices applicable immediately prior to such adjustment, *multiplied by* a fraction, the numerator of which is the Conversion Rate immediately prior to such adjustment giving rise to the Ordinary Share Price adjustment and the denominator of which is the Conversion Rate as so adjusted. The number of Additional Ordinary Shares set forth in the table below shall be adjusted in the same manner and at the same time as the Conversion Rate as set forth in Section 14.04.

(e) The following table sets forth the number of Additional Ordinary Shares to be received per US$1,000 principal amount of Notes pursuant to this Section 14.03 for each Ordinary Share Price and Effective Date set forth below:

	Ordinary Share Price											
Effective Date	US$ 17.90	US$ 20.00	US$ 22.50	US$ 23.72	US$ 25.00	US$ 27.50	US$ 30.83	US$ 35.00	US$ 40.00	US$ 50.00	US$ 75.00	US$ 100.00
May 23, 2025	13.6913	10.5870	7.9200	6.9132	6.0152	4.6251	3.3094	2.2166	1.3940	0.5560	0.0204	0.0000
June 1, 2026	13.6913	10.5870	7.9200	6.8558	5.8984	4.4371	3.0860	1.9963	1.2045	0.4384	0.0053	0.0000
June 1, 2027	13.6913	10.5870	7.5133	6.3744	5.3860	3.9178	2.6124	1.6063	0.9110	0.2846	0.0000	0.0000
June 1, 2028	13.6913	9.2525	6.3964	5.3596	4.4616	3.1364	1.9812	1.1266	0.5730	0.1312	0.0000	0.0000
June 1, 2029	13.6913	8.7275	5.4667	4.3390	3.4020	2.1138	1.1249	0.5123	0.1938	0.0130	0.0000	0.0000
June 1, 2030	13.6913	7.8253	2.2698	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

The exact Ordinary Share Prices and Effective Dates may not be set forth in the table above, in which case:

(i) if the Ordinary Shares Price is between two Ordinary Share Prices in the table above or the Effective Date is between two Effective Dates in the table, the number of Additional Ordinary Shares shall be determined by a straight-line interpolation between the number of Additional Ordinary Shares set forth for the higher and lower Ordinary Share Prices and the earlier and later Effective Dates, as applicable, based on a 365-day year;

(ii) if the Ordinary Share Price is greater than US$100.00 per Ordinary Share (subject to adjustment in the same manner as the Ordinary Share Prices set forth in the column headings of the table above pursuant to subsection (d) above), no Additional Ordinary Shares shall be added to the Conversion Rate; and

(iii) if the Ordinary Share Price is less than US$17.90 per Ordinary Share (subject to adjustment in the same manner as the Ordinary Share Prices set forth in the column headings of the table above pursuant to subsection (d) above), no Additional Ordinary Shares shall be added to the Conversion Rate.

Notwithstanding the foregoing, in no event shall the Conversion Rate per US$1,000 principal amount of Notes exceed 55.8660 Ordinary Shares, subject to adjustment in the same manner as the Conversion Rate pursuant to Section 14.04.

(f) Nothing in this Section 14.03 shall prevent an adjustment to the Conversion Rate pursuant to Section 14.04. For the purposes of determining the Ordinary Share Price in this Section 14.03, the Ordinary Share Price shall be converted into U.S. dollars at the Prevailing Rate on each relevant Trading Day.

(g) If the Holder elects to convert its Notes in connection with a Tax Redemption, an Optional Redemption or a Cleanup Redemption pursuant to Article 16, the Conversion Rate shall be increased by a number of Additional Ordinary Shares determined pursuant to this Section 14.03(g). The Company shall settle conversions of Notes as described in Section 14.02.

A conversion shall be deemed to be "in connection with" an Optional Redemption, a Cleanup Redemption or a Tax Redemption if the relevant Notice of Conversion is received by the Conversion Agent during the relevant Redemption Period. In the event that a conversion of the Notes called for redemption in connection with an Optional Redemption, a Cleanup Redemption or a Tax Redemption pursuant to Article 16 would also be deemed to be in connection with a Make-Whole Fundamental Change, a Holder of the Notes to be converted shall be entitled to a single increase to the Conversion Rate with respect to the first to occur of the applicable Redemption Notice or the Effective Date of the applicable Make-Whole Fundamental Change, and the later event shall be deemed not to have occurred for purposes of this Section 14.03(g) and the adjustments described under Section 14.03(a). For the avoidance of doubt, if the Company issues a Redemption Notice as set forth under Article 16, the Company shall increase the Conversion Rate hereunder during the related Redemption Period only with respect to conversions of Notes called for redemption (or deemed to be called for redemption). Accordingly, if the Company elects fewer than all of the outstanding Notes as described under Article 16, Holders will not be entitled to convert the Notes that are neither called for redemption nor deemed to be called for redemption on account of the Redemption Notice and will not be entitled to an increased Conversion Rate for conversions of such Notes on account of the Redemption Notice during the related Redemption Period, even if such Notes are otherwise convertible.

The number of Additional Ordinary Shares by which the Conversion Rate will be increased in the event of conversion of Notes called for redemption in connection with an Optional Redemption, a Cleanup Redemption or a Tax Redemption pursuant to Article 16 will be determined by reference to the table in clause (e) above based on the Redemption Reference Date and the Redemption Reference Price (each as defined below), but determined for purposes of this Section 14.03(g) as if (x) the Holder had elected to convert its Notes in connection with a Make-Whole Fundamental Change, (y) the applicable "Redemption Reference Date" were the "Effective Date" as specified in clause (c) above and (z) the applicable "Redemption Reference Price" were the "Ordinary Share Price" as specified in clause (c) above (and subject, for the avoidance of doubt, to the two paragraphs immediately following such table). For this purpose, the date on which the Company delivers a Redemption Notice is the "**Redemption Reference Date**" and the average of the Last Reported Sale Prices of the Ordinary Shares (as converted into U.S. dollars at the Prevailing Rate on each relevant Trading Day) over the five Trading Day period immediately preceding the date the Company delivers such Redemption Notice is the "**Redemption Reference Price**."

Section 14.04 *Adjustment of Conversion Rate*. The Conversion Rate shall be adjusted from time to time by the Company if any of the following events occurs, except that the Company shall not make any adjustments to the Conversion Rate if Holders of the Notes participate (other than in the case of (x) a share split or share combination or (y) a tender or exchange offer), at the same time and upon the same terms as holders of the Ordinary Shares and solely as a result of holding the Notes, in any of the transactions described in this Section 14.04, without having to convert their Notes, as if they held a number of Ordinary Shares equal to the Conversion Rate, *multiplied by* the principal amount (expressed in thousands) of Notes held by such Holder. Neither the Trustee nor the Conversion Agent shall have any responsibility to calculate, determine, monitor the accuracy of or verify any calculation of any adjustment to the Conversion Rate by the Company and will not be responsible to the Holders or any other person for any loss arising from any failure by it or them to do so which and the same shall be conclusive and binding on the Holders, absent manifest error. The Trustee and the Agents shall not be required to take any steps to ascertain whether an adjustment or Fundamental Change has occurred or may occur, and shall be entitled to assume that no such event has occurred until it has received written notice to the contrary from the Company. The Trustee and the Agents shall not be required to take any steps to ascertain whether the condition for the exercise of the rights herein has occurred. Notice of such adjustment to the Conversion Rate shall be given by the Company promptly in writing to the Holders, the Trustee and the Paying Agent and Conversion Agent and shall be conclusive and binding on the Holders, absent manifest error.

In the event that the Company issues or distributes to all holders of the Ordinary Shares any Expiring Rights, the Company shall adjust the Conversion Rate pursuant to Section 14.04(b) (in the case of Expiring Rights entitling holders of the Ordinary Shares for a period of not more than 45 calendar days after the announcement date of such issuance to subscribe for or purchase Ordinary Shares or ADSs) or Section 14.04(c) (in the case of all other Expiring Rights).

(a) If the Company exclusively issues Ordinary Shares as a dividend or distribution on the Ordinary Shares, or if the Company effects a share split or share combination, the Conversion Rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{OS_1}{OS_0}$$

where,

CR_0	=	the Conversion Rate in effect immediately prior to the close of business on the Record Date for the Ordinary Shares of such dividend or distribution, or immediately prior to the open of business on the Effective Date of such share split or share combination, as applicable;
CR_1	=	the Conversion Rate in effect immediately after the close of business on such Record Date or immediately prior to the open of business on such Effective Date, as applicable;
OS_0	=	the number of Ordinary Shares outstanding immediately prior to the close of business on such Record Date or immediately prior to the open of business on such Effective Date, as applicable; and
OS_1	=	the number of Ordinary Shares outstanding immediately after giving effect to such dividend, distribution, share split or share combination.

Any adjustment made under this Section 14.04(a) shall become effective immediately after the close of business on the Record Date for the Ordinary Shares for such dividend or distribution, or immediately after the open of business on the Effective Date for such share split or share combination, as applicable. If any dividend or distribution of the type described in this Section 14.04(a) is declared but not so paid or made, the Conversion Rate shall be immediately readjusted, effective as of the date the Board of Directors determines not to pay such dividend or distribution, to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(b) If the Company issues to all or substantially all holders of the Ordinary Shares (directly or in the form of ADSs) any rights (other than in connection with a stockholders rights plan), options or warrants entitling them, for a period of not more than 45 calendar days after the announcement date of such issuance, to subscribe for or purchase Ordinary Shares (directly or in the form of ADSs) at a price per Ordinary Share that is less than the average of the Last Reported Sale Prices of the Ordinary Shares for the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of such issuance, the Conversion Rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{OS_0 + X}{OS_0 + Y}$$

where,

CR_0	=	the Conversion Rate in effect immediately prior to the open of business on the Record Date for the Ordinary Shares for such issuance;
CR_1	=	the Conversion Rate in effect immediately after the open of business on such Record Date;
OS_0	=	the number of Ordinary Shares outstanding immediately prior to the close of business on such Record Date;
X	=	the total number of Ordinary Shares (directly or in the form of ADSs) deliverable pursuant to such rights, options or warrants; and
Y	=	the number of Ordinary Shares equal to (i) the aggregate price payable to exercise such rights, options or warrants, divided by (ii) the average of the Last Reported Sale Prices of the Ordinary Shares over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of the issuance of such rights, options or warrants.

Any increase made under this Section 14.04(b) shall be made successively whenever any such rights, options or warrants are issued and shall become effective immediately after the open of business on the Record Date for the Ordinary Shares for such issuance. To the extent that Ordinary Shares or ADSs are not delivered after the expiration of such rights, options or warrants, the Conversion Rate shall be decreased to the Conversion Rate that would then be in effect had the increase with respect to the issuance of such rights, options or warrants been made on the basis of delivery of only the number of Ordinary Shares actually delivered (directly or in the form of ADSs). To the extent such rights, options or warrants are not so issued, the Conversion Rate shall be decreased to the Conversion Rate that would then be in effect had the adjustment been made on the basis of only the issuance, if any, actually made.

For purposes of this Section 14.04(b), in determining whether any rights, options or warrants entitle the holders to subscribe for or purchase Ordinary Shares (directly or in the form of ADSs) at a price per Ordinary Share that is less than such average of the Last Reported Sale Prices of the Ordinary Shares for the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of such issuance, and in determining the aggregate offering price of such Ordinary Shares, there shall be taken into account any consideration received by the Company for such rights, options or warrants and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors.

(c) If the Company distributes shares of its Capital Stock, evidences of its indebtedness, other assets or property of the Company or rights, options or warrants to acquire its Capital Stock or other securities, to all or substantially all holders of the Ordinary Shares (directly or in the form of ADSs), excluding (i) dividends, distributions or issuances as to which an adjustment was effected pursuant to Section 14.04(a) or Section 14.04(b), (ii) dividends or distributions paid exclusively in cash as to which an adjustment was effected pursuant to Section 14.04(d), and (iii) Spin-Offs as to which the provisions set forth below in this Section 14.04(c) shall apply (any of such shares of Capital Stock, evidences of indebtedness, other assets or property or rights, options or warrants to acquire Capital Stock or other securities of the Company, the "**Distributed Property**"), then the Conversion Rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{SP_0}{SP_0 - FMV}$$

where,

CR_0	=	the Conversion Rate in effect immediately prior to the close of business on the Record Date for such distribution;
CR_1	=	the Conversion Rate in effect immediately after the close of business on such Record Date;
SP_0	=	the average of the Last Reported Sale Prices of Ordinary Shares over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the Ex-Dividend Date for such distribution; and
FMV	=	the fair market value (as determined by the Board of Directors) of the Distributed Property with respect to each outstanding Ordinary Share (directly or in the form of ADSs) on the Ex-Dividend Date for the Ordinary Shares for such distribution.

Any increase made under the foregoing portion of this Section 14.04(c) above shall become effective immediately after the close of business on the Record Date for such distribution. If such distribution is not so paid or made at all or in full, the Conversion Rate shall be decreased to the Conversion Rate that would then be in effect had the adjustment been made on the basis of only such amount of such distribution, if any, actually paid or made. Notwithstanding the foregoing, if "FMV" (as defined above) is equal to or greater than "SP_0" (as defined above), in lieu of the foregoing increase, each Holder of a Note shall receive, in respect of each US$1,000 principal amount thereof, at the same time and upon the same terms as holders of the Ordinary Shares receive the Distributed Property, the amount and kind of Distributed Property such Holder would have received if such Holder owned a number of Ordinary Shares equal to the Conversion Rate in effect on the Record Date for the Ordinary Shares for the distribution.

With respect to an adjustment pursuant to this Section 14.04(c) where there has been a payment of a dividend or other distribution on the Ordinary Shares (directly or in the form of ADSs) of shares of Capital Stock of any class or series, or similar equity interest, of or relating to a Subsidiary or other business unit of the Company, that are, or, when issued, will be, listed on the Hong Kong Stock Exchange (a "**Spin-Off**"), the Conversion Rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{FMV_0 + MP_0}{MP_0}$$

where,

CR_0	=	the Conversion Rate in effect immediately prior to the close of business on the last Trading Day of the Valuation Period;
CR_1	=	the Conversion Rate in effect immediately after the end of the Valuation Period;
FMV_0	=	the average of the Last Reported Sale Prices of the Capital Stock or similar equity interest distributed to holders of the Ordinary Shares (directly or in the form of ADSs) applicable to one Ordinary Share (determined by reference to the definition of Last Reported Sale Price as set forth in Section 1.01 as if references therein to the Ordinary Shares were to such Capital Stock or similar equity interest) over the first 10 consecutive Trading Day period after, and including, the Ex-Dividend Date of the Spin-Off (the "Valuation Period"); and
MP_0	=	the average of the Last Reported Sale Prices of the Ordinary Shares over the Valuation Period.

The increase to the Conversion Rate under the preceding paragraph shall occur immediately after end of the Valuation Period; provided that in respect of any conversion of Notes if the relevant Conversion Date occurs during the Valuation Period, the reference in the portion of this Section 14.04(c) related to Spin-Offs to 10 consecutive Trading Days shall be deemed to be replaced with such lesser number of Trading Days as have elapsed from, and including, the Record Date of such Spin-Off to, and including, the Conversion Date in determining the Conversion Rate. If the dividend or other distribution constituting the Spin-Off is not so paid or made, the Conversion Rate shall be decreased, effective as of the date the Board of Directors determines not to make or pay such dividend or other distribution, to the Conversion Rate that would be in effect if such distribution had not been declared.

For purposes of this Section 14.04(c) (and subject in all respect to Section 14.10), rights, options or warrants distributed by the Company to all holders of the Ordinary Shares (directly or in the form of ADSs) entitling them to subscribe for or purchase shares of the Company's Capital Stock, including Ordinary Shares (either initially or under certain circumstances), which rights, options or warrants, until the occurrence of a specified event or events ("**Trigger Event**"): (i) are deemed to be transferred with such Ordinary Shares (directly or in the form of ADSs); (ii) are not exercisable; and (iii) are also issued in respect of future issuances of the Ordinary Shares (directly or in the form of ADSs), shall be deemed not to have been distributed for purposes of this Section 14.04(c) (and no adjustment to the Conversion Rate under this Section 14.04(c) will be required) until the occurrence of the earliest Trigger Event, whereupon such rights, options or warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Conversion Rate shall be made under this Section 14.04(c). If any such right, option or warrant, including any such existing rights, options or warrants distributed prior to the date of this Indenture, are subject to events, upon the occurrence of which such rights, options or warrants become exercisable to purchase different securities, evidences of indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and Record Date with respect to new rights, options or warrants with such rights (in which case the existing rights, options or warrants shall be deemed to terminate and expire on such date without exercise by any of the holders thereof). In addition, in the event of any distribution (or deemed distribution) of rights, options or warrants, or any Trigger Event or other event (of the type described in the immediately preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Conversion Rate under this Section 14.04(c) was made, (1) in the case of any such rights, options or warrants that shall all have been redeemed or purchased without exercise by any holders thereof, upon such final redemption or purchase (x) the Conversion Rate shall be readjusted as if such rights, options or warrants had not been issued and (y) the Conversion Rate shall then again be readjusted to give effect to such distribution, deemed distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per Ordinary Share redemption or purchase price received by a holder or holders of Ordinary Shares (directly or in the form of ADSs) with respect to such rights, options or warrants (assuming such holder had retained such rights, options or warrants), made to all holders of Ordinary Shares (directly or in the form of ADSs) as of the date of such redemption or purchase, and (2) in the case of such rights, options or warrants that shall have expired or been terminated without exercise by any holders thereof, the Conversion Rate shall be readjusted as if such rights, options and warrants had not been issued.

For purposes of Section 14.04(a), Section 14.04(b) and this Section 14.04(c), if any dividend or distribution to which this Section 14.04(c) is applicable also includes one or both of:

(A) a dividend or distribution of Ordinary Shares (directly or in the form of ADSs) to which Section 14.04(a) is applicable (the "**Clause A Distribution**"); or

(B) a dividend or distribution of rights, options or warrants to which Section 14.04(b) is applicable (the "**Clause B Distribution**"),

then (1) such dividend or distribution, other than the Clause A Distribution and the Clause B Distribution, shall be deemed to be a dividend or distribution to which this Section 14.04(c) is applicable (the "**Clause C Distribution**") and any Conversion Rate adjustment required by this Section 14.04(c) with respect to such Clause C Distribution shall then be made, and (2) the Clause A Distribution and Clause B Distribution shall be deemed to immediately follow the Clause C Distribution and any Conversion Rate adjustment required by Section 14.04(a) and Section 14.04(b) with respect thereto shall then be made, except that, if determined by the Company (I) the "Record Date" of the Clause A Distribution and the Clause B Distribution shall be deemed to be the Record Date of the Clause C Distribution and (II) any Ordinary Shares (directly or in the form of ADSs) included in the Clause A Distribution or Clause B Distribution shall be deemed not to be "outstanding immediately prior to the open of business on such Record Date or Effective Date" within the meaning of Section 14.04(a) or "outstanding immediately prior to the open of business on such Record Date" within the meaning of Section 14.04(b).

(d) If any cash dividend or distribution is made to all or substantially all holders of the Ordinary Shares (directly or in the form of ADSs), the Conversion Rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{SP_0}{SP_0 - C}$$

where,

CR_0	=	the Conversion Rate in effect immediately prior to the close of business on the Record Date for the Ordinary Shares for such dividend or distribution;
CR_1	=	the Conversion Rate in effect immediately after the close of business on such Record Date;
SP_0	=	the Last Reported Sale Price of the Ordinary Shares on the Trading Day immediately preceding the Ex-Dividend Date for such dividend or distribution; and
C	=	the amount in cash per Ordinary Share the Company distributes to all or substantially all holders of the Ordinary Shares (directly or in the form of ADSs).

Any increase pursuant to this Section 14.04(d) shall become effective immediately after the close of business on the Record Date for such dividend or distribution. If such dividend or distribution is not so paid, the Conversion Rate shall be decreased, effective as of the date the Board of Directors determines not to make or pay such dividend or distribution, to be the Conversion Rate that would then be in effect had the adjustment been made on the basis of only the dividend or distribution, if any, actually made or paid.

Notwithstanding the foregoing, if "C" (as defined above) is equal to or greater than "SP_0" (as defined above), in lieu of the foregoing increase, each Holder of a Note shall receive, for each US$1,000 principal amount of Notes, at the same time and upon the same terms as holders of the Ordinary Shares, the amount of cash that such Holder would have received if such Holder owned a number of Ordinary Shares equal to the Conversion Rate on the Ex-Dividend Date for the Ordinary Shares for such cash dividend or distribution.

(e) If the Company or any of its Subsidiaries or Consolidated Affiliated Entities makes a payment in respect of a tender or exchange offer for the Ordinary Shares (directly or in the form of ADSs), to the extent that the cash and value of any other consideration included in the payment per Ordinary Share exceeds the average of the Last Reported Sale Prices of the Ordinary Shares over the 10 consecutive Trading Day period commencing on, and including, the Trading Day next succeeding the date such tender or exchange offer expires, the Conversion Rate shall be increased based on the following formula:

$$CR_1 = CR_0 \times \frac{AC + (SP_1 \times OS_1)}{OS_0 \times SP_1}$$

where,

CR_0	=	the Conversion Rate in effect immediately prior to the close of business on the 10th Trading Day immediately following, and including, the Trading Day next succeeding the date such tender or exchange offer expires;
CR_1	=	the Conversion Rate in effect immediately after the close of business on the 10th Trading Day immediately following, and including, the Trading Day next succeeding the date such tender or exchange offer expires;
AC	=	the aggregate value of all cash and any other consideration (as determined by the Board of Directors) paid or payable for Ordinary Shares (directly or in the form of ADSs) purchased in such tender or exchange offer;
OS_0	=	the number of Ordinary Shares outstanding immediately prior to the date such tender or exchange offer expires (prior to giving effect to the purchase of all Ordinary Shares or ADSs, as the case may be, accepted for purchase or exchange in such tender or exchange offer);
OS_1	=	the number of Ordinary Shares outstanding immediately after the date such tender or exchange offer expires (after giving effect to the purchase of all Ordinary Shares or ADSs, as the case may be, accepted for purchase or exchange in such tender or exchange offer); and
SP_1	=	the average of the Last Reported Sale Prices of the Ordinary Shares over the 10 consecutive Trading Day period commencing on, and including, the Trading Day next succeeding the date such tender or exchange offer expires.

The increase to the Conversion Rate under this Section 14.04(e) shall occur immediately after the close of business on the 10th Trading Day immediately following, and including, the Trading Day next succeeding the date such tender or exchange offer expires; provided that if the relevant Conversion Date occurs during the 10 Trading Days immediately following, and including, the Trading Day next succeeding the expiration date of any tender or exchange offer, references in this Section 14.04(e) with respect to 10th Trading Day or 10 consecutive Trading Days shall be deemed replaced with such lesser number of Trading Days as have elapsed from, and including, the Trading Day next succeeding the expiration date of such tender or exchange offer to, and including, such Trading Day in determining the Conversion Rate as of such Trading Day.

To the extent such tender or exchange offer is announced but not consummated (including as a result of being precluded from consummating such tender or exchange offer under applicable law), or any purchases or exchanges of the Ordinary Shares (directly or in the form of ADSs) in such tender or exchange offer are rescinded, the Conversion Rate will be readjusted to the Conversion Rate that would then be in effect had the adjustment been made on the basis of only the purchases or exchanges of the Ordinary Shares (directly or in the form of ADSs), if any, actually made, and not rescinded, in such tender or exchange offer.

(f) Except as stated herein, the Company shall not adjust the Conversion Rate for the issuance of Ordinary Shares or ADSs or any securities convertible into or exchangeable for Ordinary Shares or ADSs or the right to purchase Ordinary Shares or ADSs or such convertible or exchangeable securities.

(g) In addition to those adjustments required by clauses (a), (b), (c), (d) and (e) of this Section 14.04, and to the extent permitted by applicable law and subject to the applicable rules of the Hong Kong Stock Exchange and any other securities exchange on which any of the Company's securities are then listed, the Company from time to time may increase the Conversion Rate by any amount for a period of at least 20 Business Days if the Board of Directors determines that such increase would be in the Company's best interest, and the Company may (but is not required to) increase the Conversion Rate to avoid or diminish any income tax to holders of the Ordinary Shares or rights to purchase Ordinary Shares in connection with a dividend or distribution of Ordinary Shares (or rights to acquire Ordinary Shares) or similar event.

(h) Notwithstanding anything to the contrary in this Article 14, the Conversion Rate shall not be adjusted:

(i) upon the issuance of any Ordinary Shares or ADSs pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on the Company's securities and the investment of additional optional amounts in Ordinary Shares or ADSs under any plan;

(ii) upon the issuance of any Ordinary Shares or ADSs or options or rights to purchase those Ordinary Shares or ADSs pursuant to any present or future employee, director or consultant benefit plan or program of or assumed by the Company or any of the Company's Subsidiaries or Consolidated Affiliated Entities;

(iii) upon the issuance of any Ordinary Shares or ADSs pursuant to any option, warrant, right or exercisable, exchangeable or convertible security not described in clause (ii) of this subsection and outstanding as of the date the Notes were first issued;

(iv) upon the repurchase of any Ordinary Shares or ADSs pursuant to an open market share purchase program or other buy-back transaction, including derivative transactions or other buy-back transaction, that is not a tender offer or exchange offer of the kind described under Section 14.04(e) above;

(v) solely for a change in the par value of the Ordinary Shares; or

(vi) for accrued and unpaid interest, if any.

Notwithstanding anything to the contrary in this Article 14, the Company shall not be required to adjust the Conversion Rate unless such adjustment would require an increase or decrease of at least one percent; provided, however, that any such minor adjustments that are not required to be made will be carried forward and taken into account in any subsequent adjustment, and provided, further, that any such adjustment of less than one percent that has not been made shall be made upon the occurrence of (i) the Effective Date for any Fundamental Change or Make-Whole Fundamental Change, (ii) the Conversion Date of any Note and (iii) every one year anniversary of the first date of original issuance of the Notes. In addition, the Company shall not account for such deferrals when determining what number of shares of Ordinary Shares a Holder would have held on a given day had it converted its Notes.

(i) All calculations and other determinations under this Article 14 shall be made by the Company and shall be made to the nearest one-ten thousandth (1/10,000th) of an Ordinary Share. The Trustee and Agents shall not be required to make any calculations or other determinations under this Article 14.

(j) Whenever the Conversion Rate is adjusted as herein provided, the Company shall promptly file with the Trustee (and the Conversion Agent if not the Trustee) an Officers' Certificate setting forth the Conversion Rate after such adjustment and setting forth a brief statement of the facts requiring such adjustment. Unless and until the Conversion Agent or a Responsible Officer of the Trustee shall have received such Officers' Certificate, the Conversion Agent and the Trustee shall not be deemed to have knowledge of any adjustment of the Conversion Rate and may assume without inquiry that the last Conversion Rate of which it has knowledge is still in effect. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the Conversion Rate setting forth the adjusted Conversion Rate and the date on which each adjustment becomes effective and shall mail such notice of such adjustment of the Conversion Rate to each Holder at its last address appearing on the Note Register of this Indenture. Failure to deliver such notice shall not affect the legality or validity of any such adjustment.

(k) For purposes of this Section 14.04, the number of Ordinary Shares at any time outstanding shall not include Ordinary Shares held in the treasury of the Company (directly or in the form of ADSs) so long as the Company does not pay any dividend or make any distribution on Ordinary Shares held in the treasury of the Company (directly or in the form of ADSs), but shall include Ordinary Shares issuable in respect of scrip certificates issued in lieu of fractions of Ordinary Shares.

Section 14.05 *Adjustments of Prices*. Whenever any provision of this Indenture requires the Company to calculate the Last Reported Sale Prices of the Ordinary Shares for purposes of a Make-Whole Fundamental Change or the Redemption Reference Price for purposes of an Optional Redemption, a Cleanup Redemption, or a Tax Redemption pursuant to Article 16 over a span of multiple days, the Board of Directors shall make appropriate adjustments in good faith to each to account for any adjustment to the Conversion Rate that becomes effective pursuant to Section 14.04, or any event requiring an adjustment to the Conversion Rate pursuant to Section 14.04 where the Record Date, Record Date, Effective Date or expiration date, as the case may be, of the event occurs, at any time during the period when such Last Reported Sale Prices of the Ordinary Shares or Redemption Reference Price are to be calculated.

Section 14.06 *Ordinary Shares to Be Fully Paid*. The Company shall provide, free from preemptive rights, out of its authorized but unissued Ordinary Shares or Ordinary Shares held in treasury, a sufficient number of Ordinary Shares due upon conversion of the Notes from time to time as such Notes are presented for conversion (assuming that at the time of computation of such number of Ordinary Shares and all such Notes would be converted by a single Holder).

Section 14.07 *Effect of Recapitalizations, Reclassifications and Changes of the Ordinary Shares*.

(a) In the case of:

(i) any recapitalization, reclassification or change of the Ordinary Shares (other than changes resulting from a subdivision or combination),

(ii) any consolidation, merger, combination or similar transaction involving the Company,

(iii) any sale, lease or other transfer to a third party of the consolidated assets of the Company and the Company's Subsidiaries and Consolidated Affiliated Entities substantially as an entirety or

(iv) any statutory share exchange,

in each case, as a result of which the Ordinary Shares would be converted into, or exchanged for, stock, other securities, other property or assets (including cash or any combination thereof) (any such event, a "**Merger Event**"), then, prior to or at the effective time of such Merger Event, the Company or the successor or purchasing Person, as the case may be, shall execute with the Trustee a supplemental indenture permitted under Section 10.01(f) providing that, at and after the effective time of such Merger Event, the right to convert each US$1,000 principal amount of Notes shall be changed into a right to convert such principal amount of Notes into the kind and amount of shares of stock, other securities or other property or assets (including cash or any combination thereof) that a holder of a number of Ordinary Shares equal to the Conversion Rate immediately prior to such Merger Event would have owned or been entitled to receive (the "**Reference Property**," with each "**unit of Reference Property**" meaning the kind and amount of Reference Property that a holder of one Ordinary Share would be entitled to receive) upon such Merger Event; *provided*, *however*, that at and after the effective time of the Merger Event, the number of Ordinary Shares (or ADSs in lieu thereof) otherwise deliverable upon conversion of the Notes in accordance with Section 14.02 shall instead be deliverable in the amount and type of Reference Property that a holder of that number of Ordinary Shares would have been entitled to receive in such Merger Event.

If the Merger Event causes the Ordinary Shares to be converted into, or exchanged for, the right to receive more than a single type of consideration (determined based in part upon any form of holder election), then (i) the Reference Property into which the Notes will be convertible shall be deemed to be the weighted average of the types and amounts of consideration actually received by the holders of the Ordinary Shares and (ii) the unit of Reference Property for purposes of the immediately preceding paragraph shall refer to the consideration referred to in clause (i) attributable to one Ordinary Share. If the holders of the Ordinary Shares receive only cash in such Merger Event, then for all conversions for which the relevant Conversion Date occurs after the effective date of such Merger Event (A) the consideration due upon conversion of each US$1,000 principal amount of Notes shall be solely cash in an amount equal to the Conversion Rate in effect on the Conversion Date (as may be increased by any Additional Ordinary Shares pursuant to Section 14.03), multiplied by the price paid per Ordinary Share (converted into U.S. dollars at the Prevailing Rate on the effective date of such Merger Event), as applicable, in such Merger Event and (B) the Company shall satisfy the Conversion Obligation by paying cash to converting Holders on the tenth Business Day immediately following the relevant Conversion Date. The Company shall provide written notice to Holders, the Trustee and the Conversion Agent (if other than the Trustee) of such weighted average as soon as practicable after such determination is made.

Such supplemental indenture described in the second immediately preceding paragraph shall provide for anti-dilution and other adjustments that shall be as nearly equivalent as is practicable to the adjustments provided for in this Article 14 (it being understood that no such adjustments shall be required with respect to any portion of the Reference Property that does not consist of shares of Common Equity (however evidenced) or depositary receipts in respect thereof). If, in the case of any Merger Event, the Reference Property includes shares of stock, securities or other property or assets (including cash or any combination thereof) of a Person other than the Company or the successor or purchasing Person, as the case may be, in such Merger Event, then such other Person shall also execute such supplemental indenture, and such supplemental indenture shall contain such additional provisions to protect the interests of the Holders of the Notes, including the right of Holders to require the Company to repurchase their Notes upon a Fundamental Change pursuant to Section 15.02 and the right of Holders to require the Company to repurchase their Notes on the Repurchase Date pursuant to Section 15.01, as the Board of Directors shall reasonably consider necessary by reason of the foregoing.

(b) [*RESERVED*]

(c) The Company shall not become a party to any Merger Event unless its terms are consistent with this Section 14.07. None of the foregoing provisions shall affect the right of a Holder to convert its Notes into Ordinary Shares (or ADSs in lieu thereof), as set forth in Section 14.01 and Section 14.02 prior to the effective date of such Merger Event.

(d) The above provisions of this Section shall similarly apply to successive Merger Events.

Section 14.08 *Certain Covenants*. (a) The Company covenants that all Ordinary Shares delivered upon conversion of Notes, will be fully paid and non-assessable by the Company and free from all taxes, liens and charges with respect to the issue thereof.

(b) The Company covenants that, if any Ordinary Shares to be provided for the purpose of conversion of Notes hereunder require registration with or approval of any governmental authority under any federal or state law before such Ordinary Shares may be validly issued upon conversion, the Company will, to the extent then permitted by the rules and interpretations of the Commission, secure such registration or approval, as the case may be.

(c) The Company further covenants that if at any time the Ordinary Shares shall be listed on the Hong Kong Stock Exchange, the Company will list and keep listed, so long as the Ordinary Shares shall be so listed on the Hong Kong Stock Exchange, any Ordinary Shares deliverable upon conversion of the Notes.

(d) The Company further covenants to take all actions and obtain all approvals and registrations required with respect to the conversion of the Notes into ADSs and the issuance, and deposit into the ADS facility, of the Ordinary Shares represented by such ADSs. The Company also undertakes to maintain, as long as any Notes are outstanding, the effectiveness of a registration statement on Form F-6 relating to the ADSs and an adequate number of ADSs available for issuance thereunder such that ADSs can be delivered in accordance with the terms of this Indenture, the Notes and the Unrestricted Deposit Agreement or the Restricted Deposit Agreement and the Procedures Letter, as applicable, upon conversion of the Notes. In addition, the Company further covenants to provide Holders with a reasonably detailed description of the mechanics for the delivery of ADSs upon conversion of Notes as set forth in the Unrestricted Deposit Agreement, the Restricted Deposit Agreement and the Procedures Letter, as applicable, upon request.

Section 14.09 *Responsibility of Trustee*. The Trustee and the Conversion Agent shall not at any time be under any duty or responsibility to any Holder to determine the Conversion Rate (or any adjustment thereto) or whether any facts exist that may require any adjustment (including any increase) of the Conversion Rate, or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed, or herein or in any supplemental indenture provided to be employed, in making the same. The Trustee and the Conversion Agent shall not be accountable with respect to the validity or value (or the kind or amount) of any Ordinary Shares (or ADSs in lieu thereof), or of any securities, property or cash that may at any time be issued or delivered upon the conversion of any Note; and the Trustee and the Conversion Agent make no representations with respect thereto. Neither the Trustee nor the Conversion Agent shall be responsible for any failure of the Company to issue, transfer or deliver any Ordinary Shares (or ADSs in lieu thereof) or stock certificates or other securities or property or cash upon the surrender of any Note for the purpose of conversion, the accuracy or inaccuracy of any mathematical calculation or formulae under this Indenture, whether by the Company or any Person so authorized by the Company for such purpose under this Indenture or the failure by the Company to comply with any of the duties, responsibilities or covenants of the Company contained in this Article. Without limiting the generality of the foregoing, neither the Trustee nor the Conversion Agent shall be under any responsibility to determine (i) whether a supplemental indenture needs to be entered into or (ii) the correctness of any provisions contained in any supplemental indenture entered into pursuant to Section 14.07 or elsewhere in this Article 14 relating either to the kind or amount of Ordinary Shares (or ADSs in lieu thereof) or securities or property (including cash) receivable by Holders upon the conversion of their Notes after any event referred to in such Section 14.07 or to any adjustment to be made with respect thereto, but, subject to the provisions of Section 7.01 and Section 7.02, may accept (without any independent investigation) as conclusive evidence of the correctness of any such provisions, and shall be protected in relying upon, the Officers' Certificate (which the Company shall be obligated to file with the Trustee prior to the execution of any such supplemental indenture) with respect thereto.

Section 14.10 *Notice to Holders Prior to Certain Actions*. In case of any:

(a) action by the Company or one of its Subsidiaries that would require an adjustment in the Conversion Rate pursuant to Section 14.04 or Section 14.10;

(b) Merger Event; or

(c) voluntary or involuntary dissolution, liquidation or winding-up of the Company or any of its Subsidiaries;

then, in each case (unless notice of such event is otherwise required pursuant to another provision of this Indenture), the Company shall cause to be filed with the Trustee and the Conversion Agent (if other than the Trustee) and to be mailed to each Holder at its address appearing on the Note Register, as promptly as possible but in any event at least 20 days prior to the applicable date hereinafter specified, a notice stating (i) the date on which a record is to be taken for the purpose of such action by the Company or one of its Subsidiaries or, if a record is not to be taken, the date as of which the holders of Ordinary Shares or ADSs, as the case may be, of record are to be determined for the purposes of such action by the Company or one of its Subsidiaries, or (ii) the date on which such Merger Event, dissolution, liquidation or winding-up is expected to become effective or occur, and the date as of which it is expected that holders of Ordinary Shares or ADSs, as the case may be, of record shall be entitled to exchange their Ordinary Shares or ADSs, as the case may be, for securities or other property deliverable upon such Merger Event, dissolution, liquidation or winding-up. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such action by the Company or one of its Subsidiaries, Merger Event, dissolution, liquidation or winding-up.

Section 14.11 *Stockholder Rights Plans*. To the extent that the Company has a stockholders rights plan in effect upon conversion of the Notes into Ordinary Shares (or ADSs in lieu thereof), each Ordinary Share (or ADSs in lieu thereof) delivered upon such conversion shall be entitled to receive the appropriate number of rights, if any, and the certificates representing the Ordinary Shares (or ADSs in lieu thereof) delivered upon such conversion shall bear such legends, if any, in each case as may be provided by the terms of any such stockholder rights plan, as the same may be amended from time to time. However, if, prior to any Conversion Date, the rights have separated from the Ordinary Shares in accordance with the provisions of the applicable stockholder rights plan, the Conversion Rate shall be adjusted at the time of separation as if the Company distributed to all or substantially all holders of the Ordinary Shares Distributed Property as provided in Section 14.04(c), subject to readjustment in the event of the expiration, termination or redemption of such rights.

ARTICLE 15
REPURCHASE OF NOTES AT OPTION OF HOLDERS

Section 15.01 *Repurchase at Option of Holders*.

(a) Each Holder shall have the right, at such Holder's option, to require the Company to repurchase for cash on June 1, 2028 (the "**Repurchase Date**"), all of such Holder's Notes, or any portion thereof that is a minimum of US$200,000 principal amount and integral multiple of US$1,000 in excess thereof, at a repurchase price (the "**Repurchase Price**") that is equal to 100% of the principal amount of the Notes to be repurchased, plus accrued and unpaid interest to, but excluding, the Repurchase Date; provided that any such accrued and unpaid interest shall be paid not to the Holders submitting the Notes for repurchase on the Repurchase Date but instead to the Holders of such Notes at the close of business on the Regular Record Date immediately preceding the Repurchase Date. Not later than 20 Business Days prior to the Repurchase Date, the Company shall mail a notice (the "**Company Notice**") by first class mail to the Trustee, to the Paying Agent and the Conversion Agent (if other than the Trustee) and to each Holder at its address shown in the Note Register of the Note Registrar (and to beneficial owners as required by applicable law and to the Conversion Agent if other than the Trustee). The Company Notice shall include a Form of Repurchase Notice to be completed by a holder and shall state:

(i) the last date on which a Holder may exercise its repurchase right pursuant to this Section 15.01 (the "**Repurchase Expiration Time**");

(ii) the Repurchase Price;

(iii) the Repurchase Date;

(iv) the name and address of the Conversion Agent and Paying Agent;

(v) that the Notes with respect to which a Repurchase Notice has been delivered by a Holder may be converted only if the Holder withdraws the Repurchase Notice in accordance with the terms of this Indenture;

(vi) that the Holder shall have the right to withdraw any Notes surrendered prior to the Repurchase Expiration Time; and

(vii) the procedures a Holder must follow to exercise its repurchase rights under this Section 15.01 and a brief description of those rights.

At the Company's request, the Trustee shall give such notice in the Company's name and at the Company's expense; *provided*, *however*, that, in all cases, the text of such Company Notice shall be prepared by the Company.

Simultaneously with providing the Company Notice, the Company shall publish a notice containing the information included in the Company Notice in a manner that complies with the requirements for disclosure of information required as a result of the Company's listing on the Hong Kong Stock Exchange.

No failure of the Company to give the foregoing notices and no defect therein shall limit the Holders' repurchase rights or affect the validity of the proceedings for the repurchase of the Notes pursuant to this Section 15.01.

Repurchases of Notes under this Section 15.01 shall be made, at the option of the Holder thereof, upon:

(A) delivery to the Trustee (or other agent appointed for such purpose) by the Holder of a duly completed notice (the "**Repurchase Notice**") in the form set forth in Attachment 3 to the Form of Note attached hereto as Exhibit A, if the Notes are Physical Notes, or in compliance with the procedures of Euroclear and Clearstream for surrendering interests in global notes, if the Notes are Global Notes, in each case at any time during the period beginning from the open of business on the date that is 20 Business Days prior to the Repurchase Date until 5:00 p.m. Brussels time on the seventh Scheduled Trading Day immediately preceding the Repurchase Date; and

(B) delivery of the Notes, if the Notes are Physical Notes, to the Trustee at any time after delivery of the Repurchase Notice (together with all necessary endorsements) at the Corporate Trust Office of the Trustee (or other agent appointed for such purpose), or book-entry transfer of the Notes, if the Notes are Global Notes, in compliance with the procedures of Euroclear and Clearstream, in each case such delivery being a condition to receipt by the Holder of the Repurchase Price therefor.

Each Repurchase Notice shall state:

(A) in the case of Physical Notes, the certificate numbers of the Notes to be delivered for repurchase;

(B) the portion of the principal amount of the Notes to be repurchased, which must be US$200,000 or any amount in excess thereof which is an integral multiple of US$1,000; and

(C) that the Notes are to be repurchased by the Company pursuant to the applicable provisions of the Notes and this Indenture;

provided, *however*, that if the Notes are Global Notes, the Repurchase Notice must comply with appropriate procedures of Euroclear and Clearstream.

Notwithstanding anything herein to the contrary, any Holder delivering to the Trustee the Repurchase Notice contemplated by this Section 15.01 shall have the right to withdraw, in whole or in part, such Repurchase Notice at any time prior to the 5:00 p.m. Brussels time on the seventh Scheduled Trading Day immediately preceding the Repurchase Date by delivery of a duly completed written notice of withdrawal to the Trustee (or other agent appointed for such purpose) in accordance with Section 15.03.

The Trustee shall promptly notify the Company of the receipt by it of any Repurchase Notice or written notice of withdrawal thereof.

No Repurchase Notice with respect to any Notes may be delivered and no Note may be surrendered for repurchase pursuant to this Section 15.01 by a Holder thereof to the extent such Holder has also delivered a Fundamental Change Repurchase Notice with respect to such Note in accordance with Section 15.02 and not validly withdrawn such Fundamental Change Repurchase Notice in accordance with Section 15.03.

(b) Notwithstanding the foregoing, no Notes may be repurchased by the Company at the option of the Holders on the Repurchase Date if the principal amount of the Notes has been accelerated, and such acceleration has not been rescinded, on or prior to such Repurchase Date (except in the case of an acceleration resulting from a default by the Company in the payment of the Repurchase Price with respect to such Notes). The Trustee will promptly return to the respective Holders thereof any Physical Notes held by it during the acceleration of the Notes (except in the case of an acceleration resulting from a default by the Company in the payment of the Repurchase Price with respect to such Notes), or any instructions for book-entry transfer of the Notes in compliance with the procedures of Euroclear and Clearstream shall be deemed to have been cancelled, and, upon such return or cancellation, as the case may be, the Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

Section 15.02 *Repurchase at Option of Holders Upon a Fundamental Change*. (a) If a Fundamental Change occurs at any time, each Holder shall have the right, at such Holder's option, to require the Company to repurchase for cash all of such Holder's Notes, or any portion thereof that is in denominations of US$200,000 principal amount and integral multiples of US$1,000 in excess thereof, on the Business Day (the "**Fundamental Change Repurchase Date**") notified in writing by the Company as set forth in Section 15.02(c) that is not less than 20 Business Days or more than 35 Business Days following the date of the Fundamental Change Company Notice at a repurchase price equal to 100% of the principal amount thereof, *plus* accrued and unpaid interest thereon to, but excluding, the Fundamental Change Repurchase Date (the "**Fundamental Change Repurchase Price**"), unless the Fundamental Change Repurchase Date falls after a Regular Record Date but on or prior to the Interest Payment Date to which such Regular Record Date relates, in which case the Company shall instead pay the full amount of accrued and unpaid interest to Holders as of such Regular Record Date, and the Fundamental Change Repurchase Price shall be equal to 100% of the principal amount of Notes to be repurchased pursuant to this Article 15. The Trustee and the Conversion Agent, Paying Agent or any other agent appointed for such purpose shall have no responsibility to determine the Fundamental Change Repurchase Price.

(b) Repurchases of Notes under this Section 15.02 shall be made, at the option of the Holder thereof, upon:

(i) delivery to the Trustee (or other agent appointed for this purpose) by a Holder of a duly completed notice (the "**Fundamental Change Repurchase Notice**") in the form set forth in Attachment 2 to the Form of Note attached hereto as Exhibit A, if the Notes are Physical Notes, or in compliance with the procedures of Euroclear and Clearstream for surrendering interests in global notes, if the Notes are Global Notes, in each case on or before 5:00 p.m. Brussels time on the seventh Scheduled Trading Day immediately preceding the Fundamental Change Repurchase Date; and

(ii) delivery of the Notes, if the Notes are Physical Notes, at any time after delivery of the Fundamental Change Repurchase Notice (together with all necessary endorsements for transfer) at the Corporate Trust Office of the Trustee or to other agent appointed for such purpose, or book-entry transfer of the Notes, if the Notes are Global Notes, in compliance with the procedures of Euroclear and Clearstream, in each case such delivery being a condition to receipt by the Holder of the Fundamental Change Repurchase Price therefor.

The Fundamental Change Repurchase Notice in respect of any Notes to be repurchased shall state:

(i) in the case of Physical Notes, the certificate numbers of the Notes to be delivered for repurchase;

(ii) the portion of the principal amount of Notes to be repurchased, which must be that is in denominations of US$200,000 principal amount and integral multiples of US$1,000 in excess thereof; and

(iii) that the Notes are to be repurchased by the Company pursuant to the applicable provisions of the Notes and this Indenture;

provided, *however*, that if the Notes are Global Notes, the Fundamental Change Repurchase Notice must comply with appropriate procedures of Euroclear and Clearstream.

Notwithstanding anything herein to the contrary, any Holder delivering to the Trustee the Fundamental Change Repurchase Notice contemplated by this Section 15.02 shall have the right to withdraw, in whole or in part, such Fundamental Change Repurchase Notice at any time prior to 5:00 p.m. Brussels time on the seventh Scheduled Trading Day immediately preceding the Fundamental Change Repurchase Date by delivery of a duly completed written notice of withdrawal to the Trustee in accordance with Section 15.03.

The Trustee shall promptly notify the Company of the receipt by it of any Fundamental Change Repurchase Notice or written notice of withdrawal thereof.

No Fundamental Change Repurchase Notice with respect to any Notes may be delivered and no Note may be surrendered by a Holder for repurchase thereof if such Holder has also surrendered a Repurchase Notice in accordance with Section 15.01 and not validly withdrawn such Repurchase Notice in accordance with Section 15.03.

(c) On or before the 20th calendar day after the occurrence of the effective date of a Fundamental Change, the Company shall provide to all Holders, the Trustee (and the Conversion Agent, Paying Agent and any other agent appointed for this purpose, in each case, if other than the Trustee) a written notice (the "**Fundamental Change Company Notice**") of the occurrence of the effective date of the Fundamental Change and of the repurchase right at the option of the Holders arising as a result thereof. In the case of Physical Notes, such notice shall be by first class mail or, in the case of Global Notes, such notice shall be delivered in accordance with the applicable procedures of Euroclear and Clearstream. Simultaneously with providing such notice, the Company shall publish a notice containing the information set forth in the Fundamental Change Company Notice a manner that complies with the requirements for disclosure of information required as a result of the Company's listing on the Hong Kong Stock Exchange. Each Fundamental Change Company Notice shall specify:

(i) the events causing the Fundamental Change and whether such transaction or event also constitute a Make-Whole Fundamental Change;

(ii) the effective date of the Fundamental Change;

(iii) the last date on which a Holder may exercise the repurchase right pursuant to this Article 15;

(iv) the Fundamental Change Repurchase Price;

(v) the Fundamental Change Repurchase Date;

(vi) the name and address of the Trustee, the Paying Agent, the Conversion Agent or any other agent appointed for repurchase, if applicable;

(vii) if applicable, the Conversion Rate and any adjustments to the Conversion Rate as a result of such Fundamental Change if it is a Make-Whole Fundamental Change;

(viii) if applicable, that the Notes with respect to which a Fundamental Change Repurchase Notice has been delivered by a Holder may be converted only if the Holder withdraws the Fundamental Change Repurchase Notice in accordance with the terms of this Indenture;

(ix) the last day on which a holder may exercise a conversion right "in connection with" a Make-Whole Fundamental Change (if applicable); and

(x) the procedures that Holders must follow to require the Company to repurchase their Notes.

No failure of the Company to give the foregoing notices and no defect therein shall limit the Holders' repurchase rights or affect the validity of the proceedings for the repurchase of the Notes pursuant to this Section 15.02.

At the Company's request, the Trustee shall give such notice in the Company's name and at the Company's expense; *provided*, *however*, that, in all cases, the text of such Fundamental Change Company Notice shall be prepared by the Company.

(d) Notwithstanding the foregoing, no Notes may be repurchased by the Company on any date at the option of the Holders upon a Fundamental Change if the principal amount of the Notes has been accelerated, and such acceleration has not been rescinded, on or prior to such date (except in the case of an acceleration resulting from a default by the Company in the payment of the Fundamental Change Repurchase Price with respect to such Notes). The Trustee will promptly return to the respective Holders thereof any Physical Notes held by it during the acceleration of the Notes (except in the case of an acceleration resulting from a default by the Company in the payment of the Fundamental Change Repurchase Price with respect to such Notes), or any instructions for book-entry transfer of the Notes in compliance with the procedures of Euroclear and Clearstream shall be deemed to have been cancelled, and, upon such return or cancellation, as the case may be, the Fundamental Change Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

Section 15.03 *Withdrawal of Repurchase Notice or Fundamental Change Repurchase Notice*. (a) A Repurchase Notice or Fundamental Change Repurchase Notice may be withdrawn (in whole or in part) by means of a duly completed written notice of withdrawal delivered to the Trustee (or other agent appointed for such purpose) in accordance with this Section 15.03 at any time prior to 5:00 p.m. Brussels time on the seventh Scheduled Trading Day immediately preceding the Repurchase Date or prior to 5:00 p.m. Brussels time on the seventh Scheduled Trading Day immediately preceding the Fundamental Change Repurchase Date, as the case may be, specifying:

(i) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted,

(ii) if Physical Notes have been issued, the certificate number of the Note in respect of which such notice of withdrawal is being submitted, and

(iii) the principal amount, if any, of such Note that remains subject to the original Repurchase Notice or Fundamental Change Repurchase Notice, as the case may be, which portion must be in denominations of US$200,000 principal amount and integral multiples of US$1,000 in excess thereof ;

provided, *however*, that if the Notes are Global Notes, the notice must comply with appropriate procedures of Euroclear and Clearstream.

Section 15.04 *Deposit of Repurchase Price or Fundamental Change Repurchase Price*. (a) The Company will deposit with the Paying Agent (or any other agent appointed for this purpose by the Company), or if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust as provided in Section 4.04) on or prior to 10:00 a.m., Hong Kong time, one Business Day prior to the Repurchase Date or Fundamental Change Repurchase Date, as the case may be, an amount of money sufficient to repurchase all of the Notes to be repurchased at the appropriate Repurchase Price or Fundamental Change Repurchase Price. Subject to receipt of funds and/or Notes by the Paying Agent (or other agent appointed for this purpose by the Company) and the Trustee, as applicable, payment for Notes surrendered for repurchase (and not withdrawn in accordance with Section 15.03) will be made on the Repurchase Date or Fundamental Change Repurchase Date, as the case may be, (*provided* the Holder has satisfied the conditions in Section 15.01 or Section 15.02, as the case may be), by mailing checks for the amount payable to the Holders of such Notes entitled thereto as they shall appear in the Note Register; *provided*, *however*, that payments to the Common Depositary shall be made by wire transfer of immediately available funds to the account of the Common Depositary or its nominee. The Paying Agent (or other agent appointed for this purpose by the Company) shall, promptly after such payment and upon written demand by the Company, return to the Company any funds in excess of the Repurchase Price or Fundamental Change Repurchase Price, as the case may be.

(b) If by 10:00 a.m., Hong Kong time, on the Repurchase Date or Fundamental Change Repurchase Date, as the case may be, the Paying Agent (or other agent appointed for this purpose by the Company) holds money sufficient to make payment on all the Notes or portions thereof that are to be repurchased on such Repurchase Date or Fundamental Change Repurchase Date, as the case may be, then, with respect to the Notes that have been properly surrendered for repurchase and not validly withdrawn, on such Repurchase Date or Fundamental Change Repurchase Date, as the case may be, (i) such Notes will cease to be outstanding, (ii) interest will cease to accrue on such Notes (whether or not book-entry transfer of the Notes has been made or the Notes have been delivered to the Trustee) and (iii) all other rights of the Holders of such Notes will terminate (other than the right to receive the Repurchase Price or Fundamental Change Repurchase Price, as the case may be, and previously accrued and unpaid interest upon delivery or transfer of the Notes to the extent not included in the Repurchase Price or Fundamental Change Repurchase Price, as the case may be).

(c) Upon surrender of a Note that is to be repurchased in part pursuant to Section 15.01 or Section 15.02, the Company shall execute and the Trustee, upon receipt of a Company Order, shall authenticate and deliver to the Holder a new Note in an authorized denomination equal in principal amount to the unrepurchased portion of the Note surrendered.

Section 15.05 *Covenant to Comply with Applicable Laws Upon Repurchase of Notes*. In connection with any repurchase offer, the Company will, if required:

(a) comply with the provisions of Rule 13e-4, Rule 14e-1 and any other tender offer rules under the Exchange Act;

(b) file a Schedule TO or any other required schedule under the Exchange Act; and

(c) otherwise comply with (x) all federal and state securities laws and (y) other laws and regulations applicable to the Company due to its listed equity being listed on any stock exchange in connection with any offer by the Company to repurchase the Notes;

in each case, so as to permit the rights and obligations under this Article 15 to be exercised in the time and in the manner specified in this Article 15.

ARTICLE 16
REDEMPTION

Section 16.01 *Redemption for Changes in the Tax Law of the Relevant Jurisdiction*. (a) Other than as described in this Article 16, the Notes may not be redeemed by the Company at its option prior to maturity. If the Company has, or on the next Interest Payment Date would, become obligated to pay to the Holder of any Note Additional Amounts that are more than a *de minimis* amount, as a result of:

(i) any change or amendment that is publicly announced and that becomes effective on or after May 21, 2025 (or, in the case of a jurisdiction that becomes a Relevant Jurisdiction after such date, after such later date) in the laws or any rules or regulations of a Relevant Jurisdiction; or

(ii) any change that is publicly announced and that becomes effective on or after May 21, 2025 (or, in the case of a jurisdiction that becomes a Relevant Jurisdiction after such date, after such later date) in an interpretation, administration or application of such laws, rules or regulations by any legislative body, court, governmental agency, taxing authority or regulatory or administrative authority of such Relevant Jurisdiction (including the enactment of any legislation and the announcement or publication of any judicial decision or regulatory or administrative interpretation or determination);

(each, a "**Change in Tax Law**"), the Company may, at its option, at any time before the 46th Scheduled Trading Day immediately preceding the Maturity Date, redeem all but not part of the Notes (except in respect of certain Holders that elect otherwise as described below) at a redemption price equal to 100% of the principal amount thereof (the "**Redemption Price**"), plus accrued and unpaid interest, if any, to, but not including the date fixed by the Company for redemption (the "**Redemption Date**"), and including, for the avoidance of doubt, any Additional Amounts with respect to such interest and such Redemption Price (such redemption, a "**Tax Redemption**"); provided that the Company may only redeem the Notes if: (i) the Company cannot avoid such obligations by taking commercially reasonable measures available to the Company (provided that changing the jurisdiction of incorporation of the Company shall be deemed not to be a commercially reasonable measure); and (ii) the Company delivers to the Trustee an opinion of outside legal counsel of recognized standing in the Relevant Jurisdiction and an Officers' Certificate attesting to such Change in Tax Law and obligation to pay Additional Amounts. The Trustee shall and is entitled to rely upon such opinion and Officers' Certificate (without further investigation and enquiry) and it shall be conclusive and binding on the Holders.

Notwithstanding anything to the contrary in this Article 16, neither the Company nor any successor Person may redeem any of the Notes in the case that Additional Amounts are payable in respect of PRC withholding tax and any other tax collected at source at the Applicable PRC Rate or less solely as a result of the Company or its successor Person being considered a PRC tax resident under the PRC Enterprise Income Tax law.

(b) If the Redemption Date for the Tax Redemption occurs after a Regular Record Date and on or prior to the corresponding Interest Payment Date, the Company shall on or, at its election, before such Interest Payment Date, pay the full amount of accrued and unpaid interest, if any, and any Additional Amounts with respect to such interest, due on such Interest Payment Date to the record Holder of the Notes on the Regular Record Date corresponding to such Interest Payment Date, and the Redemption Price payable to any Holder (other than a Holder that elects to not have its Notes redeemed pursuant to the provisions described below) shall be equal to 100% of the principal amount of such Note to be redeemed, including, for the avoidance of doubt, any Additional Amounts with respect to such Redemption Price. The Company shall notify the Trustee in writing of its election and the date on which such interest and any Additional Amounts with respect to such interest shall be paid at the time the Company provides notice of such redemption.

(c) Upon receiving the Redemption Notice for a Tax Redemption, each Holder shall have the right to elect to not have its Notes redeemed, provided that (i) the Company shall not be obligated to pay any Additional Amounts on any payment with respect to such Notes solely as a result of such Change in Tax Law that resulted in the obligation to pay such Additional Amounts (whether of interest or any payment upon required repurchase in connection with a Fundamental Change or on the Repurchase Date, at maturity or otherwise) after the Redemption Date (or, if the Company fails to pay the Redemption Price on the Redemption Date, such later date on which the Company pays the Redemption Price), and (ii) all future payments with respect to such Notes shall be subject to the deduction or withholding of such Relevant Taxing Jurisdiction and taxes required by law to be deducted or withheld as a result of such Change in Tax Law.

(d) Subject to the applicable procedures of Euroclear and Clearstream in the case of Global Notes, a Holder electing to not have its Notes redeemed pursuant to this Section 16.01 must deliver to the Paying Agent a written notice of election so as to be received by the Paying Agent no later than the close of business on the seventh Scheduled Trading Day immediately preceding the Redemption Date; provided that, a Holder that complies with the requirements for conversion in Section 14.02(b) prior to the close of business on the seventh Scheduled Trading Day immediately preceding the Redemption Date shall be deemed to have delivered a notice of its election to not have its Notes so redeemed. A Holder may withdraw any notice of election (other than such a deemed notice of election in connection with a conversion) by delivering to the Paying Agent a written notice of withdrawal prior to the close of business on the seventh Scheduled Trading Day immediately preceding the Redemption Date (or, if the Company fails to pay the Redemption Price on the Redemption Date, such later date on which the Company pays the Redemption Price). If no election is made or deemed to have been made, the Holder shall have its Notes redeemed without any further action.

Section 16.02 *Optional Redemption on or after June 6, 2028*. (a) Except as described in Section 16.01 and Section 16.03, the Notes may not be redeemed by the Company at its option prior to June 6, 2028. The Company may redeem for cash all or any part of the Notes, at its option, on a Redemption Date on or after June 6, 2028 and before the 46th Scheduled Trading Day immediately preceding the Maturity Date, if (x) the notes are Freely Tradable, and all accrued and unpaid Additional Interest, if any, has been paid in full, as of the date the Company sends such notice, and (y) the Last Reported Sale Price of the Ordinary Shares has been at least 130% of the Conversion Price then in effect for at least 20 Trading Days (whether or not consecutive) during any 30 consecutive Trading Day period (including the last Trading Day of such period) ending on, and including, the Trading Day immediately preceding the Redemption Notice Date (such redemption, an "**Optional Redemption**").

(b) The Redemption Price for an Optional Redemption shall be equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the Redemption Date; provided, however, that if the Redemption Date occurs after a Regular Record Date and on or prior to the corresponding Interest Payment Date, then (i) the Company shall pay on the Interest Payment Date the full amount of accrued and unpaid interest, if any, due on such Interest Payment Date to the record Holder of the Notes on the Regular Record Date corresponding to such Interest Payment Date, and (ii) the Redemption Price payable to the Holder who presents a Note for the Optional Redemption shall be equal to 100% of the principal amount of such Note, without the accrued and unpaid interest on such Note to, but excluding, the Redemption Date.

(c) If less than all Notes then outstanding are called for an Optional Redemption, then the Notes will be redeemed (in principal amounts of US$200,000 or any amount in excess thereof which is an integral multiple of US$1,000) (subject to rounding to the nearest US$1,000 principal amount) and will be selected as follows:

(i) if the Notes selected are listed on any national securities exchange and/or being held through Euroclear and/or Clearstream or any clearing systems, in compliance with the requirements of the principal national securities exchange on which the notes are listed and/or in compliance with the requirements of the applicable clearing system;

(ii) if the Notes selected are not listed on any national securities exchange or held through any clearing systems, on a pro rata basis or by such method as the Trustee in its sole and absolute discretion deems fair and appropriate.

(d) If a portion of a Holder's Notes are selected for a partial Optional Redemption and the Holder converts a portion of such Notes, the converted portion shall be deemed to be from the portion selected for such Optional Redemption.

(e) If the Company elects to redeem less than all of the outstanding Notes pursuant to this Section 16.01(a), and the Holder of any Note, or any owner of a beneficial interest in any Global Note, is reasonably not able to determine, before the close of business on the 47th Scheduled Trading Day immediately preceding the Redemption Date, whether such Note or beneficial interest, as applicable, is to be redeemed pursuant to such Optional Redemption, then such Holder or owner, as applicable, will be entitled to convert such Note or beneficial interest, as applicable, at any time before the 5:00 p.m. Brussels time on the seventh Scheduled Trading Day immediately before such Redemption Date, and each such conversion will be deemed to be of a Note called for Optional Redemption for purposes of this Section 16.01(a) and Section 14.03(g).

(f) In the event of any Optional Redemption in part, the Company shall not be required to register the transfer of or exchange any Note so selected for Optional Redemption, in whole or in part, except the non-redeemed portion of any Note being redeemed in part.

Section 16.03 *Cleanup Redemption*. (a) The Company may redeem for cash all but not part of the Notes at any time, on a Redemption Date before the 46th Scheduled Trading Day immediately precedent the Maturity Date, if less than 10% (as increased by an amount equal to 10% of the aggregate principal amount of any additional Notes purchased by the Initial Purchasers pursuant to the exercise of their option to purchase additional Notes as set forth in the Purchase Agreement) aggregate principal amount of Notes remains outstanding at such time (such redemption, a "**Cleanup Redemption**").

(b) The Redemption Price for a Cleanup Redemption shall be equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the Redemption Date; provided, however, that if the Redemption Date occurs after a Regular Record Date and on or prior to the corresponding Interest Payment Date, then (i) the Company shall pay on the Interest Payment Date the full amount of accrued and unpaid interest, if any, due on such Interest Payment Date to the record Holder of the Notes on the Regular Record Date corresponding to such Interest Payment Date, and (ii) the Redemption Price payable to the Holder who presents a Note for the Cleanup Redemption shall be equal to 100% of the principal amount of such Note, without the accrued and unpaid interest on such Note to, but excluding, the Redemption Date.

Section 16.04 *Redemption Notice*. (a) To call any Notes for a redemption pursuant to Article 16, the Company shall (x) provide a Redemption Notice not less than 52 Scheduled Trading Days but no more than 67 Scheduled Trading Days before the Redemption Date to the Trustee, the Conversion Agent (if other than the Trustee), the Paying Agent (if other than the Trustee) and each Holder of Notes selected for redemption, and (y) simultaneously therewith, publish a notice in a manner that complies with the requirements for disclosure of information required as a result of the Company's listing on the Hong Kong Stock Exchange containing the information set forth in the Redemption Notice. The Redemption Date must be a Business Day. The Company may not specify a Redemption Date that falls on or after the 46th Scheduled Trading Day immediately preceding the Maturity Date. The Company will make a good faith effort to provide the final form of the Redemption Notice to the Trustee and the Paying Agent at least five days prior to the Redemption Notice Date. A Redemption Notice, if given in the manner herein provided, shall be conclusively presumed to have been duly given, whether or not the Holder receives such notice. In any case, failure to give such Redemption Notice or any defect in the Redemption Notice to the Holder of any Note designated for redemption as a whole or in part shall not affect the validity of the proceedings for a redemption of any other Note.

(b) Such Redemption Notice must state:

(i) that the Notes have been called for redemption, briefly describing the Company's redemption right under this Indenture;

(ii) the Redemption Date for such redemption;

(iii) the Redemption Price per US$1,000 principal amount of Notes (and, if the Redemption Date is after a Regular Record Date and on or before the next Interest Payment Date, the amount, manner and timing of the interest payment payable);

(iv) the name and address of the Paying Agent and the Conversion Agent;

(v) that Notes called for redemption may be converted at any time during the related Redemption Period;

(vi) the Conversion Rate in effect on the Redemption Notice Date for such redemption and a description and quantification of any adjustments to the Conversion Rate that may result from such redemption (including pursuant to Section 14.03(g)); and

(vii) the ISIN or Common Code numbers, if any, of the Notes.

Section 16.05 *No Redemption upon Acceleration*. No Notes may be redeemed by the Company or its successor if the principal amount of the Notes has been accelerated, and such acceleration has not been rescinded, on or prior to the Redemption Date (except in the case of an acceleration resulting from a Default by the Company in the payment of the Redemption Price with respect to such Notes).

ARTICLE 17
MISCELLANEOUS PROVISIONS

Section 17.01 *Provisions Binding on Company's Successors*. All the covenants, stipulations, promises and agreements of the Company contained in this Indenture shall bind its successors and assigns whether so expressed or not.

Section 17.02 *Official Acts by Successor Corporation*. Any act or proceeding by any provision of this Indenture authorized or required to be done or performed by any board, committee or Officer of the Company shall and may be done and performed with like force and effect by the like board, committee or officer of any corporation or other entity that shall at the time be the lawful sole successor of the Company.

Section 17.03 *Addresses for Notices, Etc.* Any notice or demand that by any provision of this Indenture is required or permitted to be given or served by the Trustee or by the Holders on the Company shall be deemed to have been sufficiently given or made, for all purposes if given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed (until another address is filed by the Company with the Trustee) to Building 3, Guozheng Center, No. 485 Zhengli Road, Yangpu District, Shanghai, People's Republic of China. Any notice, direction, request or demand hereunder to or upon the Trustee shall be given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed to Deutsche Bank Trust Company Americas, Trust and Agency Services, 1 Columbus Circle, 4th FL., New York, NY 10019, Attn: Corporates Team, BILIBILI INC. DEAL ID AA7739, Facsimile: (732) 578-4635.

All notices and other communications under this Indenture shall be in writing in English.

So long as and to the extent that the Notes are represented by Global Notes and such Global Notes are held by Euroclear and Clearstream, notices to owners of beneficial interests in the Global Notes may be given by delivery of the relevant notice to Euroclear and Clearstream for communication by it to entitled account holders.

The Company hereby acknowledges that it is fully aware of the risks associated with transmitting instructions via electronic methods (including facsimile), and being aware of these risks, authorizes the Trustee to accept and act upon any instruction sent to it or any Paying Agent, Transfer Agent, Conversion Agent or Note Registrar in the Company's name or in the name of one or more appropriate authorized signers of the Company via electronic methods (including facsimile). The Trustee shall be entitled to rely on Section 7.06 of this Indenture when accepting or acting upon any instructions, communications or documents transmitted by facsimile, and shall not be liable in the event any facsimile transmission is not received, or is mutilated, illegible, interrupted, duplicated, incomplete, unauthorized or delayed for any reason, including (but not limited to) electronic or telecommunications failure.

Furthermore, notwithstanding the above, if any Trustee receives information or instructions delivered by electronic mail, other electronic method or other unsecured method of communication believed by it to be genuine and to have been sent by the proper person or persons, the Trustee or any Paying Agent, Transfer Agent, Conversion Agent or Note Registrar shall have (i) no duty or obligation to verify or confirm that the person who sent such instructions is in fact a person authorized to give instructions or directions on behalf of the Company and (ii) absent its or their gross negligence or willful misconduct, no liability for any losses, liabilities, costs or expenses incurred or sustained by any holder, the Company or any other person as a result of such reliance on or compliance with such information or instructions.

The Trustee, by notice to the Company, may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Holder shall be mailed to it by first class mail, postage prepaid, at its address as it appears on the Note Register and shall be sufficiently given to it if so mailed within the time prescribed.

Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice to Holders by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

Section 17.04 *Governing Law; Jurisdiction*. THIS INDENTURE AND EACH NOTE, AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS INDENTURE AND EACH NOTE, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

The Company irrevocably consents and agrees, for the benefit of the Holders from time to time of the Notes and the Trustee, that any legal action, suit or proceeding against it with respect to obligations, liabilities or any other matter arising out of or in connection with this Indenture or the Notes may be brought in the courts of the State of New York or the courts of the United States located in the Borough of Manhattan, New York City, New York and, until amounts due and to become due in respect of the Notes have been paid, hereby irrevocably consents and submits to the non-exclusive jurisdiction of each such court *in personam*, generally and unconditionally with respect to any action, suit or proceeding for itself in respect of its properties, assets and revenues.

The Company irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions, suits or proceedings arising out of or in connection with this Indenture brought in the courts of the State of New York or the courts of the United States located in the Borough of Manhattan, New York City, New York and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

Section 17.05 *Submission to Jurisdiction; Service of Process*. The Company irrevocably appoints Cogency Global Inc. of 122 E. 42nd St. 18th Fl. New York, NY 10168 as its authorized agent in the Borough of Manhattan in the City of New York upon which process may be served in any such suit or proceeding, and agrees that service of process upon such agent, and written notice of said service to the Company by the person serving the same to Floor 6, Building 3, No. 485 Zhengli Road, Shanghai, People's Republic of China, shall be deemed in every respect effective service of process upon the Company in any such suit or proceeding. The Company further agrees to take any and all action as may be necessary to maintain such designation and appointment of such agent in full force and effect for a period of six years from the date of this Indenture. If for any reason such agent shall cease to be such agent for service of process, the Company shall forthwith appoint a new agent of recognized standing for service of process in the State of New York and deliver to the Trustee a copy of the new agent's acceptance of that appointment within ten Business Days of such acceptance. Nothing herein shall affect the right of the Trustee, any agent or any Holder to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the Company in any other court of competent jurisdiction. To the extent that the Company has or hereafter may acquire any sovereign or other immunity from jurisdiction of any court or from any legal process with respect to itself or its property, the Company irrevocably waives such immunity in respect of its obligations hereunder or under any Note.

Section 17.06 *Evidence of Compliance with Conditions Precedent; Certificates and Opinions of Counsel to Trustee*. Upon any application or demand by the Company to the Trustee to take any action under any of the provisions of this Indenture, the Company shall, if requested by the Trustee, furnish to the Trustee an Officers' Certificate stating that such action is permitted by the terms of this Indenture.

Each Officers' Certificate provided for, by or on behalf of the Company in this Indenture and delivered to the Trustee with respect to compliance with this Indenture (other than the Officers' Certificates provided for in Section 4.09) shall include (a) a statement that the person making such certificate is familiar with the requested action and this Indenture; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statement contained in such certificate is based; (c) a statement that, in the judgment of such person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed judgment as to whether or not such action is permitted by this Indenture; and (d) a statement as to whether or not, in the judgment of such person, such action is permitted by this Indenture.

Notwithstanding anything to the contrary in this Section 17.06, if any provision in this Indenture specifically provides that the Trustee shall or may receive an Opinion of Counsel in connection with any action to be taken by the Trustee or the Company hereunder, the Trustee shall be entitled to, or entitled to request, such Opinion of Counsel.

Section 17.07 *Legal Holidays*. In any case where any Interest Payment Date, Redemption Date, Fundamental Change Repurchase Date, Conversion Date, Repurchase Date or Maturity Date is not a Business Day, then any action to be taken on such date need not be taken on such date, but may be taken on the next succeeding Business Day with the same force and effect as if taken on such date, and no interest shall accrue in respect of the delay.

Section 17.08 *No Security Interest Created*. Nothing in this Indenture or in the Notes, expressed or implied, shall be construed to constitute a security interest under the Uniform Commercial Code or similar legislation, as now or hereafter enacted and in effect, in any jurisdiction.

Section 17.09 *Benefits of Indenture*. Nothing in this Indenture or in the Notes, expressed or implied, shall give to any Person, other than the Holders, the parties hereto, any Paying Agent, any Conversion Agent, any Note Registrar and their successors hereunder, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 17.10 *Table of Contents, Headings, Etc.* The table of contents and the titles and headings of the articles and sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

Section 17.11 *Execution in Counterparts*. This Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

Facsimile, documents executed, scanned and transmitted electronically and electronic signatures, including those created or transmitted through a software platform or application, shall be deemed original signatures for purposes of this Indenture and all other related documents and all matters and agreements related thereto, with such facsimile, scanned and electronic signatures having the same legal effect as original signatures. The parties agree that this Indenture or any other related document or any instrument, agreement or document necessary for the consummation of the transactions contemplated by this Indenture or the other related documents or related hereto or thereto (including, without limitation, addendums, amendments, notices, instructions, communications with respect to the delivery of securities or the wire transfer of funds or other communications) ("**Executed Documentation**") may be accepted, executed or agreed to through the use of an electronic signature in accordance with applicable laws, rules and regulations in effect from time to time applicable to the effectiveness and enforceability of electronic signatures. Any Executed Documentation accepted, executed or agreed to in conformity with such laws, rules and regulations will be binding on all parties hereto to the same extent as if it were physically executed and each party hereby consents to the use of any third party electronic signature capture service providers as may be reasonably chosen by a signatory hereto or thereto. When the Trustee acts on any Executed Documentation sent by electronic transmission, the Trustee will not be responsible or liable for any losses, costs or expenses arising directly or indirectly from its reliance upon and compliance with such Executed Documentation, notwithstanding that such Executed Documentation (a) may not be an authorized or authentic communication of the party involved or in the form such party sent or intended to send (whether due to fraud, distortion or otherwise) or (b) may conflict with, or be inconsistent with, a subsequent written instruction or communication; it being understood and agreed that the Trustee shall conclusively presume that Executed Documentation that purports to have been sent by an authorized officer of a Person has been sent by an authorized officer of such Person. The party providing Executed Documentation through electronic transmission or otherwise with electronic signatures agrees to assume all risks arising out of such electronic methods, including, without limitation, the risk of the Trustee acting on unauthorized instructions and the risk of interception and misuse by third parties.

Section 17.12 *Severability*. In the event any provision of this Indenture or in the Notes shall be invalid, illegal or unenforceable, then (to the extent permitted by law) the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired.

Section 17.13 *Waiver of Jury Trial*. EACH OF THE COMPANY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 17.14 *Force Majeure*. In no event shall the Trustee or the Agents be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, epidemic, pandemic, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee or the Agents, as the case may be, shall use reasonable efforts that are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 17.15 *Calculations*. Except as otherwise provided herein, the Company shall be solely responsible for making all calculations called for under the Notes. These calculations include, but are not limited to, determinations of the Last Reported Sale Prices of the Ordinary Shares, accrued interest payable on the Notes, any Additional Interest or Additional Amounts payable on the Notes, the number of Additional Ordinary Shares to be added to the Conversion Rate upon a Make-Whole Fundamental Change, if any, the Conversion Rate of the Notes and any adjustments thereto, and currency conversions. The Company shall make all these calculations in good faith and, absent manifest error, the Company's calculations shall be final and binding on Holders. The Company will provide a schedule of its calculations to each of the Trustee, the Paying Agent and the Conversion Agent, and each of the Trustee, the Paying Agent and the Conversion Agent has no duty to determine, calculate or verify such calculation and will not be responsible to the Holders or any other person for any losses, costs or expenses arising from any failure by it to do so and is entitled to rely conclusively and without liability upon the accuracy of the Company's calculations without independent verification. The Trustee will forward the Company's calculations to any Holder of Notes upon the prior written request of that Holder at the sole cost and expense of the Company. Unless otherwise specified herein, all calculations based on the price of Ordinary Shares are converted into U.S. dollars using the Prevailing Rate on the relevant day of calculation.

Section 17.16 *U.S.A. Patriot Act*. The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The Company agrees that it will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

Section 17.17 *Anti-money laundering.* An Agent or the Trustee may take and instruct any delegate or agent to take any action which it in its sole discretion considers appropriate so as to comply with any applicable law, regulation, request of a public or regulatory authority or any policy of such Agent or the Trustee (including, but not limited to, know your client and other compliance policies) which relates to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other services to sanctioned persons or entities. Such action may include but is not limited to the interception and investigation of transactions on the Company's or any Holder's accounts (particularly those involving the international transfer of funds) including the source of the intended recipient of fund paid into or out of the Company's or any Holder's accounts. In certain circumstances, such action may delay or prevent the processing of the instructions of the Company, the settlement of transactions over the Company's or any Holder's accounts or an Agent's or the Trustee's performance of its obligations under this Indenture. Neither an Agent, the Trustee nor, any delegate will be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) caused in whole or in part by any actions which are taken by the Agent, the Trustee or any delegate or agent pursuant to this Section 17.17.

Section 17.18 *Electronic Communications*. Each Agent and the Trustee may rely upon and comply with instructions and directions sent by electronic mail, facsimile and other similar unsecured electronic methods ("**Electronic Methods**") by persons believed by it to be authorised to give instructions and directions on behalf of the Company. Each Agent and the Trustee shall have no duty or obligation to verify or confirm that the person who sent such instructions or directions is, in fact, a person authorised to give instructions or directions on behalf of the Company (other than to verify that the signature on a facsimile is the signature of a person authorised to give instructions and directions on behalf of the Company) and shall have no liability for any losses, liabilities, costs or expenses incurred or sustained by the Company, the Holders, or any other person as a result of such reliance upon or compliance with such instructions or directions. The Company agrees to assume all risks arising out of the use of Electronic Methods to submit, deliver or give communications, instructions and directions to any Agent or the Trustee, including without limitation the risk of any Agent or the Trustee acting on unauthorised communications, instructions or directions, and the risk of interception and misuse by third parties. The Company agrees that the indemnity set out in Section 7.06 shall apply in respect of any loss or liability suffered by any Agent or the Trustee as a result of acting upon communications, instructions and directions sent by Electronic Methods.

Section 17.19 *Bank Recovery and Resolution Directive*. Notwithstanding any other term of this Indenture or any other agreements, arrangements, or understanding between (a) the Company and its controlling persons, partners, directors, officers, employees and affiliates, and each person who controls, the Company (each a "***BRRD Party"***), (b) the Agents and (c) the Trustee, each BRRD Party acknowledges, accepts, and agrees to be bound by: (A) the effect of the exercise of Bail-in Powers by the Relevant Resolution Authority in relation to any BRRD Liability of any BRRD Party to the Trustee under this Indenture, that (without limitation) may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the BRRD Liability or outstanding amounts due thereon; (ii) the conversion of all, or a portion, of the BRRD Liability into shares, other securities or other obligations of any BRRD Party or another person (and the issue to or conferral on the Trustee of such shares, securities or obligations); (iii) the cancellation of the BRRD Liability; (iv) the amendment or alteration of any interest, if applicable, thereon, the maturity or the dates on which any payments are due, including by suspending payment for a temporary period; and (B) the variation of the terms of this Indenture, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of Bail-in Powers by the Relevant Resolution Authority.

For the purpose of this Section 17.19:

(a) ***affiliate*** means in relation to the Company, any company which is the Company's holding company or subsidiary, or any subsidiary of its holding company or which directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Company;

(b) ***Bail-in Legislation*** means in relation to a member state of the European Economic Area which has implemented, or which at any time implements, the BRRD, the relevant implementing law, regulation, rule or requirement as described in the EU Bail-in Legislation Schedule from time to time;

(c) ***Bail-in Powers*** means any Write-down and Conversion Powers as defined in relation to the relevant Bail-in Legislation;

(d) ***BRRD*** means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms; "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise;

(e) ***EU Bail-in Legislation Schedule*** means the document described as such, then in effect, and published by the Loan Market Association (or any successor person) from time to time at http://www.lma.eu.com/;

(f) ***BRRD Liability*** has the same meaning as in such laws, regulations, rules or requirements implementing the BRRD under the applicable Bail-in Legislation; and

(g) ***Relevant Resolution Authority*** means the resolution authority with the ability to exercise any Bail-in Powers in relation to any BRRD Party as defined in this Section.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the date first above written.

BILIBILI INC.

By: _____
Name:
Title:

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee

By: _____
Name:
Title:

By: _____
Name:
Title:

DEUTSCHE BANK AG, HONG KONG BRANCH, as the Registrar, Paying Agent, Transfer Agent and Conversion Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

EXHIBIT A

[FORM OF FACE OF NOTE]

[INCLUDE FOLLOWING LEGEND IF A GLOBAL NOTE]

[THIS IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE COMMON DEPOSITARY OR A NOMINEE OF THE COMMON DEPOSITARY, WHICH MAY BE TREATED BY THE COMPANY, THE TRUSTEE AND ANY AGENT THEREOF AS THE OWNER AND HOLDER OF THIS NOTE FOR ALL PURPOSES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DEUTSCHE BANK AG, HONG KONG BRANCH, AS COMMON DEPOSITARY (THE "COMMON DEPOSITARY") FOR EUROCLEAR BANK SA/NV AND CLEARSTREAM BANKING S.A., TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF THE COMMON DEPOSITARY OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE COMMON DEPOSITARY (AND ANY PAYMENT IS MADE TO THE COMMON DEPOSITARY OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE COMMON DEPOSITARY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, THE COMMON DEPOSITARY, HAS AN INTEREST HEREIN.]

[INCLUDE FOLLOWING LEGEND IF A RESTRICTED SECURITY]

[THIS SECURITY AND CLASS Z ORDINARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY (OR AMERICAN DEPOSITARY SHARES DELIVERABLE IN LIEU THEREOF) HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ARE "RESTRICTED SECURITIES" WITHIN THE MEANING OF RULE 144 UNDER THE SECURITIES ACT OR CONTRACTUALLY RESTRICTED SECURITIES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF (OR THEREOF) OR OF A BENEFICIAL INTEREST HEREIN (OR THEREIN), THE ACQUIRER:

(1) REPRESENTS THAT IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT AND THAT IT AND ANY SUCH ACCOUNT IS NOT, AND HAS NOT BEEN FOR THE IMMEDIATELY PRECEDING THREE MONTHS, AN AFFILIATE OF BILIBILI INC. (THE "C**OMPANY**"), AND

(2) AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY AND THE CLASS Z ORDINARY SHARES DELIVERABLE UPON CONVERSION OF THIS SECURITY (OR AMERICAN DEPOSITARY SHARES DELIVERABLE IN LIEU THEREOF) OR ANY BENEFICIAL INTEREST HEREIN OR THEREIN PRIOR TO THE DATE THAT IS THE LATER OF (X) ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE HEREOF OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144 UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THERETO AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW, EXCEPT:

(A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, OR

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, OR

(C) TO A PERSON REASONABLY BELIEVED TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, OR

(D) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), OR

(E) PURSUANT TO ANY OTHER EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(D) ABOVE, THE COMPANY, AND THE TRUSTEE RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

NO AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY OR PERSON THAT HAS BEEN AN AFFILIATE (AS DEFINED IN RULE 144 UNDER THE SECURITIES ACT) OF THE COMPANY DURING THE THREE IMMEDIATELY PRECEDING MONTHS MAY PURCHASE, OTHERWISE ACQUIRE OR OWN THIS NOTE OR A BENEFICIAL INTEREST HEREIN.]

BILIBILI INC.

0.625% Convertible Senior Note due 2030

No. [ ] [Initially][1] US$_____

ISIN No. XS3056794459

Bilibili Inc., a company duly organized and validly existing under the laws of the Cayman Islands (the "**Company**," which term includes any successor company or corporation or other entity under the Indenture referred to on the reverse hereof), for value received hereby promises to pay to [DB Nominees (Hong Kong) Limited][2] [_____][3], or registered assigns, the principal sum [as set forth in the "Schedule of Exchanges of Notes" attached hereto][4] [of US$[_____]][5], which amount, taken together with the principal amounts of all other outstanding Notes, shall not, unless permitted by the Indenture, exceed US$[●] (as increased by an amount equal to the aggregate principal amount of any additional Notes purchased by the Initial Purchasers pursuant to the exercise of their option to purchase additional Notes as set forth in the Purchase Agreement) in aggregate at any time, in accordance with the rules and procedures of Euroclear and Clearstream, on June 1, 2030, and interest thereon as set forth below.

This Note shall bear cash interest at the rate of 0.625% per year from, and including, May 23, 2025, or from, and including, the most recent date to which interest had been paid or provided for to, but excluding, the next scheduled Interest Payment Date until June 1, 2030. Interest is payable semi-annually in arrears on each June 1 and December 1, commencing on December 1, 2025, to Holders or to the order of, the person whose name is entered on the register at the close of business on the record date which shall be the Clearing System Business Day immediately prior to the date for payment, where "Clearing System Business Day" means Monday to Friday inclusive except December 25 and January 1. Additional Interest will be payable as set forth in Section 4.06(d), Section 4.06(e) and Section 6.03 of the within-mentioned Indenture, and any reference to interest on, or in respect of, any Note therein shall be deemed to include Additional Interest if, in such context, Additional Interest is, was or would be payable pursuant to any of such Section 4.06(d), Section 4.06(e) and Section 6.03, and any express mention of the payment of Additional Interest in any provision therein shall not be construed as excluding Additional Interest in those provisions thereof where such express mention is not made.

Any Defaulted Amounts shall accrue interest per annum at the rate per annum borne by the Notes *plus* one percent, subject to the enforceability thereof under applicable law, from, and including, the relevant payment date to, but excluding, the date on which such Defaulted Amounts shall have been paid by the Company, at its election, in accordance with Section 2.03(c) of the Indenture.

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1 Include if a Global Note.
2 Include if a Global Note.
3 Include if a Physical Note.
4 Include if a Global Note.
5 Include if a Physical Note.

The Company shall pay or cause the Paying Agent to pay the principal of and interest on this Note, so long as such Note is a Global Note, in immediately available funds to the Common Depositary or its nominee, as the case may be, as the registered Holder of such Note. As provided in and subject to the provisions of the Indenture, the Company shall pay the principal of any Notes (other than Notes that are Global Notes) at the office or agency designated by the Company for that purpose. The Company has initially designated the Deutsche Bank AG, Hong Kong Branch as its Paying Agent, Conversion Agent and Note Registrar in respect of the Notes and its specified office as a place where Notes may be presented for payment or for registration of transfer.

Reference is made to the further provisions of this Note set forth on the reverse hereof, including, without limitation, provisions giving the Holder of this Note the right to convert this Note into Ordinary Shares on the terms and subject to the limitations set forth in the Indenture. A Holder may elect to receive ADSs in lieu of Ordinary Shares deliverable upon conversion. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Note, and any claim, controversy or dispute arising under or related to this Note, shall be construed in accordance with and governed by the laws of the State of New York (without regard to the conflicts of laws provisions thereof).

In the case of any conflict between this Note and the Indenture, the provisions of the Indenture shall control and govern.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed manually or electronically by the Registrar under the Indenture.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed.

BILIBILI INC.

By: _____
Name:
Title:

Dated:

CERTIFICATE OF AUTHENTICATION

DEUTSCHE BANK AG, HONG KONG BRANCH (incorporated in the Federal Republic of Germany & members' liability is limited) as Registrar, certifies that this is one of the Notes described in the within-named Indenture.

By: _____
Name:
Title:

[FORM OF REVERSE OF NOTE]

BILIBILI INC.
0.625% Convertible Senior Note due 2030

This Note is one of a duly authorized issue of Notes of the Company, designated as its 0.625% Convertible Senior Notes due 2030 (the "**Notes**"), limited to the aggregate principal amount of US$690,000,000 (as increased by an amount equal to the aggregate principal amount of any additional Notes purchased by the Initial Purchasers pursuant to the exercise of their option to purchase additional Notes as set forth in the Purchase Agreement), subject to Section 2.10 of the Indenture, all issued or to be issued under and pursuant to an Indenture dated as of May 23, 2025 (the "**Indenture**"), between the Company, Deutsche Bank Trust Company Americas, as trustee (the "**Trustee**") and Deutsche Bank AG, Hong Kong Branch, as the Registrar, Paying Agent, Transfer Agent and Conversion Agent, to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the rights, limitations of rights, obligations, duties, privileges, disclaimers from liability and immunities thereunder of the Trustee, the Company and the Holders of the Notes. Additional Notes may be issued in an unlimited aggregate principal amount, subject to certain conditions specified in the Indenture.

In the case certain Events of Default, as defined in the Indenture, shall have occurred and be continuing, the principal of, and interest on, all Notes may be declared, by either the Trustee or Holders of at least 25% in aggregate principal amount of Notes then outstanding, and upon said declaration shall become, due and payable, in the manner, with the effect and subject to the conditions and certain exceptions set forth in the Indenture. In the case certain Events of Default relating to a bankruptcy (or similar proceeding) with respect to the Company or a Significant Subsidiary of the Company shall have occurred, the principal of, and interest on, all Notes shall automatically become immediately due and payable, as set forth in the Indenture.

Subject to the terms and conditions of the Indenture, the Company will make or cause the Paying Agent to make all payments in respect of the principal amount on the Maturity Date, the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, as the case may be, to the Holder who surrenders a Note to collect such payments in respect of the Note. The Company will pay or cause the Paying Agent to pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts.

Subject to the terms and conditions of the Indenture, Additional Amounts will be paid in connection with any payments made and deliveries caused to be made by the Company or any successor to the Company under or with respect to the Indenture and the Notes, including, but not limited to, payments of principal (including, if applicable, the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price), payments of interest and deliveries of Ordinary Shares, other than any payments or deliveries that are made upon conversion of the Notes, whether made in cash, Ordinary Shares or other consideration (including any payments of cash for any fractional Ordinary Share or other consideration) to ensure that the net amount received by the beneficial owner of the Notes after any applicable withholding or deduction or reduction (and after deducting any taxes on the Additional Amounts) will equal the amounts that would have been received by such beneficial owner had no such withholding, deduction or reduction been required.

The Indenture contains provisions permitting the Company and the Trustee in certain circumstances, without the consent of the Holders of the Notes, and in certain other circumstances, with the consent of the Holders of not less than a majority in aggregate principal amount of the Notes at the time outstanding, evidenced as in the Indenture provided, to execute supplemental indentures modifying the terms of the Indenture and the Notes as described therein. It is also provided in the Indenture that, subject to certain exceptions, the Holders of a majority in aggregate principal amount of the Notes at the time outstanding may on behalf of the Holders of all of the Notes waive any past Default or Event of Default under the Indenture and its consequences.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay or cause to be delivered, as the case may be, the principal (including the Redemption Price, the Repurchase Price and the Fundamental Change Repurchase Price, if applicable) of accrued and unpaid interest on, and the consideration due upon conversion of, this Note at the place, at the respective times, at the rate and in the lawful money or Ordinary Shares (or ADSs in lieu thereof), as the case may be, herein prescribed.

The Notes are issuable in registered form without interest coupons in minimum denominations of US$200,000 principal amount and integral multiples of US$1,000 in excess thereof. At the office or agency of the Company referred to on the face hereof, and in the manner and subject to the limitations provided in the Indenture, Notes may be exchanged for a like aggregate principal amount of Notes of other authorized denominations, without payment of any service charge but, if required by the Company or Trustee, with payment of a sum sufficient to cover any transfer or similar tax that may be imposed in connection therewith as a result of the name of the Holder of the new Notes issued upon such exchange of Notes being different from the name of the Holder of the old Notes surrendered for such exchange.

The Notes may not be redeemed by the Company at its option prior to maturity other than in the event of an Optional Redemption, a Tax Redemption or a Cleanup Redemption as described in Article 16 of the Indenture. No sinking fund is provided for the Notes.

The Holder has the right, at such Holder’s option, to require the Company to repurchase for cash all of such Holder’s Notes or any portion thereof (in principal amounts of US$200,000 or any amount in excess thereof which is an integral multiple of US$1,000) on the Repurchase Date at a price equal to the Repurchase Price.

Upon the occurrence of a Fundamental Change, the Holder has the right, at such Holder’s option, to require the Company to repurchase for cash all of such Holder’s Notes or any portion thereof (in denominations of US$200,000 principal amount and integral multiples of US$1,000 in excess thereof) on the Fundamental Change Repurchase Date at a price equal to the Fundamental Change Repurchase Price.

Subject to the provisions of the Indenture, the Holder hereof has the right, at its option, prior to 5:00 p.m. Brussels time on the seventh Scheduled Trading Day immediately preceding the Maturity Date, to convert any Notes or portion thereof that in denominations of US$200,000 principal amount and integral multiples of US$1,000 in excess thereof, into cash, Ordinary Shares or a combination of cash and Ordinary Shares on the terms and subject to the limitations set forth in the Indenture.

The Holders may elect to receive ADSs in lieu of Ordinary Shares deliverable upon conversion. Any ADSs deliverable in lieu of Ordinary Shares will be, prior to the Resale Restriction Termination Date, subject to certain transfer restrictions as set forth in the Indenture and as imposed by the ADS Depositary. Pursuant to the terms of the Unrestricted Deposit Agreement, the Restricted Deposit Agreement and the Procedures Letter, the ADS Depositary will not accept the surrender of any restricted ADSs for the purpose of withdrawal of the Ordinary Shares represented thereby prior to the Resale Restriction Termination Date.

Terms used in this Note and defined in the Indenture are used herein as therein defined.

ABBREVIATIONS

The following abbreviations, when used in the inscription of the face of this Note, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM = as tenants in common

UNIF GIFT MIN ACT = Uniform Gifts to Minors Act

CUST = Custodian

TEN ENT = as tenants by the entireties

JT TEN = joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

SCHEDULE A[6]

SCHEDULE OF EXCHANGES OF NOTES

BILIBILI INC.
0.625% Convertible Senior Notes due 2030

The initial principal amount of this Global Note is [_____] UNITED STATES DOLLARS (US$[ ]). The following increases or decreases in this Global Note have been made:

Date of exchange	Amount of decrease in principal amount of this Global Note	Amount of increase in principal amount of this Global Note	Principal amount of this Global Note following such decrease or increase	Signature of authorized signatory of Trustee

6 Include if a Global Note.

ATTACHMENT 1

[FORM OF NOTICE OF CONVERSION]

BILIBILI INC.
US$690,000,000 0.625% Convertible Notes Due 2030 (the "Notes")

(ISIN: XS3056794459; COMMON CODE: 305679445)

(Please read the notes overleaf before completing this Conversion Notice.)

Name: _____ Date: _____
Address: _____ Tel No: _____
*Euroclear/Clearstream Account No _____ (*delete as appropriate)
Signature[7]: _____

To: BILIBILI INC. (the "Company"); Email: [●] Attention: [●]

To: Deutsche Bank AG, Hong Kong Branch as Conversion Agent; Email: earlyredemptions.desk@db.com; debtagency.hkcsg@list.db.com; Attention: Corporate Trust, Trust and Agency Services

Cc: Deutsche Bank Trust Company Americas as ADS Depositary; Email: adr@db.com

I/We, being the holders of the Notes specified below, hereby irrevocably elect to convert such Notes in accordance with the terms of the indenture (the "**Indenture**") dated May 23, 2025 between the Company, Deutsche Bank Trust Company Americas as trustee, and Deutsche Bank AG, Hong Kong Branch as registrar, paying agent, transfer agent and conversion agent, and directs that any cash payable and Ordinary Shares deliverable upon such conversion, together with any cash payable for any fractional Ordinary Share, and any Notes representing any unconverted principal amount hereof, be issued and delivered to us. Terms used in this Conversion Notice and not otherwise defined have the meanings given to them in the Indenture.

I/we, in accordance with the terms of the said Indenture (please select one; if no election is made, it is deemed to be an election NOT to receive any ADSs in lieu of such Ordinary Shares):

☐ elects to receive ADSs in lieu of such Ordinary Shares; or

[7] If applicable, a corporation should sign under hand by an authorised official who must state his/her capacity and print the name of the relevant corporation.

☐ does NOT elect to receive any ADSs in lieu of such Ordinary Shares.

1. Total principal amount, total accrued interest, number and identifying numbers of Notes to be converted:

   Total principal amount: .....

   Total accrued interest (if any)[8]: .....

   Identifying numbers of Certificates deposited in respect of Notes to be converted (if relevant)*: .....

   N.B. If necessary, the identifying numbers of Notes and Certificates can be attached separately.

   * Not required for Notes represented by a Global Certificate

2. Name(s) and address(es) of person(s) in whose name(s) the Ordinary Shares required to be delivered on conversion are to be registered:

   Name: _____
   Address: _____
   _____
   Telephone Number: _____

3. We attach a duly completed delivery instruction (if required) in the form currently prescribed by the Central Clearing and Settlement System of Hong Kong ("**CCASS**"), or any replacement or alternative depositary and/or clearing system through which the Ordinary Shares are to be delivered (if applicable) (the "**HK Share Depositary**").

4. I/We hereby irrevocably instruct the HK Share Depositary to credit, my/our Securities Account below with the HK Share Depositary with the Ordinary Shares which is capable of being so deposited.

   Securities Account to be credited with the Ordinary Shares:

   .....

   .....

[8] Include only to the extent payable to the holder pursuant to Section 14.02(h) of the Indenture.

[The undersigned hereby instructs the ADS Depositary to register the ADSs in the name of:

1. Name of Beneficial Owner to receive ADSs (English): _____
2. Address of Beneficial Owner to receive ADSs (English): _____
3. Name of Registered Holder of the Deposited Shares: _____
4. Number of Deposited Shares: _____
5. Number of ADSs to be issued: _____
6. Beneficial Owner's Tax ID Number: _____
7. Contact Name and Tel No/email address: _____

][9]

[The undersigned instructs the ADS Depositary to deliver the ADRs representing the ADSs to the following account:

ADS Receiving Broker (* are mandatory fields):

a) DTC Broker Name*: _____
b) DTC Broker's Participant Account with DTC *: _____
c) DTC Broker Contact Name: _____
d) DTC Broker Contact Tel No/email: _____
e) Beneficial Owner's Account # with DTC Broker*: _____

OR

e) Local Broker Name (have account with DTC Broker)*: _____
Local Broker Sub-Account # with DTC Broker*: _____
Local Broker Contact Name: _____
Local Broker Contact Tel No/email: _____

ADS Delivering Party:

Name: Deutsche Bank Trust Company Americas DTC Account: #2655][10]

For any ADS settlement inquiries, please contact DBTCA Broker Desk:

Tel: +1-212-250-9100 (New York) / +44-207-547-6500 (London)]

9 Include if a Restricted Security.
10 Include if NOT a Restricted Security. Only unrestricted ADSs can be delivered in DTC.

5. Where the Ordinary Shares are not cleared through the HK Share Depositary:

Name(s) and address(es) of person(s) in whose name(s) the Ordinary Shares (if any) required to be delivered on conversion are to be registered:

Name: _____
Address: _____
_____
Telephone Number: _____

6. Where the Ordinary Shares are not cleared through the HK Share Depositary:

I/We hereby request that the certificates for the Ordinary Shares (if any) (together with any related documents of title and evidence of ownership) required to be delivered upon conversion:

* (a) be despatched (at my/our risk and expense) to the person whose name and address is given below and in the manner specified below:

Name: _____
Address: _____
_____
Telephone Number: _____

* (b) be made available for collection at the specified office of [●]

* Delete as applicable

7. I/We hereby request that any payment of any cash amounts payable in respect of the exercise of conversion right pursuant to the terms of the Indenture, are made in the manner specified below:

Account No: _____
Account Name: _____
Bank: _____
Branch: _____
Sort Code: _____

8. I/we represent and agree that, at the time of the signing and/or delivering this Conversion Notice, I/we, or the person(s) who has/have a beneficial interest in the Notes to be converted, am/are/is not an "affiliate" (as defined in Rule 144 under the U.S. Securities Act of 1933, as amended (the "**Securities Act**")) of the Company, and have/has not been an "affiliate" (as defined in Rule 144 under the Securities Act) of the Company during the three months immediately preceding the date hereof.

9. I/we further certify:

   [I/we acknowledge that I/we, or the person(s) who has/have a beneficial interest in the Notes to be converted, am/are/is a qualified institutional buyer (as defined in Rule 144A under the Securities Act) acting for its own account or for the account of one or more qualified institutional buyers and the undersigned is (or such account or accounts are) the sole beneficial owner(s) of the ADSs to be received upon conversion of the Notes.][11]

   [I/we acknowledges that I/we (and any such other account) may not continue to hold or retain any interest in Ordinary Shares or Conversion ADSs received upon conversion of the Notes cleared through the HK Depositary or other applicable clearing systems or issued and delivered by the ADS Depositary if I/we (or such other account) becomes an "affiliate" (as defined in Rule 144 under the Securities Act) of the Company.]

   I/we represent and agree that, at the time of the signing and/or delivering this Conversion Notice, I/we, or the person(s) who has/have a beneficial interest in the Notes to be converted, understands that any Restricted Securities (or securities represented thereby) that may be delivered upon conversion of such Notes has not been and will not be registered under the Securities Act and agree(s) that if I/we or such person, should offer, sell, pledge or otherwise transfer such Restricted Securities (or securities represented thereby), I/we or such person will do so only in compliance with the Securities Act and other applicable law, and in accordance with any applicable securities law of any State of the United States.

   I/we acknowledge (and if I/we am/are acting for the account of another person, that person has confirmed that it acknowledges) that, prior to the Resale Restriction Termination Date, the undersigned (and such other account) will not offer, sell, pledge or otherwise transfer the Restricted Security (or securities represented by such Restricted Security) except in accordance with the restrictions set forth in that legend and any applicable securities laws of the United States and any state thereof or any transfer restriction as imposed by the Hong Kong Share Registrar, if applicable.

10. If any amount is payable in a currency other than U.S. dollars upon conversion of the Notes, please specify payment method and details in an attachment to this Conversion Notice.

N.B.

---

[11] Include if this form is dated prior to the Resale Restriction Termination Date.

(i) Terms not otherwise defined in this Conversion Notice have the meaning given to them in the Indenture referred to above.

(ii) This Conversion Notice will be void unless the introductory details and Sections 1 to 7 are completed. This Conversion Notice may be completed by or on behalf of an accountholder of Euroclear or Clearstream or any other clearing system in which the relevant Notes is held at such time which has an interest in such Notes. The holding of an interest in a Notes by an accountholder of Euroclear or Clearstream or any clearing system in which the relevant Notes is held in respect of which conversion right are being exercised will be confirmed by the Conversion Agent with the relevant clearing system.

(iii) Conversion Consideration will be delivered in accordance with the rules and procedures of the clearing system through which the Conversion Consideration is to be delivered. To the extent that the Conversion Consideration is not currently held in a clearing system, delivery of such securities (if any) will be effected in certificated form.

(iv) Despatch of share certificates or other securities or property (if any) will be made at the risk and expense of the exchanging holder and the exchanging holder will be required to prepay the expenses of, and submit any necessary documents required in order to effect, despatch in the manner specified.

(v) This Conversion Notice once given shall be irrevocable and may not be withdrawn without the consent in writing of the Company.

Dated: _____

_____

Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15 if ADSs are to be issued, or Notes are to be delivered, other than to and in the name of the registered Holder.

Fill in for registration of ADSs if to be issued, and Notes if to be delivered, other than to and in the name of the registered Holder:

_____

(Name)

_____

(Street Address)

_____

(City, State and Zip Code)

Please print name and address

_____

_____

Signature(s)

Principal amount to be converted (if less than all): US$ _____,000

NOTICE: The above signature(s) of the Holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

Social Security or Other Taxpayer Identification Number

For Conversion Agent's use only:

A. Note conversion identification reference: Bilibili Inc. 0.625% Convertible Senior Notes due 2030: ……..

B. Date on which the Conversion Notice is deposited with (and, if applicable, Certificate is surrendered to) the Conversion Agent: ……..

C. Aggregate principal amount of Notes in respect of which Certificates have been deposited for conversion: ……..

The Conversion Agent must complete items A, B and C.

ACKNOWLEDGED AND AGREED[12]:
BILIBILI INC.
By: _____
Name:
Title:

12 DB need to receive either an original or a Docu-signed form signed by the Company's authorized signatory and such Docu-sign mist be initiated by DB.

ATTACHMENT 2

[FORM OF FUNDAMENTAL CHANGE REPURCHASE NOTICE]

To: BILIBILI INC.

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee

The undersigned registered owner of this Note hereby acknowledges receipt of a notice from Bilibili Inc. (the "**Company**") as to the occurrence of a Fundamental Change with respect to the Company and specifying the Fundamental Change Repurchase Date and requests and instructs the Company to pay to the registered holder hereof in accordance with Section 15.02 of the Indenture referred to in this Note (1) the entire principal amount of this Note, or the portion thereof (that is in denominations of US$200,000 principal amount and integral multiples of US$1,000 in excess thereof) below designated, and (2) if such Fundamental Change Repurchase Date does not fall during the period after a Regular Record Date and on or prior to the corresponding Interest Payment Date, accrued and unpaid interest thereon to, but excluding, such Fundamental Change Repurchase Date. Capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Indenture.

In the case of Physical Notes, the certificate numbers of the Notes to be repurchased are as set forth below:

Certificate Number(s): _____

Dated: _____

_____
Signature(s)

_____
Social Security or Other Taxpayer
Identification Number

Principal amount to be repaid (if less than all):
US$ _____,000

NOTICE: The above signature(s) of the Holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

ATTACHMENT 3

[FORM OF REPURCHASE NOTICE]

To: BILIBILI INC.

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee

The undersigned registered owner of this Note hereby acknowledges receipt of a notice from Bilibili Inc. (the "**Company**") regarding the right of Holders to elect to require the Company to repurchase the entire principal amount of this Note, or the portion thereof (that is in denominations of US$200,000 principal amount and integral multiples of US$1,000 in excess thereof) below designated, in accordance with the applicable provisions of the Indenture referred to in this Note, at the Repurchase Price to the registered Holder hereof.

In the case of certificated Notes, the certificate numbers of the Notes to be purchased are as set forth below:

Certificate Number(s):_____

Dated:_____ _____
Signature(s)

_____
SocialSecurity or Other Taxpayer
IdentificationNumber

Principal amount to be repaid (if less than all):
US$ _____,000

NOTICE: The above signature(s) of the Holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

ATTACHMENT 4

[FORM OF ASSIGNMENT AND TRANSFER]

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ (Please insert social security or Taxpayer Identification Number of assignee) the within Note, and hereby irrevocably constitutes and appoints _____ attorney to transfer the said Note on the books of the Company, with full power of substitution in the premises.

In connection with any transfer of the within Note occurring prior to the Resale Restriction Termination Date, as defined in the Indenture governing such Note, the undersigned confirms that such Note is being transferred:

☐ To Bilibili Inc. or a subsidiary thereof; or

☐ Pursuant to a registration statement that has become or been declared effective under the Securities Act of 1933, as amended; or

☐ Pursuant to and in compliance with Rule 144A under the Securities Act of 1933, as amended; or

☐ Pursuant to and in compliance with Rule 144 under the Securities Act of 1933, as amended, or any other exemption from the registration requirements of the Securities Act of 1933, as amended.

Dated: _____

_____

_____

_____

Signature(s)

_____

Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15 if Notes are to be delivered, other than to and in the name of the registered holder.

NOTICE: The signature on the assignment must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

EXHIBIT B

[FORM OF AUTHORIZATION CERTIFICATE]

I, [Name], [Title], acting on behalf of Bilibili Inc. (the "**Company**") hereby certify that:

(A) the persons listed below are (i) authorized Officers of the Company for purposes of the Indenture (the "**Indenture**") dated as of May 23, 2025 between the Company and Deutsche Bank Trust Company Americas, as trustee, in relation to the 0.625% Convertible Senior Notes due 2030 (the "**Notes**"), (ii) duly elected or appointed, qualified and acting as the holder of the respective office or offices set forth opposite their names and (iii) the duly authorized persons who executed or will execute the Indenture and the Notes issued pursuant to the Indenture by their manual electronic or facsimile signatures and were at the time of such execution, duly elected or appointed, qualified and acting as the holder of the offices set forth opposite their names;

(B) each of the individuals listed below have the authority to receive call backs at the telephone numbers noted below upon request of Deutsche Bank Trust Company Americas in connection with the Notes issued pursuant to the Indenture;

(C) each signature appearing below is the person's genuine signature; and

(D) attached hereto as Schedule I is a true, correct and complete specimen of the certificates representing the Notes.

IN WITNESS WHEREOF, I have hereunto executed and delivered this certificate on behalf of the Company as of the date indicated.

Dated: _____

[Name]

By: _____
Name:
Title:

SCHEDULE I

Name	Title, Fax No., Email	Signature	Tel No.

ATTACHMENT 5

FORM OF FREE TRANSFERABILITY CERTIFICATE

Officers' Certificate

[●], 202[ ]

From: BILIBILI INC.

To: DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee

DEUTSCHE BANK AG, HONG KONG BRANCH, as Common Depositary

[NAME OF OFFICER], the [TITLE] of BILIBILI INC. (the "**Company**") does hereby certify, in connection with the occurrence of the Resale Restriction Termination Date on [date] in respect of $[*add principal amount*] of the Company's 0.625% Convertible Notes due 2030 (ISIN: XS3056794459) (the "**Notes**") pursuant to the terms of the Indenture, dated as of May 23, 2025 (as may be amended or supplemented from time to time, the "**Indenture**"), by and between the Company, Deutsche Bank Trust Company Americas (the "**Trustee**") and Deutsche Bank AG, Hong Kong Branch, (the "**Common Depositary**"), that:

1. The undersigned is permitted to sign this "Officers' Certificate" on behalf of the Company, as the term "Officers' Certificate" is defined in the Indenture.

2. The undersigned has read, and thoroughly examined, the Indenture and the definitions therein relating thereto.

3. In the opinion of the undersigned, the undersigned has made such examination as is necessary to enable the undersigned to express an informed opinion as to whether or not all conditions precedent to the removal of the restrictive legends described in Section 2.05 of the Indenture from the Notes as provided for in the Indenture have been complied with.

4. To the best knowledge of the undersigned, all conditions precedent described herein as provided for in the Indenture and, in the case of Global Notes, the applicable procedures of the Depositary have been complied with.

5. The Company is satisfied that the Notes are not subject to the restrictions set forth in Section 2.05 of the Indenture.

In accordance with Section 2.05 of the Indenture, the Company hereby requests the Trustee and the Common Depositary to coordinate with Euroclear and/or Clearstream to, with effect immediately from the Resale Restriction Termination Date:

A. Remove the restrictive legends set forth on the Notes from the Notes in accordance with the terms and conditions of the Notes and as provided in the Indenture, without further action on the part of the Holders.

B. Remove the ISIN number for the Notes from the Notes and replace it with a new ISIN number, which such ISIN number shall be XS3060067116, in accordance with the terms and conditions of the Notes and as provided in the Indenture, without further action on the part of the Holders.

Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Indenture.

IN WITNESS WHEREOF, the undersigned signed this Officers' Certificate as of the date written above.

BILIBILI INC.

By: _____
Name:
Title:

Exhibit 8.1

LIST OF SIGNIFICANT SUBSIDIARIES AND PRINCIPAL CONSOLIDATED AFFILIATED ENTITIES*

Significant Subsidiaries	Jurisdiction of Incorporation
Bilibili HK Limited	Hong Kong
Hode HK Limited	Hong Kong
Chaodian HK Limited	Hong Kong
Bilibili Co., Ltd.	Japan
Shanghai Bilibili Technology Co., Ltd.	PRC
Hode Shanghai Limited	PRC
Chaodian (Shanghai) Technology Co., Ltd.	PRC
Consolidated Variable Interest Entity	
Shanghai Kuanyu Digital Technology Co., Ltd.	PRC
Shanghai Hode Information Technology Co., Ltd.	PRC
Subsidiary of Consolidated Variable Interest Entity	
Sharejoy Network Technology Co., Ltd.	PRC
Shanghai Hehehe Culture Communication Co., Ltd.	PRC
Shanghai Anime Tamashi Cultural Media Co., Ltd.	PRC

* Other entities of Bilibili Inc. have been omitted from this list since, considered in the aggregate as a single entity, they would not constitute a significant subsidiary.

Exhibit 12.1

CERTIFICATION BY THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Rui Chen, certify that:

1. I have reviewed this annual report on Form 20-F of Bilibili Inc. (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 16, 2026

By: /s/ Rui Chen
Name: Rui Chen
Title: Chairman of the Board of Directors
and Chief Executive Officer

Exhibit 12.2

CERTIFICATION BY THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Xin Fan, certify that:

1. I have reviewed this annual report on Form 20-F of Bilibili Inc. (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 16, 2026

By: /s/ Xin Fan
Name: Xin Fan
Title: Chief Financial Officer

Exhibit 13.1

CERTIFICATION BY THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Bilibili Inc. (the "Company") on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Rui Chen, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 16, 2026

By: /s/ Rui Chen
Name: Rui Chen
Title: Chairman of the Board of Directors
and Chief Executive Officer

Exhibit 13.2

CERTIFICATION BY THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Bilibili Inc. (the "Company") on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Xin Fan, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 16, 2026

By: /s/ Xin Fan
Name: Xin Fan
Title: Chief Financial Officer

Exhibit 15.1

Walkers

Partners:
Paul Aherne **
Brett Basdeo ***
John Cartwright *
John Crook *
Mark Cummings *****
Natalie Curtis ****
James Gaden ****
Kevin Ho ****
Kristen Kwok **
Wing Lam *
Thomas Pugh *****
Andrew Randall **
Victoria Raymond *
Wei Ching Teo ******

16 April 2026

Our Ref: MRC/KH/B4480-H20228

Bilibili Inc.
Building 3, Guozheng Center
No. 485 Zhengli Road
Yangpu District
Shanghai, 200433
People's Republic of China

Dear Sirs,

Form 20-F

We consent to the reference to our firm under the heading "Item 10.E. Additional Information—Taxation —Cayman Islands Taxation" in the Annual Report on Form 20-F of Bilibili Inc. for the year ended 31 December 2024 (the "**Annual Report**"), which will be filed with the U.S. Securities and Exchange Commission (the "**Commission**") on 16 April 2026 under the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and further consent to the incorporation by reference of the summary of our opinions under this heading into the Registration Statements on Form S-8 (Nos. 333-282475, 333-267701, 333-259682 and 333-226216) and Form F-3 (No. 333-269158) of Bilibili Inc.

We also consent to the filing with the Commission of this consent letter as an exhibit to the Annual Report.

In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under the Exchange Act, or the Rules and Regulations of the Commission thereunder.

Yours faithfully

/s/ WALKERS (HONG KONG)

WALKERS (HONG KONG)

Walkers (Hong Kong)
滙嘉律師事務所 **(**香港**)**
15th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong
T +852 2284 4566 **F** +852 2284 4560
Bermuda | British Virgin Islands | Cayman Islands | Dubai | Guernsey | Hong Kong | Ireland | Jersey | London | Singapore
*England and Wales; **BVI; ***Cayman Islands; ****New South Wales (Australia); *****Bermuda

Exhibit 15.2

競天公誠律師事務所

JINGTIAN & GONGCHENG

北京市朝阳区建国路 77 号华贸中心 3 号写字楼 34 层 邮编:100025

34/F, Tower 3, China Central Place, 77 Jianguo Road, Beijing 100025, China
T: (86-10) 5809 1000 F: (86-10) 5809 1100

April 16, 2026

Bilibili Inc.

Building 3, Guozheng Center
No. 485 Zhengli Road
Yangpu District, Shanghai, China
as the "**Company**"

Dear Sirs,

We consent to the references to our firm under the heading "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry," "Item 3. Key Information—D. Risk Factors—Risks Related to Our Corporate Structure," "Item 4. Information on the Company—B. Business Overview," "Item 4. Information on the Company—C. Organizational Structure" and "Item 10. Additional Information—E. Taxation" in Bilibili Inc.'s Annual report on Form 20-F for the year ended December 31, 2025 (the "**Annual Report**"), which is filed with the Securities and Exchange Commission (the "**SEC**") on April 16, 2026. We also consent to the filing with the SEC of this consent letter as an exhibit to the Annual Report, and further consent to the incorporation by reference of the summaries of our opinions under these headings into the Registration Statements on Form S-8 (Nos. 333-282475, 333-267701, 333-259682 and 333-226216) and Form F-3 (No. 333-269158) of Bilibili Inc.

In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, or under the Securities Exchange Act of 1934, in each case, as amended, or the regulations promulgated thereunder.

Yours faithfully,
/s/ Jingtian & Gongcheng

Exhibit 15.3

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-282475, 333-267701, 333-259682 and 333-226216) and Form F-3 (No. 333-269158) of Bilibili Inc. of our report dated April 16, 2026 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 20-F.

/s/ PricewaterhouseCoopers Zhong Tian LLP

Beijing, the People's Republic of China

April 16, 2026