KUAISHOU

# Kuaishou Technology

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

Stock Code: 01024 (HKD Counter) 81024 (RMB Counter)

# INTERIM REPORT 2026

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# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. CHENG Yixiao (程一笑) *(Chairman of the Board and Chief Executive Officer)*
Mr. SU Hua (宿華)

### Non-executive Directors

Mr. LI Zhaohui (李朝暉)
Mr. WANG Huiwen (王慧文)

### Independent Non-executive Directors

Mr. ZHANG Fei (張斐) *(re-designated from a non-executive Director to an independent non-executive Director with effect from May 28, 2026)*
Mr. HUANG Sidney Xuande (黃宣德) *(resigned with effect from May 28, 2026)*
Mr. MA Yin (馬寅)
Ms. LU Rong (盧蓉)
Mr. HUANG Jia (黃佳) *(appointed with effect from May 28, 2026)*

## AUDIT COMMITTEE

Mr. HUANG Sidney Xuande (黃宣德) *(Chairman) (resigned with effect from May 28, 2026)*
Mr. HUANG Jia (黃佳) *(Chairman) (appointed with effect from May 28, 2026)*
Mr. MA Yin (馬寅)
Ms. LU Rong (盧蓉)

## REMUNERATION COMMITTEE

Mr. HUANG Sidney Xuande (黃宣德) *(Chairman) (resigned with effect from May 28, 2026)*
Mr. ZHANG Fei (張斐) *(Chairman) (appointed with effect from May 28, 2026)*
Mr. SU Hua (宿華)
Mr. LI Zhaohui (李朝暉)
Mr. MA Yin (馬寅)
Ms. LU Rong (盧蓉)

## NOMINATION COMMITTEE

Mr. MA Yin (馬寅) *(Chairman)*
Mr. CHENG Yixiao (程一笑)
Mr. ZHANG Fei (張斐)
Mr. HUANG Sidney Xuande (黃宣德) *(resigned with effect from May 28, 2026)*
Ms. LU Rong (盧蓉)
Mr. HUANG Jia (黃佳) *(appointed with effect from May 28, 2026)*

## CORPORATE GOVERNANCE COMMITTEE

Mr. MA Yin (馬寅) *(Chairman)*
Mr. HUANG Sidney Xuande (黃宣德) *(resigned with effect from May 28, 2026)*
Ms. LU Rong (盧蓉)
Mr. HUANG Jia (黃佳) *(appointed with effect from May 28, 2026)*

## JOINT COMPANY SECRETARIES

Mr. ZHAO Huaxia Matthew (趙華夏)
Ms. SO Ka Man (蘇嘉敏) *(resigned with effect from March 25, 2026)*
Ms. YIP Hoi Lam (葉凱琳) *(appointed with effect from March 25, 2026)*

## AUTHORIZED REPRESENTATIVES

Mr. CHENG Yixiao (程一笑)
Ms. SO Ka Man (蘇嘉敏) *(resigned with effect from March 25, 2026)*
Ms. YIP Hoi Lam (葉凱琳) *(appointed with effect from March 25, 2026)*

## AUDITOR

**PricewaterhouseCoopers**
*Certified Public Accountants*
*Registered Public Interest Entity Auditor*
22/F, Prince's Building
Central
Hong Kong

## REGISTERED OFFICE

PO Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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the PRC

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Hong Kong

## LEGAL ADVISORS

*As to Hong Kong law:*
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55/F, One Island East, Taikoo Place
Quarry Bay
Hong Kong

*As to PRC law:*
**Haiwen & Partners**
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Chaoyang District
Beijing 100020
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*As to Cayman Islands law:*
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18 Harbour Road
Wanchai
Hong Kong

## COMPLIANCE ADVISOR

**Somerley Capital Limited**
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Hong Kong

## HONG KONG SHARE REGISTRAR

**Computershare Hong Kong Investor Services Limited**
Shops 1712–1716
17/F, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

**Maples Fund Services (Cayman) Limited**
PO Box 1093
Boundary Hall, Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

## STOCK CODE

HKD Counter Stock Code: 01024
RMB Counter Stock Code: 81024

## COMPANY'S WEBSITE

www.kuaishou.com

# Key Highlights

## Financial Summary

| | Unaudited Three Months Ended June 30, | | | | |
|---|---|---|---|---|---|
| | 2026 | | 2025 | | |
| | Amount | As a percentage of revenues | Amount | As a percentage of revenues | Year-over-year change |
| | *(RMB millions, except for percentages)* | | | | |
| Revenues | 35,535 | 100.0 | 35,046 | 100.0 | 1.4% |
| Gross profit | 18,328 | 51.6 | 19,504 | 55.7 | (6.0%) |
| Operating profit | 3,757 | 10.6 | 5,289 | 15.1 | (29.0%) |
| Profit for the period | 3,152 | 8.9 | 4,922 | 14.0 | (36.0%) |
| **Non-IFRS Accounting Standards Measures:** | | | | | |
| Adjusted net profit[1] | 3,913 | 11.0 | 5,618 | 16.0 | (30.3%) |
| Adjusted EBITDA[2] | 7,122 | 20.0 | 7,715 | 22.0 | (7.7%) |

| | Unaudited Six Months Ended June 30, | | | | |
|---|---|---|---|---|---|
| | 2026 | | 2025 | | |
| | Amount | As a percentage of revenues | Amount | As a percentage of revenues | Year-over-year change |
| | *(RMB millions, except for percentages)* | | | | |
| Revenues | 69,251 | 100.0 | 67,654 | 100.0 | 2.4% |
| Gross profit | 35,577 | 51.4 | 37,296 | 55.1 | (4.6%) |
| Operating profit | 7,352 | 10.6 | 9,548 | 14.1 | (23.0%) |
| Profit for the period | 6,057 | 8.7 | 8,901 | 13.2 | (32.0%) |
| **Non-IFRS Accounting Standards Measures:** | | | | | |
| Adjusted net profit[1] | 7,287 | 10.5 | 10,198 | 15.1 | (28.5%) |
| Adjusted EBITDA[2] | 13,352 | 19.3 | 14,149 | 20.9 | (5.6%) |

*Notes:*

(1) We define "adjusted net profit" as profit for the period adjusted by share-based compensation expenses and net fair value changes on investments.

(2) We define "adjusted EBITDA" as adjusted net profit for the period adjusted by income tax expenses, depreciation of property and equipment, depreciation of right-of-use assets, amortization of intangible assets, and finance expenses, net.

## Financial Information by Segment

| | Unaudited Three Months Ended June 30, 2026 | | | |
|---|---|---|---|---|
| | **Domestic** | **Overseas** | **Unallocated items[1]** | **Total** |
| | | *(RMB millions)* | | |
| **Revenues** | **34,356** | **1,179** | **—** | **35,535** |
| **Operating profit/(loss)** | **3,733** | **(25)** | **49** | **3,757** |

| | Unaudited Three Months Ended June 30, 2025 | | | |
|---|---|---|---|---|
| | Domestic | Overseas | Unallocated items[1] | Total |
| | | *(RMB millions)* | | |
| Revenues | 33,746 | 1,300 | — | 35,046 |
| Operating profit/(loss) | 5,401 | 19 | (131) | 5,289 |

| | Year-over-year change | | | |
|---|---|---|---|---|
| | Domestic | Overseas | Unallocated items[1] | Total |
| | | *(Percentages %)* | | |
| Revenues | 1.8 | (9.3) | — | 1.4 |
| Operating profit/(loss) | (30.9) | N/A | N/A | (29.0) |

# Key Highlights

| | Unaudited Six Months Ended June 30, 2026 | | | |
|---|---|---|---|---|
| | **Domestic** | **Overseas** | **Unallocated items[1]** | **Total** |
| | | *(RMB millions)* | | |
| **Revenues** | **66,910** | **2,341** | **—** | **69,251** |
| **Operating profit/(loss)** | **6,826** | **(56)** | **582** | **7,352** |

| | Unaudited Six Months Ended June 30, 2025 | | | |
|---|---|---|---|---|
| | Domestic | Overseas | Unallocated items[1] | Total |
| | | *(RMB millions)* | | |
| Revenues | 65,039 | 2,615 | — | 67,654 |
| Operating profit/(loss) | 9,746 | 47 | (245) | 9,548 |

| | Year-over-year change | | | |
|---|---|---|---|---|
| | Domestic | Overseas | Unallocated items[1] | Total |
| | | *(Percentages %)* | | |
| Revenues | 2.9 | (10.5) | — | 2.4 |
| Operating profit/(loss) | (30.0) | N/A | N/A | (23.0) |

*Note:*

(1) Unallocated items include share-based compensation expenses, other income and other gains, net.

# Key Highlights

## Operating Metrics

Unless otherwise specified, the following table sets forth certain of our key operating data on Kuaishou App for the periods indicated:

| | Three Months Ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| Average DAUs *(in millions)* | **412.3** | 408.9 |
| Average MAUs *(in millions)* | **797.3** | 714.8 |
| Average online marketing services revenue per DAU *(in RMB)* | **50.1** | 48.3 |

| | Six Months Ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| Average DAUs *(in millions)* | **412.5** | 408.5 |
| Average MAUs *(in millions)* | **784.5** | 713.3 |
| Average online marketing services revenue per DAU *(in RMB)* | **97.7** | 92.4 |

# Chairman's Statement

**Dear Shareholders,**

In the first half of 2026, we continued to advance our AI strategy, AI technology provides the momentum for the prosperity of our content and business ecosystems as well as organizational efficiency improvement, which enables us to achieve steady, high-quality growth. Our total revenues increased by 2.4% year-over-year to RMB69.3 billion, and our adjusted net profit reached RMB7.3 billion, representing an adjusted net margin of 10.5%. Our average DAUs remained above 400 million for the eighth consecutive quarter, reflecting the sustained scale, engagement and vitality of our user community. These results reflected the strength of our content and business ecosystems, as well as the growing contribution of AI across our operations.

***Kling AI (可靈AI)*** further strengthened its global leadership in multimodal video generation, with revenue increasing by nearly 250.0% year-over-year in the first half of 2026. This growth validates its role as our second growth curve, while unlocking promising opportunities beyond our core operations. Meanwhile, we continued to broaden the applications of AI across our content and business ecosystems, empowering our merchants and marketing partners to operate with greater efficiency and scale, while providing our users with richer, more engaging content and product experiences. Together, these advancements underscore the growing breadth and depth of AI's contribution to our long-term growth.

Looking ahead to the second half of 2026, we will continue to advance our long-term AI strategy, remaining closely attuned to the evolving needs of our users and creators and further investing in AI with discipline. By further deepening AI integration and accelerating commercialization across Kling AI and our broader ecosystems, we will work to create sustainable, long-term value for our users, creators, partners and Shareholders.

## BUSINESS REVIEW AND OUTLOOK

### Business Review

In the second quarter of 2026, amid a complex macroeconomic environment and industry competition, we remained committed to our long-term vision and strategic AI investments, achieving high-quality growth. In the second quarter of 2026, the average DAUs on the Kuaishou App reached 412.3 million. Total revenues increased by 1.4% year-over-year to RMB35.5 billion. Revenues from our core commercial business, including online marketing services and other services, primarily e-commerce and ***Kling AI (可靈AI)***, increased by 7.4% year-over-year. Adjusted net profit reached RMB3.9 billion, with an adjusted net margin of 11.0%. Overall profitability remained stable, further demonstrating the resilience of our business operations.

## AI business

In the second quarter of 2026, Kling AI continued to advance its vision of "empowering everyone to craft captivating stories with AI". Through breakthroughs in advanced model capabilities, upgrades to professional product features, and the expansion of a globalized creative ecosystem, Kling AI further reinforced its global leadership among multimodal large video generation models.

At the model and product level, Kling AI officially rolled out the native 4K video output feature in the Kling AI 3.0 model series. As the industry's first video generation model supporting native 4K output, this upgrade enables one-click cinema-grade 4K video generation. Designed for professional clients across the film, television and advertising industries, it directly delivers high-resolution visuals without the need for complex post-production, achieving industrial-grade cinematic visual effects. Concurrently, Kling AI released the Kling 3.0 Turbo model, which maintains stable, high-quality dynamic output and precise audio-visual synchronization, while significantly improving creative efficiency and reducing production costs. In addition, ***Kling MCP (Model Context Protocol)*** and ***Kling CLI (Command Line Interface)*** were officially launched, enabling AI agents to orchestrate Kling AI for batch content creation. These features further expanded Kling AI's applications in workflow automation and intelligent orchestration scenarios.

Kling AI continues to empower professional content creation through its integrated video creation capabilities, with its technological innovations and creative achievements earning broad industry recognition. At the ***2026 Cannes Lions International Festival of Creativity (2026戛納國際創意節)***, two advertising videos generated by Kling AI won one Silver Lion and two Bronze Lion Awards, demonstrating recognition of Kling AI's creative capabilities by one of the world's premier creative awards programs. At the ***2026 Beijing International Film Festival (2026北京國際電影節)***, multiple works created with Kling AI including ***Paper Smartphone (紙手機)*** were nominated for the AIGC Section. ***Stroke of Genius (神・筆)*** with Liu Cixin serving as literary supervisor, was recognized as the "Annual Featured Work in Short Play/Micro-Short Play" in the Short Video Section. These achievements fully demonstrate Kling AI's strength in empowering professional filmmaking.

Driven by breakthroughs in model capabilities, continuous product enhancements and deeper penetration across application scenarios, Kling AI's commercialization maintained strong growth momentum. In the second quarter of 2026, Kling AI generated revenue of over RMB850 million, representing year-over-year growth of more than 200.0%, and continued to lead the commercialization of AI video generation globally.

In the second quarter of 2026, we continued to make solid progress in the research and application of our general-purpose large models. We released ***Keye-VL-2.0-30B-A3B***, an upgraded version of our multimodal large model. The model successfully enables deep perception across 256K ultra-long context, while delivering nearly lossless reasoning capabilities for long-video temporal understanding. We introduced ***AgentX***, a self-evolving AI agent for industrial recommendation systems. It enables recommendation systems to autonomously drive recommendation model and strategy design, evaluate performance and accumulate insights, significantly boosting the iteration efficiency of recommendation algorithms.

# Chairman's Statement

As part of our large model technology applications, we developed agent capabilities for scenario-based marketing materials generation in online marketing service scenarios. By offering tailored marketing materials generation capabilities to meet the needs across industries and clients, we achieved over 70% year-over-year growth in spending on AIGC short video marketing materials in the second quarter of 2026. We continued to extend our generative recommendation and intelligent bidding large models to a broader range of scenarios, including live streaming, search, and pan-shelf-based e-commerce, improving the effectiveness of marketing content recommendations, and unlocking marketing budgets from our clients. In the second quarter of 2026, in terms of organizational efficiency enhancement and empowerment, Kuaishou's proprietary general-purpose agent product, ***MyFlicker***, has successfully integrated skills across key internal systems and is now widely adopted by our employees. In June 2026, over 92.0% of Kuaishou employees were actively using our in-house AI agent products, with the ratio of AI-generated code hitting 60.0% within our R&D team. Meanwhile, ***Kuaishou Vanchin (快手萬擎)***, our enterprise-grade large model service and development platform, integrates high-performance model inference, cost-efficient model customization and fully managed services. Vanchin not only supports Kuaishou's internal AI application scenarios but also provides large model infrastructure services to numerous external enterprise clients.

## User and content ecosystem

In the second quarter of 2026, average DAUs on the Kuaishou App reached 412.3 million, and average MAUs reached 797.3 million. In terms of new user acquisition, we leveraged AI-powered smart placement to improve user acquisition efficiency while enhancing overall retention among new and reactivated users. We consistently refined our traffic allocation system to better safeguard the experience of our highly active core users. We continued to refine our social features. The number of users with mutual followers engaging in private messaging increased by more than 15.0% year-over-year in the second quarter of 2026. We also focused on optimizing Kuaishou App's basic features, comprehensively elevating the user experience through systematic improvements to product features, video playback smoothness and intelligent interaction.

We firmly believe in the power of community and continue to enhance the differentiated, high-quality content ecosystem that highlights Kuaishou's community-centric core. During June and July 2026, riding the wave of the World Cup, we launched our native IP the ***Kuaishou World Cup Fans Trophy (快手鐵力神杯)***. Beyond covering trending topics and news, we introduced a series of original activities, including the ***Kuaishou X.Y.Style FC (快手象牙山足球大賽)***, ***Dream Chasers Youth Football Tournament (逐夢少年足球賽)***. Through trending topic operations, engaging interactions, and community-wide content co-creation, we built a new sports hub where every user on Kuaishou platform could participate, engage, and share their passion. During the campaign period, content related to these events generated 68.2 billion impressions on the Kuaishou App, while livestreams of these initiatives garnered nearly 360 million viewers.

We have deepened our innovative copyright cooperation mechanisms, utilizing a joint-operation model to deliver higher-value content consumption for our users. We leveraged e-commerce live streaming to introduce live broadcasting rights for the 2026 CBA season. Furthermore, we introduced the ticketed live-streaming model to online music performances. In April 2026, we hosted the ***TOP (TOP登陸少年組合)*** concert, generating more than RMB10 million in sales from this single event, realizing a synergy between content and commercialization. Furthermore, this model has driven grassroots sports events, establishing a notable regional scale, especially across Northwest China.

### Online marketing services

In the second quarter of 2026, revenue from online marketing services reached RMB20.6 billion, representing a year-over-year increase of 4.4%. Our non-e-commerce marketing services continued to expand across the content consumption, lifestyle services and AI application sectors. Empowered by our omni-domain traffic synergy strategy and dedicated programs for brand merchants, our e-commerce marketing services demonstrated resilience. At the same time, by leveraging AI technologies, we further deepened the application of AI across the full online marketing services workflow.

During the second quarter of 2026, the content consumption, lifestyle services and AI application sectors continued to drive year-on-year growth in our non-e-commerce marketing services revenue. In the content consumption sector, AI reduced content production costs and lowered barriers to content creation, driving rapid growth in the supply of short play content, and catering to increasingly diverse user preferences. This further enriched the platform's content ecosystem and boosted related marketing demand. As of June 2026, the supply of short plays on Kuaishou platform, including both live-action and AI-generated short plays, increased by more than fivefold compared with January 2026. In the second quarter of 2026, the total spending from online marketing services driven by short plays increased by more than 100.0% year-over-year. In the lifestyle services sector, we continued to deepen our presence across sub-verticals, such as comprehensive services and local services, while exploring incremental growth opportunities across these areas. Meanwhile, by optimizing deep conversion capabilities, enhancing our full-stack lead-driven marketing solutions, and launching the user exploration AI agent, we enabled our clients to more effectively identify high-intent users, improving lead quality and subsequent conversion efficiency. In the AI application sector, we worked closely with our clients to better align advertising placement and in-app conversion, helping them improve user retention and conversion performance. These efforts further strengthened our competitiveness in capturing advertising spending from AI application clients.

For e-commerce marketing services, in the second quarter of 2026, we strengthened omni-domain traffic synergy across our e-commerce and online marketing businesses to improve the efficiency of matching merchants with relevant traffic. We conducted more granular merchant segmentation and implemented tiered operations, tailoring differentiated product strategies to address merchants' core needs across different segments. Meanwhile, we intervened at the supply level of marketing materials by actively taking governance measures, including incentivizing first-launch content and increasing recommendation diversity. These initiatives effectively optimized the content mix for e-commerce marketing materials, enabling high-quality content to reach target traffic more efficiently, while further optimizing our long-term commercialization ecosystem. Amid continued macro consumption and merchant operational challenges, we remained committed to providing traffic support to high-quality merchants. The ***T2000 brand initiative (T2000品牌專項)*** launched in the fourth quarter of 2025 has delivered promising initial results. Marketing spend by T2000 brand merchants outpaced that of our broader e-commerce marketing, and its contribution to online marketing services revenue continued to increase in the second quarter of 2026. At the product level of e-commerce marketing services, our ***Net Transaction ROI (淨成交ROI)*** product continued to evolve. By enhancing omni-scenario transaction bidding capabilities and refining bidding mechanisms and model strategies, its client penetration rate increased from 45.0% in the first quarter of 2026 to 55.0% in the second quarter of 2026, effectively helping merchants reduce product return rates.

# Chairman's Statement

In the second quarter of 2026, we continued to optimize the applications of AI across industry-specific scenarios, further enhancing clients' marketing placement efficiency and expanding our capacity to attract incremental marketing budgets across industries. In content consumption scenarios, through content understanding, user matching, smart placement and monetization strategy optimization, AI enabled high-quality content to reach potential users more efficiently. In lifestyle service scenarios, AI capabilities were primarily applied across areas including marketing materials generation, digital human live streaming, conversational business operations, user intent identification and deep conversion prediction, helping merchants reduce the costs associated with content creation, marketing placement operations and manual customer service.

## E-commerce

In the second quarter of 2026, we further advanced our e-commerce strategy by focusing on three key areas: growing our paying user base, expanding supply, and deepening the integration of e-commerce and commercialization traffic. We prioritized optimizing our merchant ecosystem and merchant mix, strengthening the acquisition and development of brands and new merchants, and fostering greater synergies between e-commerce and e-commerce marketing. During the second quarter of 2026, we focused on increasing the number of high-quality users, while the number of active paying users in our e-commerce business remained largely stable quarter-over-quarter. With users' omni-domain consumption habits continuing to develop, we strengthened our private-domain advantages, meanwhile, by aligning traffic across diverse scenarios, we enabled content-driven product recommendation, shelf-based conversion and store repurchases to increasingly reinforce one another, creating a positive growth cycle. In the second quarter of 2026, we further enhanced cross-scenario synergies and optimized subsidy efficiency, driving balanced development across content-based scenarios and pan-shelf-based scenarios.

On the supply side, in the second quarter of 2026, we continued to onboard new merchants and advance brand expansion. Through initiatives focused on cost reduction, efficiency improvement, growth incentives, product empowerment and operational support, we consistently supported the growth of new merchants and small and medium-sized merchants, further improving our merchant ecosystem and mix. We launched an upgraded version of our ***Starlight Initiative (星耀計劃)***, offering tiered support programs for different merchant segments, including brand merchants, large merchants, industrial zone merchants, and small and medium-sized merchants, to help more merchants scale their businesses more rapidly. Supported by these initiatives, the number of newly onboarded merchants increased year-over-year and rose nearly 10.0% quarter-over-quarter in the second quarter of 2026. The number of new merchants achieving scaled growth in their second month after onboarding increased by nearly 30.0% year-over-year, reflecting continued improvements in the quality of growth among new merchants. On the brand merchant side, self-operated GMV from T2000 brands maintained strong year-over-year growth with contribution to overall GMV increased steadily. Meanwhile, marketing spend from brand merchants grew rapidly year-over-year, further enhancing their contribution to both overall e-commerce GMV and online marketing revenue.

In the second quarter of 2026, we continued to improve our KOL ecosystem and structure, enhancing the quality of supply across content-based scenarios. We deepened our collaborations with top-tier KOLs, increased support for mid-tier KOLs in verticals where Kuaishou has competitive advantages, such as ***Three Rural (三農)*** and anime, and improved the consistency of existing KOLs' performance, reinforcing our e-commerce content fundamentals. By integrating our outstanding KOL resources with distinctive product offerings nationwide, we deepened our penetration in industrial zones across China and launched differentiated content marketing initiatives, including product origins tracing livestreaming. These efforts strengthened the synergy between content and supply, empowered KOLs and improved merchants' conversion efficiency. Meanwhile, we continued to expand our KOL base through multiple channels, including in-platform incubation, partnerships with talent agencies and external recruitment. To boost KOL streaming frequency, we continuously refined our incentive policies. In the second quarter of 2026, the number of streamers hosting live sessions with over 10,000 followers increased year-over-year, while KOL streaming frequency continued to increase steadily. Regarding distribution pool development, we leveraged AI technologies to enhance our underlying product capabilities, creating a more targeted distribution pool system, further fostering the vibrancy of our distribution ecosystem. In the second quarter of 2026, the penetration of active KOLs participating in distribution continued to increase year-over-year, and the number of merchant-KOL matches in the distribution pool increased by over 20.0% year-over-year.

In the second quarter of 2026, we continued to optimize AI capabilities across our e-commerce scenarios throughout the full lifecycle of merchants, enabling merchants to reduce costs, improve efficiency and adopt intelligent business operations. These initiatives validated the feasibility of AI evolving from a productivity-enhancing tool into a comprehensive solution supporting business execution. In the first half of 2026, more than 850,000 merchants utilized our free AI-powered business operation tools across a wide range of scenarios, including product selection and listing, marketing materials generation, business analysis, smart placement and AI-powered customer service. These AI tools provided merchants with end-to-end operational support and capability enhancements.

### Live streaming

In the second quarter of 2026, live streaming revenue reached RMB8.7 billion. We focused on the healthy development of our supply ecosystem and leveraged AI to empower live-streaming products, continuously driving ecosystem quality enhancements and product innovation. On the supply side, we launched the ***Confluence Initiative (百川計劃)***, through which we provided streamer acquisition incentives, early-stage growth support, and healthy ecosystem governance, to steadily expand the supply of new streamers from talent agencies, and further improve streamers' efficiency in gaining initial traction. Meanwhile, we strengthened independent streamer operations, focusing on identifying and nurturing high-value independent streamers, thereby solidifying our live streaming supply foundation through refined operations. Moreover, we encouraged top-tier streamers to expand into group live-streaming content formats, leveraging their traffic and influence to enrich the supply of high-quality live-streaming content.

# Chairman's Statement

On the product and technology front, AI capabilities further empowered live-streaming rooms. Powered by Kling AI's video generation capabilities, AI gifts with customizable special effects continued to evolve, offering a wider variety of gift formats and generation capabilities and further enhancing users' willingness to pay. In the second quarter of 2026, AI gifts sent by users surpassed 6 million in total. AI-driven content understanding capabilities continued to optimize our live streaming recommendation strategies, enabling more precise matching between streamers and users and supporting the expansion of our paying user base. In addition, intelligent live-streaming gift recommendation and ranking features based on real-time multimodal signals effectively improved users' payment experience and efficiency. AI tools such as ***AI Interaction Assistants (AI 互動助手)*** and ***Digital Avatars Solution (數字分身服務)*** were further refined and upgraded, continuously improving streamers' service efficiency.

## Overseas

In the second quarter of 2026, we remained committed to our high-value growth strategy, further strengthening the foundation of our overseas business in profitability, long-term operational capabilities and localized efforts. In traffic growth and the content ecosystem, we stayed focused on refined user acquisition. We enhanced our content offerings with distinctive local characteristics and expanded community-based creator networks, fostering an engaging community atmosphere around real-life scenarios and further deepening content consumption among core users. For online marketing services, leveraging major events such as Festa Junina and the World Cup, we empowered our marketing clients to achieve rapid growth during critical windows through AI-driven initiatives, including in-depth ROI analysis, user insights, innovative product features, and industry-specific strategies. Moreover, we further unlocked the monetization potential of short plays and other diversified content formats, forming a dual-engine growth model together with our marketing service product capabilities, while accelerating expansion into growth sectors such as e-commerce. Regarding overseas e-commerce, we continued to deliver solid year-over-year growth in GMV and order volume in the second quarter of 2026. At the same time, we drove growth in average order value through product mix optimization and high-quality supply, while maintaining solid operational efficiency and profit-generating ability.

## Corporate social responsibility

Kuaishou remains firmly committed to its mission of "connecting good faith with technology and creating long-term values", continuously driving the deep integration of technological innovation and industrial development to foster high-quality employment. According to the 2025 Kuaishou Corporate Social Responsibility Report published on June 2, 2026, by the end of 2025, the Kuaishou platform had cumulatively created 48.6 million job opportunities and spawned 189 new professions in total. Among these, 15 new roles were directly generated by the advancement of AI, covering fields such as AIGC application specialists, prompt engineers, AI directors, and AI trainers.

## Business Outlook

In the first half of 2026, we maintained our strategic focus on AI and continued to increase our investment, delivering high-quality, resilient growth across our content and business ecosystems. Looking ahead to the second half of 2026, the Group reaffirms its strategic direction of deepening AI investment and pursuing long-term sustainable development through advanced technology and a distinctive ecosystem. However, we are cautious about the short-term business outlook as the operating environment has become increasingly complex and challenging. We will continue to adopt a prudent and disciplined approach. We will continue to deepen AI integration across these ecosystems by advancing the capabilities of our large models across multiple scenarios, helping merchants and marketing clients operate more efficiently. We will also continue to scale Kling AI's model capabilities and expand its adoption across professional creative scenarios, unlocking additional commercialization opportunities. We remain dedicated to meeting users' evolving needs and creating sustainable, long-term value for Shareholders.

# Management Discussion and Analysis

## SECOND QUARTER OF 2026 COMPARED TO SECOND QUARTER OF 2025

The following table sets forth the comparative figures in absolute amounts and as percentages of our total revenues for the second quarter of 2026 and 2025, respectively:

| | Unaudited Three Months Ended June 30, | | | |
|---|---|---|---|---|
| | 2026 | | 2025 | |
| | RMB | % | RMB | % |
| | (in millions, except for percentages) | | | |
| **Revenues** | 35,535 | 100.0 | 35,046 | 100.0 |
| Cost of revenues | (17,207) | (48.4) | (15,542) | (44.3) |
| **Gross profit** | 18,328 | 51.6 | 19,504 | 55.7 |
| Selling and marketing expenses | (9,922) | (27.9) | (10,503) | (30.0) |
| Administrative expenses | (895) | (2.5) | (897) | (2.6) |
| Research and development expenses | (4,581) | (12.9) | (3,400) | (9.7) |
| Other income | 33 | 0.1 | 16 | 0.0 |
| Other gains, net | 794 | 2.2 | 569 | 1.7 |
| **Operating profit** | 3,757 | 10.6 | 5,289 | 15.1 |
| Finance expenses, net | (258) | (0.8) | (54) | (0.2) |
| Share of losses of investments accounted for using the equity method | (2) | (0.0) | (12) | (0.0) |
| **Profit before income tax** | 3,497 | 9.8 | 5,223 | 14.9 |
| Income tax expenses | (345) | (0.9) | (301) | (0.9) |
| **Profit for the period** | 3,152 | 8.9 | 4,922 | 14.0 |
| **Non-IFRS Accounting Standards Measures:** | | | | |
| Adjusted net profit | 3,913 | 11.0 | 5,618 | 16.0 |
| Adjusted EBITDA | 7,122 | 20.0 | 7,715 | 22.0 |

## Revenues

Our revenues increased by 1.4% to RMB35.5 billion for the second quarter of 2026 from RMB35.0 billion for the same period of 2025. The increase was primarily attributable to the growth of our online marketing services and Kling AI business.

The following table sets forth our revenues by type in absolute amounts and as percentages of our total revenues for the second quarter of 2026 and 2025, respectively:

| | Unaudited | | | |
|---|---|---|---|---|
| | Three Months Ended June 30, | | | |
| | **2026** | | 2025 | |
| | ***RMB*** | ***%*** | *RMB* | *%* |
| | ***(in millions, except for percentages)*** | | | |
| Online marketing services | **20,639** | **58.1** | 19,765 | 56.4 |
| Live streaming | **8,690** | **24.5** | 10,044 | 28.7 |
| Other services | **6,206** | **17.4** | 5,237 | 14.9 |
| **Total** | **35,535** | **100.0** | 35,046 | 100.0 |

### *Online marketing services*

Revenue from our online marketing services increased by 4.4% to RMB20.6 billion for the second quarter of 2026 from RMB19.8 billion for the same period of 2025, primarily attributable to the increased online marketing spending, as we offered scenario-based marketing materials generation capabilities tailored to meet the needs across industries and clients.

### *Live streaming*

Revenue from our live streaming business decreased by 13.5% to RMB8.7 billion for the second quarter of 2026 from RMB10.0 billion for the same period of 2025, as a result of our continuous efforts to develop a rich and healthy live streaming ecosystem and diverse high-quality content.

### *Other services*

Revenue from our other services increased by 18.5% to RMB6.2 billion for the second quarter of 2026 from RMB5.2 billion for the same period of 2025, primarily due to the growth of our Kling AI business. The growth of Kling AI business was primarily attributable to our advanced AI technology and exceptional product performance.

## Cost of Revenues

The following table sets forth our cost of revenues in absolute amounts and as percentages of our total revenues for the second quarter of 2026 and 2025, respectively:

| | Unaudited Three Months Ended June 30, | | | |
|---|---|---|---|---|
| | 2026 | | 2025 | |
| | RMB | % | RMB | % |
| | (in millions, except for percentages) | | | |
| Revenue sharing costs and related taxes | 12,323 | 34.7 | 10,542 | 30.1 |
| Bandwidth expenses and server custody costs[1] | 1,595 | 4.5 | 1,335 | 3.8 |
| Depreciation of property and equipment and right-of-use assets, and amortization of intangible assets[1] | 1,284 | 3.6 | 1,406 | 4.0 |
| Employee benefit expenses | 681 | 1.9 | 670 | 1.9 |
| Payment processing costs | 589 | 1.7 | 800 | 2.3 |
| Other cost of revenues | 735 | 2.0 | 789 | 2.2 |
| **Total** | 17,207 | 48.4 | 15,542 | 44.3 |

*Note:*

(1) Server custody costs include the custody fee of internet data centers with a lease term of one year or less which is exempted under IFRS 16 — Leases. Leases of internet data centers with a term of over one year are recorded as right-of-use assets, and recorded as depreciation charge in cost of revenues.

Our cost of revenues increased by 10.7% to RMB17.2 billion for the second quarter of 2026 from RMB15.5 billion for the same period of 2025, primarily attributable to the increase in revenue sharing costs and related taxes in line with our revenue growth.

## Gross Profit and Gross Profit Margin

The following table sets forth our gross profit both in absolute amounts and as percentages of our total revenues, or gross profit margin, for the second quarter of 2026 and 2025, respectively:

| | Unaudited Three Months Ended June 30, | | | |
|---|---|---|---|---|
| | **2026** | | 2025 | |
| | ***RMB*** | ***%*** | *RMB* | *%* |
| | ***(in millions, except for percentages)*** | | | |
| Gross profit | **18,328** | **51.6** | 19,504 | 55.7 |

As a result of the foregoing, our gross profit decreased by 6.0% to RMB18.3 billion for the second quarter of 2026 from RMB19.5 billion for the same period of 2025. Our gross profit margin decreased to 51.6% for the second quarter of 2026, compared to 55.7% for the same period of 2025.

## Selling and Marketing Expenses

Our selling and marketing expenses decreased by 5.5% to RMB9.9 billion for the second quarter of 2026, from RMB10.5 billion for the same period of 2025, and decreased to 27.9% for the second quarter of 2026 from 30.0% for the same period of 2025 as a percentage of our total revenues. The decrease was primarily attributable to the decreased spending in promotion activities.

## Administrative Expenses

Our administrative expenses remained stable at RMB895 million and RMB897 million for the second quarter of 2026 and 2025, respectively.

## Research and Development Expenses

Our research and development expenses increased by 34.7% to RMB4.6 billion for the second quarter of 2026, from RMB3.4 billion for the same period of 2025, primarily due to the increased investment in AI, including related training expenditures.

## Other Income

Our other income was RMB33 million and RMB16 million for the second quarter of 2026 and 2025, respectively.

# Management Discussion and Analysis

## Other Gains, Net

We had other gains, net of RMB794 million for the second quarter of 2026, compared to RMB569 million for the same period of 2025. The increase was primarily due to the fair value changes of financial assets at fair value through profit or loss.

## Operating Profit

As a result of the foregoing, we had an operating profit of RMB3.8 billion and an operating margin of 10.6% for the second quarter of 2026, compared to an operating profit of RMB5.3 billion and an operating margin of 15.1% for the same period of 2025.

The following table sets forth our operating profit/(loss) by segment in absolute amounts for the second quarter of 2026 and 2025, respectively:

| | Unaudited Three Months Ended June 30, | | |
|---|---|---|---|
| | 2026 | 2025 | Year-over-year change |
| | *(RMB millions, except for percentages)* | | |
| Domestic | 3,733 | 5,401 | (30.9%) |
| Overseas | (25) | 19 | N/A |
| Unallocated items | 49 | (131) | N/A |
| **Total** | 3,757 | 5,289 | (29.0%) |

Our operating profit from the domestic segment was RMB3.7 billion and RMB5.4 billion for the second quarter of 2026 and 2025, respectively.

Our operating loss from the overseas segment was RMB25 million for the second quarter of 2026, compared to an operating profit of RMB19 million for the same period of 2025.

## Finance Expenses, Net

Our finance expenses, net increased to RMB258 million for the second quarter of 2026, from RMB54 million for the same period of 2025, primarily due to the increase in interest expense from borrowings.

## Share of Losses of Investments Accounted for Using the Equity Method

Our share of losses of investments accounted for using the equity method was RMB2 million and RMB12 million for the second quarter of 2026 and 2025, respectively.

## Profit before Income Tax

As a result of the foregoing, we had a profit before income tax of RMB3.5 billion and RMB5.2 billion for the second quarter of 2026 and 2025, respectively.

## Income Tax Expenses

Our income tax expenses were RMB345 million and RMB301 million for the second quarter of 2026 and 2025, respectively.

## Profit for the Period

As a result of the foregoing, we had a profit of RMB3.2 billion for the second quarter of 2026, compared to a profit of RMB4.9 billion for the same period of 2025.

# Management Discussion and Analysis

## SECOND QUARTER OF 2026 COMPARED TO FIRST QUARTER OF 2026

The following table sets forth the comparative figures in absolute amounts and as percentages of our total revenues for the second quarter and the first quarter of 2026, respectively:

| | Unaudited Three Months Ended | | | |
|---|---|---|---|---|
| | **June 30, 2026** | | March 31, 2026 | |
| | ***RMB*** | ***%*** | *RMB* | *%* |
| | ***(in millions, except for percentages)*** | | | |
| **Revenues** | **35,535** | **100.0** | 33,716 | 100.0 |
| Cost of revenues | **(17,207)** | **(48.4)** | (16,467) | (48.8) |
| **Gross profit** | **18,328** | **51.6** | 17,249 | 51.2 |
| Selling and marketing expenses | **(9,922)** | **(27.9)** | (10,333) | (30.6) |
| Administrative expenses | **(895)** | **(2.5)** | (766) | (2.3) |
| Research and development expenses | **(4,581)** | **(12.9)** | (3,621) | (10.7) |
| Other income | **33** | **0.1** | 245 | 0.7 |
| Other gains, net | **794** | **2.2** | 821 | 2.4 |
| **Operating profit** | **3,757** | **10.6** | 3,595 | 10.7 |
| Finance expenses, net | **(258)** | **(0.8)** | (173) | (0.5) |
| Share of losses of investments accounted for using the equity method | **(2)** | **(0.0)** | (13) | (0.1) |
| **Profit before income tax** | **3,497** | **9.8** | 3,409 | 10.1 |
| Income tax expenses | **(345)** | **(0.9)** | (504) | (1.5) |
| **Profit for the period** | **3,152** | **8.9** | 2,905 | 8.6 |
| **Non-IFRS Accounting Standards Measures:** | | | | |
| Adjusted net profit | **3,913** | **11.0** | 3,374 | 10.0 |
| Adjusted EBITDA | **7,122** | **20.0** | 6,230 | 18.5 |

## Revenues

Our revenues increased by 5.4% to RMB35.5 billion for the second quarter of 2026, from RMB33.7 billion for the first quarter of 2026, primarily attributable to the growth of our online marketing services and Kling AI business.

The following table sets forth our revenues by type in absolute amounts and as percentages of our total revenues for the second quarter and the first quarter of 2026, respectively:

| | Unaudited Three Months Ended | | | |
|---|---|---|---|---|
| | June 30, 2026 | | March 31, 2026 | |
| | *RMB* | *%* | *RMB* | *%* |
| | *(in millions, except for percentages)* | | | |
| Online marketing services | **20,639** | **58.1** | 19,643 | 58.3 |
| Live streaming | **8,690** | **24.5** | 8,492 | 25.2 |
| Other services | **6,206** | **17.4** | 5,581 | 16.5 |
| **Total** | **35,535** | **100.0** | 33,716 | 100.0 |

### *Online marketing services*

Revenue from our online marketing services increased by 5.1% to RMB20.6 billion for the second quarter of 2026, from RMB19.6 billion for the first quarter of 2026, primarily attributable to the increased online marketing spending, as we offered scenario-based marketing materials generation capabilities tailored to meet the needs across industries and clients.

### *Live streaming*

Revenue from our live streaming business increased by 2.3% to RMB8.7 billion for the second quarter of 2026, from RMB8.5 billion for the first quarter of 2026, as a result of our continuous efforts to develop a rich and healthy live streaming ecosystem and diverse high-quality content.

### *Other services*

Revenue from our other services increased by 11.2% to RMB6.2 billion for the second quarter of 2026, from RMB5.6 billion for the first quarter of 2026, primarily due to the growth of our Kling AI business. The growth of Kling AI business was primarily attributable to our advanced AI technology and exceptional product performance.

# Management Discussion and Analysis

## Cost of Revenues

The following table sets forth our cost of revenues in absolute amounts and as percentages of our total revenues for the second quarter and the first quarter of 2026, respectively:

| | Unaudited Three Months Ended | | | |
|---|---|---|---|---|
| | **June 30, 2026** | | March 31, 2026 | |
| | ***RMB*** | ***%*** | *RMB* | % |
| | ***(in millions, except for percentages)*** | | | |
| Revenue sharing costs and related taxes | **12,323** | **34.7** | 10,783 | 32.0 |
| Bandwidth expenses and server custody costs[1] | **1,595** | **4.5** | 1,749 | 5.2 |
| Depreciation of property and equipment and right-of-use assets, and amortization of intangible assets[1] | **1,284** | **3.6** | 1,775 | 5.3 |
| Employee benefit expenses | **681** | **1.9** | 685 | 2.0 |
| Payment processing costs | **589** | **1.7** | 661 | 2.0 |
| Other cost of revenues | **735** | **2.0** | 814 | 2.3 |
| **Total** | **17,207** | **48.4** | 16,467 | 48.8 |

*Note:*

(1) Server custody costs include the custody fee of internet data centers with a lease term of one year or less which is exempted under IFRS 16 — Leases. Leases of internet data centers with a term of over one year are recorded as right-of-use assets, and recorded as depreciation charge in cost of revenues.

Our cost of revenues increased by 4.5% to RMB17.2 billion for the second quarter of 2026, from RMB16.5 billion for the first quarter of 2026, primarily attributable to the increase in revenue sharing costs and related taxes in line with our revenue growth, partially offset by the decrease in bandwidth expenses and server custody costs, as well as the decrease in depreciation of property and equipment and right-of-use assets, and amortization of intangible assets.

## Gross Profit and Gross Profit Margin

The following table sets forth our gross profit both in absolute amounts and as percentages of our total revenues, or gross profit margin, for the second quarter and the first quarter of 2026, respectively:

| | Unaudited | | | |
|---|---|---|---|---|
| | Three Months Ended | | | |
| | **June 30, 2026** | | March 31, 2026 | |
| | ***RMB*** | ***%*** | *RMB* | % |
| | ***(in millions, except for percentages)*** | | | |
| Gross profit | **18,328** | **51.6** | 17,249 | 51.2 |

As a result of the foregoing, our gross profit increased by 6.3% to RMB18.3 billion for the second quarter of 2026, from RMB17.2 billion for the first quarter of 2026. Our gross profit margin increased to 51.6% for the second quarter of 2026, from 51.2% for the first quarter of 2026.

## Selling and Marketing Expenses

Our selling and marketing expenses decreased by 4.0% to RMB9.9 billion for the second quarter of 2026, from RMB10.3 billion for the first quarter of 2026. The decrease was primarily attributable to the decreased spending in promotion activities. As a percentage of our total revenues, selling and marketing expenses decreased to 27.9% for the second quarter of 2026 from 30.6% for the first quarter of 2026.

## Administrative Expenses

Our administrative expenses increased to RMB895 million for the second quarter of 2026, from RMB766 million for the first quarter of 2026, primarily attributable to the increase in employee benefit expenses, including the related share-based compensation expenses.

## Research and Development Expenses

Our research and development expenses increased by 26.5% to RMB4.6 billion for the second quarter of 2026, from RMB3.6 billion for the first quarter of 2026, primarily due to the increased investment in AI, including related training expenditures.

## Other Income

Our other income was RMB33 million and RMB245 million for the second quarter and the first quarter of 2026, respectively.

## Other Gains, Net

We had other gains, net of RMB794 million and RMB821 million for the second quarter and the first quarter of 2026, respectively.

## Operating Profit

As a result of the foregoing, we had an operating profit of RMB3.8 billion and an operating margin of 10.6% for the second quarter of 2026, compared to an operating profit of RMB3.6 billion and an operating margin of 10.7% for the first quarter of 2026.

The following table sets forth our operating profit/(loss) by segment in absolute amounts for the second quarter and the first quarter of 2026, respectively:

| | Unaudited Three Months Ended | | |
|---|---|---|---|
| | **June 30, 2026** | March 31, 2026 | Quarter-over-quarter change |
| | *(RMB millions, except for percentages)* | | |
| Domestic | **3,733** | 3,093 | 20.7% |
| Overseas | **(25)** | (31) | (19.4%) |
| Unallocated items | **49** | 533 | (90.8%) |
| **Total** | **3,757** | 3,595 | 4.5% |

Our operating profit from the domestic segment increased to RMB3.7 billion for the second quarter of 2026, from RMB3.1 billion for the first quarter of 2026, mainly due to the growth in domestic revenues.

Our operating loss from the overseas segment was RMB25 million and RMB31 million for the second quarter and the first quarter of 2026, respectively.

## Finance Expenses, Net

Our finance expenses, net was RMB258 million and RMB173 million for the second quarter and the first quarter of 2026, respectively.

## Share of Losses of Investments Accounted for Using the Equity Method

Our share of losses of investments accounted for using the equity method was RMB2 million and RMB13 million for the second quarter and the first quarter of 2026, respectively.

## Profit before Income Tax

As a result of the foregoing, we had a profit before income tax of RMB3.5 billion for the second quarter of 2026, compared to a profit before income tax of RMB3.4 billion for the first quarter of 2026.

## Income Tax Expenses

We had income tax expenses of RMB345 million and RMB504 million for the second quarter and the first quarter of 2026, respectively.

## Profit for the Period

As a result of the foregoing, we had a profit of RMB3.2 billion for the second quarter of 2026, compared to a profit of RMB2.9 billion for the first quarter of 2026.

## RECONCILIATION OF NON-IFRS ACCOUNTING STANDARDS MEASURES TO THE NEAREST IFRS ACCOUNTING STANDARDS MEASURES

We believe that the presentation of non-IFRS Accounting Standards measures facilitate comparisons of operating performance from period to period and company to company by eliminating the potential impact of items that our management does not consider to be indicative of our operating performance, such as certain non-cash items. The use of these non-IFRS Accounting Standards measures has limitations as an analytical tool, and you should not consider them in isolation from, as a substitute for, analysis of, or superior to, our results of operations or financial conditions as reported under IFRS Accounting Standards. In addition, these non-IFRS Accounting Standards financial measures may be defined differently from similar terms used by other companies, and may not be comparable to other similarly titled measures used by other companies. Our presentation of these non-IFRS Accounting Standards measures should not be construed as an implication that our future results will be unaffected by unusual or non-recurring items.

The following table sets forth the reconciliations of our non-IFRS Accounting Standards financial measures for the second quarter of 2026, the first quarter of 2026 and the second quarter of 2025, as well as the first half of 2026 and 2025, respectively, to the nearest measures prepared in accordance with IFRS Accounting Standards:

| | Unaudited Three Months Ended | | |
|---|---|---|---|
| | **June 30, 2026** | March 31, 2026 | June 30, 2025 |
| | *(RMB millions)* | | |
| **Profit for the period** | **3,152** | 2,905 | 4,922 |
| Adjusted for: | | | |
| Share-based compensation expenses | **778** | 533 | 716 |
| Net fair value changes on investments[1] | **(17)** | (64) | (20) |
| **Adjusted net profit** | **3,913** | 3,374 | 5,618 |
| **Adjusted net profit** | **3,913** | 3,374 | 5,618 |
| Adjusted for: | | | |
| Income tax expenses | **345** | 504 | 301 |
| Depreciation of property and equipment | **1,745** | 1,364 | 885 |
| Depreciation of right-of-use assets | **845** | 799 | 831 |
| Amortization of intangible assets | **16** | 16 | 26 |
| Finance expenses, net | **258** | 173 | 54 |
| **Adjusted EBITDA** | **7,122** | 6,230 | 7,715 |

| | Unaudited Six Months Ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | *(RMB millions)* | |
| **Profit for the period** | **6,057** | 8,901 |
| Adjusted for: | | |
| Share-based compensation expenses | **1,311** | 1,320 |
| Net fair value changes on investments[1] | **(81)** | (23) |
| **Adjusted net profit** | **7,287** | 10,198 |
| **Adjusted net profit** | **7,287** | 10,198 |
| Adjusted for: | | |
| Income tax expenses | **849** | 559 |
| Depreciation of property and equipment | **3,109** | 1,667 |
| Depreciation of right-of-use assets | **1,644** | 1,599 |
| Amortization of intangible assets | **32** | 48 |
| Finance expenses, net | **431** | 78 |
| **Adjusted EBITDA** | **13,352** | 14,149 |

*Note:*

(1) Net fair value changes on investments represents net fair value (gains)/losses on financial assets at fair value through profit or loss of our investments in listed and unlisted entities, net (gains)/losses on deemed disposals of investments and impairment provision for investments, which is unrelated to our core business and operating performance and subject to market fluctuations, and exclusion of which provides investors with more relevant and useful information to evaluate our performance.

## LIQUIDITY AND FINANCIAL RESOURCES

Historically, our principal sources of funds for working capital and other capital needs have been capital contributions from the Shareholders, cash generated from issuance of convertible redeemable preferred shares and borrowings, and cash generated from our operating activities. We had cash and cash equivalents of RMB11.7 billion as of June 30, 2026, compared to RMB11.4 billion as of March 31, 2026.

Our total available funds which we considered in cash management included but not limited to cash and cash equivalents, time deposits, financial assets and restricted cash. Financial assets mainly included wealth management products and others. The aggregate amount of our available funds was RMB121.3 billion as of June 30, 2026, compared to RMB117.7 billion as of March 31, 2026.

The following table sets forth a summary of our cash flows for the periods indicated:

| | **Unaudited Three Months Ended June 30, 2026** | Unaudited Six Months Ended June 30, 2026 |
|---|---|---|
| | ***(RMB millions)*** | |
| Net cash generated from operating activities | **5,919** | 9,044 |
| Net cash used in investing activities | **(8,730)** | (32,688) |
| Net cash generated from financing activities | **3,188** | 24,327 |
| Net increase in cash and cash equivalents | **377** | 683 |
| Cash and cash equivalents at the beginning of the period | **11,405** | 11,180 |
| Effects of exchange rate changes on cash and cash equivalents | **(86)** | (167) |
| Cash and cash equivalents at the end of the period | **11,696** | 11,696 |

### Net Cash Generated from Operating Activities

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

For the second quarter of 2026, our net cash generated from operating activities was RMB5.9 billion, which was primarily attributable to our profit before income tax of RMB3.5 billion, adjusted by non-cash items, primarily comprising depreciation of property and equipment of RMB1.7 billion, net fair value gains on financial assets at fair value through profit or loss of RMB883 million, depreciation of right-of-use assets of RMB845 million and equity-settled share-based compensation expenses of RMB797 million. We also paid income tax of RMB740 million.

### Net Cash Used in Investing Activities

For the second quarter of 2026, our net cash used in investing activities was RMB8.7 billion, which was primarily attributable to purchase of property, equipment and intangible assets of RMB5.9 billion, the net investments in financial assets at fair value through profit or loss of RMB5.4 billion, and net proceeds from maturity of time deposits with initial terms of over three months of RMB2.4 billion.

### Net Cash Generated from Financing Activities

For the second quarter of 2026, our net cash generated from financing activities was RMB3.2 billion, which was primarily attributable to net proceeds under notes arrangement of RMB5.6 billion, payments for principal elements of lease and the related interest of RMB1.1 billion, payments for shares repurchase of RMB869 million and net repayments of borrowings and related interest of RMB364 million.

## BORROWINGS

As of June 30, 2026, we had total borrowings of RMB27.4 billion. The details of our borrowings are disclosed in Note 20 to the Condensed Consolidated Interim Financial Information in this interim report.

## GEARING RATIO

As of June 30, 2026, our gearing ratio, calculated as total borrowings divided by total equity attributable to equity holders of the Company, was 33.3%.

## CONTINGENT LIABILITIES

We did not have any material contingent liabilities as of June 30, 2026.

## SIGNIFICANT INVESTMENTS HELD

As of June 30, 2026, we did not hold any significant investments in the equity interests of any other companies.

## MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Reporting Period, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

## PLEDGE OF ASSETS

As of June 30, 2026, we had not pledged any assets of the Group.

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as otherwise disclosed in this interim report, as of June 30, 2026, we have no specific plan for material investments or acquisition of capital assets. However, we will continue to identify new opportunities for business development and investments.

## FOREIGN EXCHANGE RISK

During the Reporting Period, most transactions of the Group were settled in RMB and USD, while a limited number of transactions was denominated in foreign currencies such as Brazilian real, the amount of which was not significant. The Group manage foreign exchange risks by performing periodic reviews of our net foreign exchange exposures and try to mitigate these exposures through natural hedges, wherever possible.

In order to better manage the foreign exchange risk of certain borrowings and net investments in major foreign operations in Chinese Mainland, we have entered into foreign currency options, forwards and swaps (collectively the "**Derivative Hedging Instruments**"). The details of the risk and the fair value of assets and liabilities arising from the Derivative Hedging Instruments as of June 30, 2026 are disclosed in Notes 5.1 and 5.2 to the Condensed Consolidated Interim Financial Information in this interim report.

The Group will continue to monitor foreign exchange risk based on its business development requirements to best preserve the Group's cash value, and may engage in other hedging activities when necessary.

## EMPLOYEE AND REMUNERATION POLICY

As of June 30, 2026, there was no material change in the number of our employees compared to that disclosed in the annual report of the Company for the financial year ended December 31, 2025. The Group also used some third-party labor outsourcing and labor dispatch services, though most of our employees were directly employed by us. Substantially all of the Group's employees are based in China, primarily at our headquarters in Beijing as well as in Chengdu, Hangzhou, Wuhan, Wuxi, and other cities.

The Group's success depends on its ability to attract, retain and motivate qualified personnel. The Group adopts high standards in recruitment with strict procedures to ensure the quality of new hires. The Group uses various methods for its recruitment, including campus recruitment, online recruitment, internal recommendation and recruitment through headhunter firms or agents, to satisfy its demand for different types of talents, and pay competitive market salaries.

The Group provides robust training programs for its employees, which it believes are effective in equipping them with the necessary skillset and work ethic. As required by PRC laws, it participates in mandatory employee social security schemes that are organized by municipal and provincial governments, including pension insurance, unemployment insurance, maternity insurance, work-related injury insurance, medical insurance and housing provident funds. The Group and its employees are required to bear the costs of the social security schemes in proportion to a specified percentage. The Group is required under PRC law to make contributions to employee social security plans directly at specified percentages of the salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government from time to time.

The total remuneration expenses of the employees of the Group for the Reporting Period are set out in Note 9 to the Condensed Consolidated Interim Financial Information in this interim report.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

In accordance with the archiving notice submitted through the Disclosure of Interests Online (DION) System, as far as the Directors are aware and as of June 30, 2026, the interests or short positions of the Directors and the chief executive in any Shares, underlying Shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO), which shall be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which have been taken or deemed to have been taken under such provisions of the SFO) or which is required, pursuant to Section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which is required to be notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules, are set forth below:

### (a) Interest in Shares and underlying Shares of the Company

| Name of Director or chief executive | Capacity/Nature of interest[1] | Relevant company | Number and class of shares held | Approximate percentage of shareholding of relevant class of shares in the Company[2] | Approximate percentage of shareholding in the issued and outstanding share capital of the Company[2] |
|---|---|---|---|---|---|
| Mr. SU Hua[3] | Founder and settlor of a trust (L) | Vistra Trust (Singapore) Pte. Limited | 326,348,818 Class A Shares | 49.07% | 7.54% |
| | | | 101,120,703 Class B Shares | 2.76% | 2.34% |
| | Founder and settlor of a trust (S) | | 150,000,000 Class B Shares | 4.10% | 3.47% |
| | Interest in controlled corporations (L) | Reach Best | 326,348,818 Class A Shares | 49.07% | 7.54% |
| | | | 101,120,703 Class B Shares | 2.76% | 2.34% |
| | Interest in controlled corporations (S) | | 150,000,000 Class B Shares | 4.10% | 3.47% |
| | Beneficial interest (L) | — | 5,699,103 Class B Shares | 0.16% | 0.13% |
| Mr. CHENG Yixiao[4] | Founder and settlor of a trust (L) | Vistra Trust (Singapore) Pte. Limited | 338,767,480 Class A Shares | 50.93% | 7.83% |
| | | | 43,770,873 Class B Shares | 1.20% | 1.01% |
| | Interest in controlled corporations (L) | Ke Yong | 338,767,480 Class A Shares | 50.93% | 7.83% |
| | | | 43,770,873 Class B Shares | 1.20% | 1.01% |
| | Beneficial interest (L) | — | 14,528,524 Class B Shares | 0.40% | 0.34% |
| Mr. ZHANG Fei[5] | Founder of a trust (L) | Trust | 25,322,322 Class B Shares | 0.69% | 0.59% |

*Notes:*

(1) The letter "L" denotes long position, and the letter "S" denotes short position.

(2) As of June 30, 2026, the Company had 4,326,907,654 issued and outstanding share capital in total, comprising 665,116,298 Class A Shares and 3,661,791,356 Class B Shares.

(3) The entire interest in Reach Best is held by an entity wholly owned by Vistra Trust (Singapore) Pte. Limited as trustee for a trust established by Mr. SU Hua (as settlor) for the benefit of Mr. SU Hua and his family. Mr. SU Hua is deemed to be interested in the 326,348,818 Class A Shares and 101,120,703 Class B Shares in long position and 150,000,000 Class B Shares in short position held by Reach Best under the SFO.

As of June 30, 2026, Mr. SU Hua is also deemed to be interested in the 5,699,103 outstanding and unexercised options underlying Class B Shares pursuant to the Pre-IPO ESOP.

(4) The entire interest in Ke Yong is held by an entity wholly owned by Vistra Trust (Singapore) Pte. Limited as trustee for a trust established by Mr. CHENG Yixiao (as settlor) for the benefit of Mr. CHENG Yixiao and his family. Mr. CHENG Yixiao is deemed to be interested in the 338,767,480 Class A Shares and 43,770,873 Class B Shares held by Ke Yong under the SFO.

As of June 30, 2026, Mr. CHENG Yixiao is also deemed to be interested in the 10,659,645 outstanding and unexercised options underlying Class B Shares pursuant to the Post-IPO Share Option Scheme, and 391,235 unvested options and 3,477,644 unvested RSUs underlying Class B Shares pursuant to the 2023 Share Incentive Scheme.

(5) As of June 30, 2026, Mr. ZHANG Fei is deemed to be interested in the 25,322,322 Class B Shares held by an entity controlled by the trustee of a discretionary trust, of which Mr. ZHANG Fei is a founder, under the SFO.

### (b) Interest in associated corporation

| Name of Director or chief executive | Nature of interest[(1)] | Associated corporations | Amount of registered capital (RMB) | Percentage of shareholding in the associated corporation[(2)] |
|---|---|---|---|---|
| Mr. SU Hua | Beneficial interest (L) | Hangzhou Youqu[(3)] | 10,000,000 | 90.00% |
| | | Beijing One Smile[(4)] | 10,000,000 | 32.32% |
| Mr. CHENG Yixiao | Beneficial interest (L) | Beijing One Smile[(4)] | 10,000,000 | 25.86% |

*Notes:*

(1) The letter "L" denotes long position.

(2) The calculation is based on the registered capital of Hangzhou Youqu and Beijing One Smile, respectively.

(3) Hangzhou Youqu is a Consolidated Affiliated Entity and is owned as to 90% and 10% by Mr. SU Hua and Ms. PENG Xiaochun, respectively.

(4) Beijing One Smile is a Consolidated Affiliated Entity and is owned as to (i) 32.32% by Mr. SU Hua, (ii) 29.24% by Mr. YANG Yuanxi, (iii) 25.86% by Mr. CHENG Yixiao, and (iv) 12.58% by Mr. YIN Xin.

Save as disclosed above, as far as the Directors are aware and as of June 30, 2026, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

In accordance with the archiving notice submitted through the Disclosure of Interests Online (DION) System, as far as the Directors are aware and as of June 30, 2026, the following persons (other than the Directors and chief executive of the Company whose interests have been disclosed above) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be maintained by the Company pursuant to Section 336 of the SFO:

| Name | Nature of Interest[1] | Number and class of shares held | Approximate percentage of shareholding of each class of shares in the Company[2] | Approximate percentage of shareholding in the issued and outstanding share capital of the Company[2] |
|---|---|---|---|---|
| Tencent Holdings Limited[3] | Interest in controlled corporations (L) | 678,583,107 Class B Shares | 18.53% | 15.68% |
| Tencent Mobility Limited[3] | Beneficial interest (L) | 506,143,854 Class B Shares | 13.82% | 11.70% |
| UBS Group AG[4] | Interest in controlled corporations (L) | 262,657,396 Class B Shares | 7.17% | 6.07% |
| | Interest in controlled corporations (S) | 237,288,920 Class B Shares | 6.48% | 5.48% |
| JPMorgan Chase & Co.[5] | Beneficial owner (L) | 84,731,524 Class B Shares | 2.31% | 1.96% |
| | Beneficial owner (S) | 89,442,708 Class B Shares | 2.44% | 2.07% |
| | Investment manager (L) | 3,594,673 Class B Shares | 0.10% | 0.08% |
| | Investment manager (S) | 14,900 Class B Shares | 0.00% | 0.00% |
| | Person having a security interest in shares (L) | 1,411,705 Class B Shares | 0.04% | 0.03% |
| | Approved lending agent (L) | 98,525,258 Class B Shares | 2.69% | 2.28% |

*Notes:*

(1) The letter "L" denotes long position, and the letter "S" denotes short position.

(2) As of June 30, 2026, the Company had 4,326,907,654 issued and outstanding share capital in total, comprising 665,116,298 Class A Shares and 3,661,791,356 Class B Shares.

(3) Tencent Holdings Limited was interested in 678,583,107 Class B Shares through its various subsidiaries or entities controlled by it, including 506,143,854 Class B Shares directly held by Tencent Mobility Limited.

(4) UBS Group AG was interested in 262,657,396 Class B Shares in long position and 237,288,920 Class B Shares in short position through its various subsidiaries or entities controlled by it, which included (i) 244,482,356 Class B Shares in long position and 234,201,645 Class B Shares in short position directly held by UBS AG; (ii) 78,908 underlying Class B Shares in short position through its holding of certain listed derivatives (cash settled); (iii) 468,442 underlying Class B Shares in long position and 4,434,084 underlying Class B Shares in short position through its holding of certain listed derivatives (convertible instruments); (iv) 214,638,308 underlying Class B Shares in long position and 88,176,636 underlying Class B Shares in short position through its holding of certain unlisted derivatives (physically settled); and (v) 96,174 underlying Class B Shares in long position and 457,585 underlying Class B Shares in short position through its holding of certain unlisted derivatives (cash settled).

(5) JPMorgan Chase & Co. was interested in 188,263,160 Class B Shares in long position, 89,457,608 Class B Shares in short position and 98,525,258 Class B Shares in lending pool through its various subsidiaries or entities controlled by it, which included (i) 12,214,500 underlying Class B Shares in long position and 16,265,000 underlying Class B Shares in short position through its holding of certain listed derivatives (physically settled); (ii) 87,900 underlying Class B Shares in long position and 5,895,851 underlying Class B Shares in short position through its holding of certain listed derivatives (cash settled); (iii) 11,519,728 underlying Class B Shares in long position and 19,544,751 underlying Class B Shares in short position through its holding of certain unlisted derivatives (physically settled); and (iv) 57,179,105 underlying Class B Shares in long position and 5,984,097 underlying Class B Shares in short position through its holding of certain unlisted derivatives (cash settled).

Save as disclosed above, as of June 30, 2026, the Directors were not aware of any person (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be recorded in the register referred to therein.

# Other Information

## PRE-IPO AND POST-IPO SHARE INCENTIVE PLANS

### Pre-IPO ESOP

Pre-IPO ESOP was approved and adopted pursuant to the written resolutions of all the then shareholders dated February 6, 2018. The terms of the Pre-IPO ESOP are not subject to the provisions of Chapter 17 of the Listing Rules. The purpose of the Pre-IPO ESOP is to promote the success of the Company and the interests of its Shareholders by providing a means through which the Company may grant equity-based incentives in the form of options ("**Options**") and restricted share ("**Restricted Shares**") awards to attract, motivate, retain and reward certain officers, employees, Directors and other eligible persons and to further link the interests of award recipients under the Pre-IPO ESOP with those of the Shareholders generally.

#### *Share Options Granted under the Pre-IPO ESOP*

Up to the Listing Date, the Company has granted Options under the Pre-IPO ESOP to 7,020 grantees (including Directors, officers and other employees of the Company) to subscribe for an aggregate of 626,184,514 Shares, a portion of which corresponding to 363,146,799 Shares has been exercised. All these 363,146,799 Shares have been issued as Class B Shares upon the Listing. No consideration has been paid by the grantees for the grant of Options under the Pre-IPO ESOP. For details, please refer to "Statutory and General Information — 4. Pre-IPO ESOP — Outstanding share options granted" in Appendix V of the Prospectus. Up to the Listing Date, the Company has not issued any Restricted Shares under the Pre-IPO ESOP.

There is no Option or Restricted Share available for grant under the Pre-IPO ESOP upon the Listing.

The table below shows the details of movements of Options granted to each participant or each category of participants under the Pre-IPO ESOP:

| Name | Date of grant | Vesting period[1] | Exercise period | Exercise price (US$) | Number of Class B Shares underlying Options outstanding as of January 1, 2026 | Number of Options exercised during the Reporting Period | Weighted average price of class B Shares immediately before the dates of exercise (HK$) | Number of Options cancelled during the Reporting Period | Number of Options lapsed during the Reporting Period | Number of Class B Shares underlying Options outstanding as of June 30, 2026 |
|---|---|---|---|---|---|---|---|---|---|---|
| *Director* | | | | | | | | | | |
| Mr. SU Hua | June 30, 2017 to April 1, 2020 | 4 years | August 6, 2021 to March 31, 2030 | 0.0422 | 5,699,103 | 0 | – | 0 | 0 | 5,699,103 |
| *Other grantees* | | | | | | | | | | |
| Employees | December 22, 2014 to January 7, 2021 | 0–4 years | August 6, 2021 to March 31, 2031 | 0.0422–16.66 | 14,810,015 | (3,398,476) | 64.53 | 0 | (512,418) | 10,899,121 |
| **Total** | | | | | 20,509,118 | (3,398,476) | | 0 | (512,418) | 16,598,224 |

*Note:*

(1) Vesting period means the total vesting period (i.e. the period between the date of grant and the last vesting date) for the Options granted.

## Post-IPO Share Option Scheme

The Post-IPO Share Option Scheme was approved and adopted by all the then shareholders on January 18, 2021. The terms of the Post-IPO Share Option Scheme are governed by Chapter 17 of the Listing Rules. The purpose of the Post-IPO Share Option Scheme is to provide selected participants with the opportunity to acquire proprietary interests in the Company and to encourage selected participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole. The Post-IPO Share Option Scheme will provide the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to selected participants.

The Post-IPO Share Option Scheme commenced on the Listing Date and was terminated upon the 2023 Share Incentive Scheme becoming unconditional and effective on June 23, 2023. Upon the termination, the Company did not grant further options ("**Options**") under the Post-IPO Share Option Scheme, but in all other respects the provisions of the Post-IPO Share Option Scheme shall remain in full force and effect in respect of Options which were granted prior to the termination.

### *Share Options Granted under the Post-IPO Share Option Scheme*

There is no Option available for grant under the Post-IPO Share Option Scheme since its termination on June 23, 2023. There is no service provider sublimit under the Post-IPO Share Option Scheme.

Details of movements of Options granted to each participant or each category of participants under the Post-IPO Share Option Scheme are as follows:

| | | | | | | Particulars of Options granted during the Reporting Period | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Name | Date of grant | Vesting period[1] | Exercise period | Exercise price (HK$) | Number of Class B Shares underlying Options outstanding as of January 1, 2026 | Number of Class B Shares underlying Options granted during the Reporting Period | Performance targets of the Options granted during the Reporting Period | Closing price of the Class B Shares immediately before the date on which the Options were granted (HK$) | Fair value of Options at the date of grant (HK$) | Number of Options exercised during the Reporting Period | Weighted average price of Class B Shares immediately before the dates of exercise (HK$) | Number of Options cancelled during the Reporting Period | Number of Options lapsed during the Reporting Period | Number of Class B Shares underlying Options outstanding as of June 30, 2026 |
| ***Director*** | | | | | | | | | | | | | | |
| Mr. CHENG Yixiao | April 14, 2022 | 4 years | April 13, 2023 to April 13, 2029 | 66.46 | 3,246,770 | N/A | N/A | N/A | N/A | 0 | – | 0 | 0 | 3,246,770 |
| Mr. CHENG Yixiao | March 30, 2023 | 3 years | March 30, 2024 to March 29, 2030 | 59.40 | 12,999,986 | N/A | N/A | N/A | N/A | 0 | – | 0 | (5,587,111) | 7,412,875 |
| ***Other grantees*** | | | | | | | | | | | | | | |
| Employees | January 24, 2022 | 4 years | January 23, 2023 to January 23, 2029 | 86.85 | 4,683,663 | N/A | N/A | N/A | N/A | 0 | – | 0 | 0 | 4,683,663 |
| Employees | March 30, 2022 | 2–4 years | June 29, 2022 to March 29, 2029 | 76.29 | 5,438,410 | N/A | N/A | N/A | N/A | (918,099) | 79.45 | 0 | (1,010,297) | 3,510,014 |
| Employees | April 21, 2022 | 2–4 years | July 20, 2022 to April 20, 2029 | 62.30 | 9,761,834 | N/A | N/A | N/A | N/A | (3,626,996) | 74.04 | (51,800) | (4,038,855) | 2,044,183 |
| Employees | June 23, 2022 | 1 year | June 22, 2023 to June 22, 2026 | 83.55 | 6,251 | N/A | N/A | N/A | N/A | 0 | – | 0 | (6,251) | 0 |
| Employees | July 21, 2022 | 3.69–4 years | March 29, 2023 to July 20, 2029 | 82.40 | 411,090 | N/A | N/A | N/A | N/A | 0 | – | 0 | (60,187) | 350,903 |
| Employees | September 27, 2022 | 4 years | September 26, 2023 to September 26, 2029 | 56.15 | 67,922 | N/A | N/A | N/A | N/A | 0 | – | 0 | 0 | 67,922 |
| Employees | November 29, 2022 | 2.34 years | April 1, 2023 to November 28, 2029 | 54.80 | 478,303 | N/A | N/A | N/A | N/A | 0 | – | 0 | 0 | 478,303 |
| Employees | December 29, 2022 | 4 years | December 28, 2023 to December 28, 2029 | 70.65 | 49,004 | N/A | N/A | N/A | N/A | (24,500) | 79.10 | 0 | (24,476) | 28 |
| Employees | January 19, 2023 | 3 years | January 19, 2024 to January 18, 2030 | 72.63 | 1,548,412 | N/A | N/A | N/A | N/A | 0 | – | 0 | 0 | 1,548,412 |
| **Total** | | | | | 38,691,645 | | | | | (4,569,595) | | (51,800) | (10,727,177) | 23,343,073 |

*Note:*

(1) Vesting period means the total vesting period (i.e. the period between the date of grant and the last vesting date) for the Options granted.

## Post-IPO RSU Scheme

The Post-IPO RSU Scheme was approved and adopted by all the then shareholders on January 18, 2021. Save for disclosure requirements under Rules 17.06A, 17.06B, 17.06C, 17.07, 17.07A and 17.09 of the Listing Rules, the Post-IPO RSU Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as the Post-IPO RSU Scheme was adopted by the Company before January 1, 2023, the effective date of the amended Chapter 17.

The purposes of the Post-IPO RSU Scheme are to recognize and reward individuals, being employees, Directors (including executive Directors, non-executive Directors and independent non-executive Directors), officers, consultants, advisors, distributors, contractors, customers, suppliers, agents, business partners, joint venture business partners or service providers of any member of the Group or any affiliate (including nominees and/or trustees of any employee benefit trust established for them) (an "**Eligible Person**" and, collectively "**Eligible Persons**") for their contribution to the Group, to attract best available personnel, and to provide additional incentives to them so as to align the interests of the Eligible Persons with those of the Group and to further promote the long-term success of the Group's business.

The Post-IPO RSU Scheme commenced on the Listing Date and was terminated upon the 2023 Share Incentive Scheme becoming unconditional and effective on June 23, 2023. Upon the termination, the Company did not grant further RSUs under the Post-IPO RSU Scheme, but in all other respects the provisions of the Post-IPO RSU Scheme shall remain in full force and effect in respect of RSUs which were granted prior to the termination.

### *RSUs Granted under the Post-IPO RSU Scheme*

There is no RSU available for grant under the Post-IPO RSU Scheme since its termination on June 23, 2023. There is no service provider sublimit under the Post-IPO RSU Scheme.

Details of movements of RSUs granted to each category of participants under the Post-IPO RSU Scheme are as follows:

| Name | Date of grant | Vesting period[1] | Purchase price (HK$) | Number of Class B Shares underlying RSUs outstanding as of January 1, 2026 | Particulars of RSUs granted during the Reporting Period: Number of Class B Shares underlying RSUs granted during the Reporting Period | Particulars of RSUs granted during the Reporting Period: Performance targets of RSUs granted during the Reporting Period | Particulars of RSUs granted during the Reporting Period: Closing price of the Class B Shares immediately before the date on which the RSUs were granted (HK$) | Particulars of RSUs granted during the Reporting Period: Fair value of RSUs at the date of grant (HK$) | Number of RSUs vested during the Reporting Period | Weighted average price of Class B Shares immediately before the date of vesting (HK$) | Number of RSUs cancelled during the Reporting Period | Number of RSUs lapsed during the Reporting Period | Number of Class B Shares underlying RSUs outstanding as of June 30, 2026 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Employees | April 23, 2021 | 0.48–4 years | 0–0.3273 | 122 | N/A | N/A | N/A | N/A | 0 | – | 0 | 0 | 122 |
| Employees | October 22, 2021 | 4 years | 0–0.3273 | 5,163 | N/A | N/A | N/A | N/A | (111) | 73.60 | 0 | 0 | 5,052 |
| Employees | January 24, 2022 | 4 years | 0 | 734,241 | N/A | N/A | N/A | N/A | (734,241) | 79.10 | 0 | 0 | 0 |
| Employees | February 25, 2022 | 4 years | 0 | 63,885 | N/A | N/A | N/A | N/A | (63,885) | 68.55 | 0 | 0 | 0 |
| Employees | March 30, 2022 | 4 years | 0 | 365,156 | N/A | N/A | N/A | N/A | (361,211) | 45.58 | 0 | (3,945) | 0 |
| Employees | April 21, 2022 | 4 years | 0 | 1,371,456 | N/A | N/A | N/A | N/A | (1,321,209) | 46.49 | 0 | (40,218) | 10,029 |
| Employees | May 30, 2022 | 4 years | 0 | 371,393 | N/A | N/A | N/A | N/A | (356,850) | 44.88 | 0 | (14,543) | 0 |
| Employees | June 23, 2022 | 4 years | 0 | 195,616 | N/A | N/A | N/A | N/A | (191,265) | 47.24 | 0 | (4,351) | 0 |
| Employees | July 21, 2022 | 4 years | 0 | 490,800 | N/A | N/A | N/A | N/A | 0 | – | 0 | (50,890) | 439,910 |
| Employees | August 31, 2022 | 4 years | 0 | 204,483 | N/A | N/A | N/A | N/A | 0 | – | 0 | (19,368) | 185,115 |
| Employees | September 27, 2022 | 1–4 years | 0 | 498,719 | N/A | N/A | N/A | N/A | 0 | – | 0 | (25,511) | 473,208 |
| Employees | October 20, 2022 | 2–4 years | 0 | 3,877,953 | N/A | N/A | N/A | N/A | 0 | – | 0 | (532,970) | 3,344,983 |
| Employees | November 29, 2022 | 0–4 years | 0 | 514,926 | N/A | N/A | N/A | N/A | 0 | – | 0 | (69,047) | 445,879 |
| Employees | December 29, 2022 | 0–4 years | 0 | 528,842 | N/A | N/A | N/A | N/A | 0 | – | 0 | (205,474) | 323,368 |
| Employees | January 19, 2023 | 4 years | 0 | 254,629 | N/A | N/A | N/A | N/A | (127,305) | 78.35 | 0 | (16,512) | 110,812 |
| Employees | April 21, 2023 | 1–4 years | 0 | 8,687,691 | N/A | N/A | N/A | N/A | (4,196,448) | 46.97 | 0 | (693,801) | 3,797,442 |
| **Total** | | | | 18,165,075 | | | | | (7,352,525) | | 0 | (1,676,630) | 9,135,920 |

*Note:*

(1) Vesting period means the total vesting period (i.e. the period between the date of grant and the last vesting date) for the RSUs granted.

## 2023 Share Incentive Scheme

The 2023 Share Incentive Scheme was approved and adopted by the Shareholders on June 16, 2023 (the "**Adoption Date**") and becoming unconditional on June 23, 2023, which shall be valid and effective for a period of ten years commencing from the Adoption Date. The terms of the 2023 Share Incentive Scheme complied with the provisions of Chapter 17 of the Listing Rules.

The purpose of the 2023 Share Incentive Scheme includes (a) recognize and reward Eligible Participants (as defined in the 2023 Share Incentive Scheme) for their contribution to the Group; (b) attract and retain best available personnel, and provide them with the opportunity to acquire proprietary interests in the Company; and (c) encourage Eligible Participants to work towards enhancing the value of the Company and its shares, align the interests of these Eligible Participants with those of the Group and further promote the success of the Group's business.

### *Options and RSUs Granted under the 2023 Share Incentive Scheme*

During the Reporting Period, 2,909,450 options and 81,195,589 RSUs were granted to Eligible Participants under the 2023 Share Incentive Scheme. As of January 1, 2026, being the beginning of the Reporting Period, the total number of awards available for grant under the Scheme Mandate Limit and the Service Provider Sublimit of 2023 Share Incentive Scheme were 283,907,698 and 21,675,509, respectively. As of June 30, 2026, being the end of the Reporting Period, the total number of awards available for grant under the Scheme Mandate Limit and the Service Provider Sublimit of 2023 Share Incentive Scheme were 214,526,325 and 21,675,509, respectively.

Details of movements of options granted to each category of participants under the 2023 Share Incentive Scheme are as follows:

| Name | Date of grant | Vesting period[1] | Exercise period | Exercise price (HK$) | Number of Class B Shares underlying options outstanding as of January 1, 2026 | Particulars of options granted during the Reporting Period: Number of Class B Shares underlying options granted during the Reporting Period | Performance targets of the options granted during the Reporting Period | Closing price of the Class B Shares immediately before the date on which the options were granted (HK$) | Fair value of options at the date of grant[2] (HK$) | Number of options exercised during the Reporting Period | Weighted average price of Class B Shares immediately before the dates of exercise (HK$) | Number of options cancelled during the Reporting Period | Number of options lapsed during the Reporting Period | Number of Class B Shares underlying options outstanding as of June 30, 2026 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ***Director*** | | | | | | | | | | | | | | |
| Mr. CHENG Yixiao | April 17, 2026 | 1 year | April 17, 2027 to April 16, 2033 | 46.46 | 0 | 391,235 | – | 47.06 | 15.65 | 0 | – | 0 | 0 | 391,235 |
| ***Other grantees*** | | | | | | | | | | | | | | |
| Employees | April 24, 2026 | 4 years | April 24, 2027 to April 24, 2033 | 45.86 | 0 | 2,518,215 | – | 44.14 | 16.45 | 0 | – | 0 | 0 | 2,518,215 |
| **Total** | | | | | 0 | 2,909,450 | | | | 0 | | 0 | 0 | 2,909,450 |

*Notes:*

(1) Vesting period means the total vesting period (i.e. the period between the date of grant and the last vesting date) for the options granted.

(2) The fair value of the share option was determined by using the binomial model, based on the fair value of the underlying ordinary shares at the respective date of grant, and as for the relevant accounting standard and policy adopted please refer to Note 19 to the Condensed Consolidated Interim Financial Information in this interim report.

Details of movements of RSUs granted to each category of participants under the 2023 Share Incentive Scheme are as follows:

| Name | Date of grant | Vesting period[1] | Purchase price (HK$) | Number of Class B Shares underlying RSUs outstanding as of January 1, 2026 | Particulars of RSUs granted during the Reporting Period: Number of Class B Shares underlying RSUs granted during the Reporting Period | Performance targets of RSUs granted during the Reporting Period | Closing price of the Class B Shares immediately before the date on which the RSUs were granted (HK$) | Fair value of RSUs at the date of grant[2] (HK$) | Number of RSUs vested during the Reporting Period | Weighted average price of Class B Shares immediately before the date of vesting (HK$) | Number of RSUs cancelled during the Reporting Period | Number of RSUs lapsed during the Reporting Period | Number of Class B Shares underlying RSUs outstanding as of June 30, 2026 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ***Director*** | | | | | | | | | | | | | |
| Mr. CHENG Yixiao | April 17, 2026 | 1 year | 0 | 0 | 1,738,822 | The vesting of RSUs granted is conditional upon the achievement of the performance targets as determined by the Board at its absolute discretion. The performance targets are based on the medium-term planning of the Group with reference to certain key performance indicators, such as revenue and profits of the Group, as determined by the Board. The achievement of the performance targets will be assessed by the Board in its absolute discretion | 47.06 | 46.46 | 0 | – | 0 | 0 | 1,738,822 |
| Mr. CHENG Yixiao | April 17, 2026 | 1 year | 0 | 0 | 1,738,822 | – | 47.06 | 46.46 | 0 | – | 0 | 0 | 1,738,822 |

| Name | Date of grant | Vesting period[1] | Purchase price (HK$) | Number of Class B Shares underlying RSUs outstanding as of January 1, 2026 | Particulars of RSUs granted during the Reporting Period: Number of Class B Shares underlying RSUs granted during the Reporting Period | Performance targets of RSUs granted during the Reporting Period | Closing price of the Class B Shares immediately before the date on which the RSUs were granted (HK$) | Fair value of RSUs at the date of grant[2] (HK$) | Number of RSUs vested during the Reporting Period | Weighted average price of Class B Shares immediately before the date of vesting (HK$) | Number of RSUs cancelled during the Reporting Period | Number of RSUs lapsed during the Reporting Period | Number of Class B Shares underlying RSUs outstanding as of June 30, 2026 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *Other grantees* | | | | | | | | | | | | | |
| Employees | August 23, 2023 | 0.66–3.92 years | 0 | 2,047,207 | N/A | N/A | N/A | N/A | (194,039) | 46.98 | 0 | (210,733) | 1,642,435 |
| Employees | November 22, 2023 | 1.91–3.91 years | 0 | 2,123,977 | N/A | N/A | N/A | N/A | (68,157) | 46.98 | 0 | (245,152) | 1,810,668 |
| Employees | January 19, 2024 | 1.75–4 years | 0 | 3,603,082 | N/A | N/A | N/A | N/A | (1,251,610) | 77.82 | 0 | (451,466) | 1,900,006 |
| Employees | April 21, 2024 | 0–4 years | 0 | 29,005,900 | N/A | N/A | N/A | N/A | (9,808,926) | 46.96 | 0 | (2,529,709) | 16,667,265 |
| Employees | July 19,2024 | 0–4 years | 0 | 4,313,929 | N/A | N/A | N/A | N/A | (182,160) | 70.58 | 0 | (611,924) | 3,519,845 |
| Employees | October 18,2024 | 0–4 years | 0 | 5,964,015 | N/A | N/A | N/A | N/A | (106,848) | 62.64 | 0 | (1,172,243) | 4,684,924 |
| Employees | January 20,2025 | 0–4 years | 0 | 7,983,848 | N/A | N/A | N/A | N/A | (2,029,364) | 75.77 | 0 | (1,088,550) | 4,865,934 |
| Employees | April 25,2025 | 0–4 years | 0 | 51,934,165 | N/A | N/A | N/A | N/A | (14,271,709) | 44.11 | 0 | (4,310,991) | 33,351,465 |
| Employees | July 21, 2025 | 0–4 years | 0 | 6,817,955 | N/A | N/A | N/A | N/A | (248,652) | 73.44 | 0 | (995,786) | 5,573,517 |
| Employees | October 17, 2025 | 0–4 years | 0 | 5,720,134 | N/A | N/A | N/A | N/A | (270,251) | 66.99 | 0 | (1,485,214) | 3,964,669 |
| Employees | January 23, 2026 | 0–4 years | 0 | 0 | 4,486,457 | There is no performance target attached to the RSUs granted to a grantee if he/she is not a Designated Employee<br><br>The vesting of the RSUs granted to a Designated Employee is conditional upon the achievement of the performance targets as determined by the Board or its delegate(s) at his absolute discretion. The performance targets are based on the financial and operational indicators and/or other appropriate indicators of the Group and its relevant segments, as assessed by the Board or its delegate(s) from time to time | 79.10 | 81.25 | (263,111) | 72.58 | 0 | (820,907) | 3,402,439 |
| Employees | April 24, 2026 | 0–4 years | 0 | 0 | 73,231,488 | 69,944,239 RSUs granted are without performance targets. Among them, for certain grantee being senior management, having considered that such RSUs constitute a part of the annual remuneration of the grantee which was determined by the Remuneration Committee after taking into account the grantee's past performance and contributions to the Group, the Remuneration Committee believed that without performance target, the grant of RSUs could allow the Group to attract and retain the grantee to make contributions to the Group, which is in line with the purpose of the 2023 Share Incentive Scheme<br><br>The remaining 3,287,249 RSUs granted is conditional upon the achievement of the performance targets as determined by the Board or its delegate(s) at his absolute discretion. The performance targets are based on the financial and operational indicators and/or other appropriate indicators of the Group and its relevant segments, as assessed by the Board or its delegate(s) from time to time. In particular, the performance targets of the senior management are based on the Group performance, segment performance and other management indicators, which may vary according to the roles and responsibilities of the relevant senior management | 44.14 | 43.70 | (1,263,772) | 44.13 | 0 | (800,991) | 71,166,725 |
| **Total** | | | | 119,514,212 | 81,195,589 | | | | (29,958,599) | | 0 | (14,723,666) | 156,027,536 |

*Notes:*

(1) Vesting period means the total vesting period (i.e. the period between the date of grant and the last vesting date) for the RSUs granted.

(2) The fair value of each RSU was determined by reference to the market price of the Class B Shares at the respective date of grant, and as for the relevant accounting standard and policy adopted please refer to Note 19 to the Condensed Consolidated Interim Financial Information in this interim report.

The Class B Shares that may be issued in respect of all the options and RSUs granted under the Pre-IPO ESOP, Post-IPO Share Option Scheme, Post-IPO RSU Scheme and 2023 Share Incentive Scheme during the Reporting Period, being 84,105,039 Class B Shares, represented approximately 2.30% of the weighted average number of Class B Shares (excluding treasury shares) in issue for the Reporting Period.

## WEIGHTED VOTING RIGHTS

The Company is controlled through weighted voting rights. Each Class A Share has 10 votes per share and each Class B Share has one vote per share except with respect to resolutions regarding a limited number of Reserved Matters, where each Share has one vote. The Company's weighted voting rights structure will enable the WVR Beneficiaries to exercise voting control over the Company notwithstanding the WVR Beneficiaries do not hold a majority economic interest in the share capital of the Company. This allows the Company to benefit from the continuing vision and leadership of the WVR Beneficiaries who will control the Company with a view to its long-term prospects and strategy.

Shareholders and prospective investors are advised to be aware of the potential risks of investing in companies with weighted voting rights structures, in particular that interests of the WVR Beneficiaries may not necessarily always be aligned with those of the Shareholders as a whole, and that the WVR Beneficiaries will be in a position to exert significant influence over the affairs of the Company and the outcome of Shareholders' resolutions, irrespective of how other Shareholders vote. Prospective investors should make the decision to invest in the Company only after due and careful consideration.

As of the Latest Practicable Date, the WVR Beneficiaries are Mr. SU Hua and Mr. CHENG Yixiao.

(a) Mr. SU Hua is interested in and controls, through Reach Best, 324,091,499 Class A Shares and 103,378,022 Class B Shares, representing approximately 9.88% of the Company's total issued share capital, approximately 9.88% of the voting rights in the Company with respect to Shareholders' resolutions in relation to the Reserved Matters, and approximately 32.49% with respect to matters other than the Reserved Matters.

(b) Mr. CHENG Yixiao is interested and controls, through Ke Yong, 338,767,480 Class A Shares and 43,770,873 Class B Shares, representing approximately 8.84% of the Company's total issued share capital, approximately 8.84% of the voting rights in the Company with respect to Shareholders' resolutions in relation to the Reserved Matters, and approximately 33.34% with respect to matters other than the Reserved Matters.

Class A Shares may be converted into Class B Shares on a one to one ratio. As of the Latest Practicable Date, upon the conversion of all the issued and outstanding Class A Shares into Class B Shares, the Company will issue 662,858,979 Class B Shares, representing approximately 18.09% of the total number of issued and outstanding Class B Shares as of the Latest Practicable Date.

The weighted voting rights attached to Class A Shares will cease when none of the WVR Beneficiaries have beneficial ownership of any of the Class A Shares, in accordance with Rule 8A.22 of the Listing Rules. This may occur:

(a) upon the occurrence of any of the circumstances set out in Rule 8A.17 of the Listing Rules, in particular where both WVR Beneficiaries are: (1) deceased; (2) no longer members of the Board; (3) deemed by the Stock Exchange to be incapacitated for the purpose of performing their duties as directors; or (4) deemed by the Stock Exchange to no longer meet the requirements of directors set out in the Listing Rules;

(b) when the holders of Class A Shares have transferred to other persons the beneficial ownership of, or economic interest in, all of the Class A Shares or the voting rights attached to them, other than in the circumstances permitted by Rule 8A.18 of the Listing Rules;

(c) where the vehicles holding Class A Shares on behalf of both WVR Beneficiaries no longer comply with Rule 8A.18(2) of the Listing Rules; or

(d) when all of the Class A Shares have been converted to Class B Shares.

## BIOGRAPHICAL DETAILS AND OTHER INFORMATION OF DIRECTORS

We set forth below the updated biographical details and other information of the Directors.

### Executive Directors

**Mr. CHENG Yixiao (程一笑先生)**

**Mr. CHENG Yixiao**, aged 42, is our co-founder, executive Director, Chairman of the Board and Chief Executive Officer. He is also a member of the Nomination Committee and holds directorship in certain subsidiaries of the Group. Mr. CHENG is responsible for formulating the Group's long-term strategies, overseeing the management of the business and operations of the Group, including leading the day-to-day operations, supervising product-related matters and strategic investments and acquisitions of the Group.

Prior to founding the Group in 2011, Mr. CHENG was a software engineer and developer at Hewlett-Packard from August 2007 to July 2009, and worked at Renren Inc. (a company listed on the New York Stock Exchange with stock symbol of RENN) from September 2009 to February 2011. "*GIF Kuaishou*", our original mobile app for users to create and share animated images, was launched by Mr. CHENG in 2011.

Mr. CHENG received his bachelor's degree in software engineering from the Software College of Northeastern University in Liaoning Province, the PRC, in July 2007.

# Other Information

**Mr. SU Hua (宿華先生)**

**Mr. SU Hua**, aged 43, is our co-founder and executive Director. He is also a member of the Remuneration Committee and holds directorship in certain subsidiaries of the Group. Mr. SU is responsible for contributing long-term value to the Group.

Mr. SU joined the Group in November 2013. Prior to that, Mr. SU worked as an engineer at Google China from December 2006 to October 2008, and Baidu, Inc. from January 2010 to May 2011.

Mr. SU received his bachelor's degree in computer software from the School of Software, Tsinghua University in Beijing, the PRC, in July 2005.

## Non-executive Directors

**Mr. LI Zhaohui (李朝暉先生)**

**Mr. LI Zhaohui**, aged 50, is a non-executive Director. He is also a member of the Remuneration Committee. Mr. LI joined the Group in March 2017 and is primarily responsible for providing professional advice to the Board.

Mr. LI joined Tencent Holdings Limited (a company listed on the Stock Exchange with stock code of 700) in 2011, and currently serves as the managing partner of Tencent Investment and the vice president of Tencent. He was an investment principal at Bertelsmann Asia Investment Fund from September 2008 to May 2010.

Mr. LI also holds directorships at various other companies. He has been a non-executive director of KE Holdings Inc. (a company listed on the New York Stock Exchange with stock symbol of BEKE and on the Stock Exchange with stock code of 2423) since December 2018. He has been a non-executive director of Zhihu Inc. (a company listed on the New York Stock Exchange with stock symbol of ZH and on the Stock Exchange with stock code of 2390) since September 2015. He was previously a non-executive director of Fenbi Ltd. (a company listed on the Stock Exchange with stock code of 2469) from December 2020 to March 2023.

Mr. LI received his bachelor's degree in economics (majoring in enterprise management) from Peking University in Beijing, the PRC, in July 1998 and his MBA degree from Duke University Fuqua School of Business in North Carolina, the United States, in May 2004.

**Mr. WANG Huiwen (王慧文先生)**

**Mr. WANG Huiwen**, aged 47, is a non-executive Director. Mr. WANG had been an independent non-executive Director and re-designated as a non-executive Director with effect from May 2023. He joined the Group in February 2021 and is primarily responsible for strategic planning, major business decisions, and corporate governance of the Group.

Mr. WANG has over 10 years of managerial and operational experience in the internet industry. In December 2005, he co-founded xiaonei.com. xiaonei.com was sold to China InterActive Corp in October 2006, which was later renamed as Renren Inc. (a company listed on the New York Stock Exchange with stock symbol of RENN). In January 2009, he co-founded taofang.com and worked there from June 2008 to October 2010. In 2010, Mr. WANG co-founded Meituan (a company listed on the Stock Exchange with stock code of 3690) and served as its executive director from October 2015 to March 2023, and served as its non-executive director from March 2023 to June 2023.

Mr. WANG received his bachelor's degree in electronic engineering from Tsinghua University in Beijing, the PRC, in July 2001.

## Independent Non-executive Directors

**Mr. ZHANG Fei (張斐先生)**

**Mr. ZHANG Fei**, aged 53, is an independent non-executive Director. Mr. ZHANG had been a non-executive Director and re-designated as an independent non-executive Director with effect from May 2026. He is also the chairman of the Remuneration Committee and a member of the Nomination Committee. Mr. ZHANG joined the Group in February 2014 and is primarily responsible for providing independent judgment to the Board.

Mr. ZHANG has over 20 years of venture capital experience, with a focus in the areas of AI/cloud computing, social/digital media and entertainment, and electric vehicle/autonomous driving. He was a partner at Ceyuan Ventures (策源創投) in Beijing from 2004 to 2007, where he set up and managed a venture fund and led investments in multiple portfolios. Since January 2011, Mr. ZHANG was a partner of 5Y Capital (formerly known as Morningside Venture Capital). Around 2016, he founded and has been a fund manager and the Responsible Officer of Neumann Advisory Hong Kong Limited, a SFC Type 9 licensed corporation. Mr. ZHANG has been a director of Pony AI Inc. (a company listed on Nasdaq with stock symbol of PONY and on the Stock Exchange with stock code of 2026) since December 2017 and re-designated as a non-executive director since April 2025.

Mr. ZHANG received his bachelor's degree of engineering in automation and control from the Shanghai Jiao Tong University in Shanghai, the PRC, and his MBA degree from the China Europe International Business School in Shanghai, the PRC.

# Other Information

**Mr. HUANG Sidney Xuande (黃宣德先生)**

**Mr. HUANG Sidney Xuande**, aged 60, has resigned as an independent non-executive Director, the chairman of each of the Audit Committee and the Remuneration Committee, and a member of each of the Nomination Committee and the Corporate Governance Committee with effect from May 28, 2026. For details, please refer to the announcement of the Company dated May 28, 2026.

**Mr. MA Yin (馬寅先生)**

**Mr. MA Yin**, aged 52, is an independent non-executive Director. He is also the chairman of both Nomination Committee and Corporate Governance Committee, and a member of the Audit Committee and the Remuneration Committee. He joined the Group in February 2021 and is primarily responsible for providing independent judgment to the Board.

Mr. MA has been the general manager of Aranya Holdings Group Co., Ltd. (阿那亞控股集團有限公司) since February 2014. From April 2006 to September 2013, Mr. MA served various managerial roles at Yeland Group Co., Ltd. (億城集團股份有限公司, subsequently renamed HNA Investment Group Co., Ltd. (海航投資集團股份有限公司) in 2015, and is a company listed on the Shenzhen Stock Exchange with stock code of 000616), including vice president, executive vice president, and president. He was a director of HNA Investment Group Co., Ltd. (海航投資集團股份有限公司) from April 2007 to September 2013.

Mr. MA received his executive MBA degree from Peking University in Beijing, the PRC, in July 2009.

**Ms. LU Rong (盧蓉女士)**

**Ms. LU Rong**, aged 55, is an independent non-executive Director. She is also a member of the Audit Committee, the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee. Ms. LU joined the Group in April 2025 and is primarily responsible for providing independent judgment to the Board.

Ms. LU is a venture capitalist investing in technology start-ups in the United States and China. She has been the founder of Atypical Ventures, an early stage venture capital firm, since 2019. In 2006, she co-founded and managed DCM China, a technology venture capital firm. Ms. LU served as a vice president at Goldman Sachs & Co. from 1996 to 2003.

Ms. LU also holds directorships in various listed companies. She has been an independent director of Volvo Car AB (a company listed on Nasdaq Stockholm with stock symbol of VOLCAR-B) since April 2023. She has been a non-executive director of Unilever PLC (a company listed on the London Stock Exchange with stock symbol of ULVR and on the New York Stock Exchange with stock symbol of UL) since November 2021. She has been an independent director of Yum China Holdings, Inc. (a company listed on the New York Stock Exchange with stock symbol of YUMC and on the Stock Exchange with stock code of 9987) since October 2016, and Uxin Limited (a company listed on Nasdaq with stock symbol of UXIN) from October 2017 to May 2025.

Ms. LU received her bachelor's degree in economics from the University of Maryland, Baltimore County in the State of Maryland, the United States in May 1994, and her master's degree in economics from the Johns Hopkins University in the State of Maryland, the United States in May 1996.

**Mr. HUANG Jia (黃佳先生)**

**Mr. HUANG Jia**, aged 54, is an independent non-executive Director. He is also the chairman of Audit Committee, and a member of the Nomination Committee and the Corporate Governance Committee. Mr. HUANG joined the Group in May 2026 and is primarily responsible for providing independent judgment to the Board.

Mr. HUANG is the executive president of GLP China. He leads its digital infrastructure and renewable energy business platforms, and oversees key corporate functions including finance and legal. From January 1995 to March 2024, Mr. HUANG served a number of positions in PwC related entities, including managing partner of PwC China and lead partner of PwC Asia-Pacific and China Tax Services. Mr. HUANG has been a Certified Public Accountant (non-practicing member) at the Chinese Institute of Certified Public Accountants and a Registered Tax Agent of the PRC.

Mr. HUANG received his bachelor's degree of engineering in automation and control from Shanghai Jiao Tong University in Shanghai, the PRC, and completed his Executive MBA Programme and received the MBA degree from China Europe International Business School in Shanghai, the PRC.

# Other Information

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company aims to achieve high standards of corporate governance which are crucial to the Company's development and safeguarding the interests of the Shareholders. The principles of the Company's corporate governance are to promote effective internal control measures and to enhance the transparency and accountability of the Board of Directors to all Shareholders.

Save for the deviation from code provision C.2.1 as set out in Part 2 of the Corporate Governance Code, which is explained in the following paragraph, the Company has complied with all applicable code provisions as set out in Part 2 of the Corporate Governance Code during the Reporting Period.

The code provision C.2.1 as set out in Part 2 of the Corporate Governance Code stipulates that the responsibilities between the chairman and chief executive of a listed issuer should be separate and should not be performed by the same individual. Mr. CHENG Yixiao has served as both the Chairman of the Board and the Chief Executive Officer since October 29, 2023, to ensure consistent leadership to advance long-term strategy, and allowing for further deepening the monetization capabilities and optimizing operating efficiency of the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively.

The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure that they comply with statutory and professional standards and align with the latest development.

## COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as the code of conduct regarding the Directors' dealings in the securities of the Company.

Having made specific enquiry of all the Directors, all Directors confirmed that they have complied with the provisions of the Model Code during the Reporting Period.

The Company has also established written guidelines for securities transactions by employees who are likely to be in possession of inside information of the Company (the "**Guidelines for Securities Dealings by Relevant Employees**") on terms no less exacting than the Model Code. No incident of non-compliance with the Guidelines for Securities Dealings by Relevant Employees by the employees has been noted by the Company.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended June 30, 2026 and up to the Latest Practicable Date, the Company repurchased a total of 59,544,200 Class B Shares (the "**Shares Repurchased**") on the Stock Exchange at an aggregate consideration of HK$2,518,051,638.51. The repurchase was effected for the enhancement of shareholders value in the long term. Particulars of the Shares Repurchased are summarized as follows:

| Month of Repurchase | No. of Shares Repurchased | Price paid per Share Highest *(HK$)* | Price paid per Share Lowest *(HK$)* | Aggregate Consideration *(HK$)* |
|---|---|---|---|---|
| January 2026 | 1,289,000 | 81.40 | 75.85 | 99,856,091.10 |
| February 2026 | 0 | N/A | N/A | 0.00 |
| March 2026 | 10,139,600 | 46.50 | 44.76 | 461,825,675.60 |
| April 2026 | 6,527,400 | 46.38 | 43.32 | 292,629,887.67 |
| May 2026 | 3,314,000 | 46.64 | 44.26 | 149,899,259.80 |
| June 2026 | 9,735,000 | 47.38 | 43.68 | 442,621,048.50 |
| July 2026 | 12,297,200 | 44.76 | 40.02 | 521,812,063.64 |
| August 2026 *(up to the Latest Practicable Date)* | 16,242,000 | 34.52 | 33.02 | 549,407,612.20 |
| **Total** | 59,544,200 | | | 2,518,051,638.51 |

As of the Latest Practicable Date, a total of 53,574,900 Class B Shares repurchased from December 15, 2025 to July 17, 2026 have been cancelled on January 30, April 15, May 15, June 18 and July 27, 2026, respectively, and the number of Class B Shares in issue was reduced by 53,574,900 shares as a result of such cancellations. Upon cancellation of such Class B Shares and for its other considerations, Reach Best, a holder of Class A Shares, simultaneously converted a total of 39,720,470 Class A Shares into Class B Shares on a one-to-one ratio on January 30, April 15, May 15, June 18 and July 27, 2026, respectively, according to the Listing Rules. As of the Latest Practicable Date, a total of 16,242,000 Class B Shares repurchased had not been cancelled and the Company did not hold any treasury shares.

Save as disclosed above, neither the Company nor any of its subsidiaries or Consolidated Affiliated Entities has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended June 30, 2026 and up to the Latest Practicable Date.

## INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended June 30, 2026.

# Other Information

## AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process, the risk management and internal control systems of the Group, to review connected transactions and to advise the Board. The Audit Committee currently comprises three independent non-executive Directors, namely, Mr. HUANG Jia, Mr. MA Yin and Ms. LU Rong. The chairman of the Audit Committee is Mr. HUANG Jia, who possesses the appropriate professional qualification, and accounting and financial management expertise as required under Rule 3.10(2) of the Listing Rules.

The Audit Committee, after the discussion with the Auditor, has reviewed the interim report and the Company's unaudited interim financial information for the three and six months ended June 30, 2026. The Audit Committee has reviewed the accounting principles and practices adopted by the Company and discussed matters in respect of risk management and internal control of the Company. There is no disagreement between the Board and the Audit Committee regarding the accounting treatment adopted by the Company.

The Company's unaudited interim financial information for the three and six months ended June 30, 2026 has been prepared in accordance with IFRS Accounting Standards.

## OTHER BOARD COMMITTEES

In addition to the Audit Committee, the Company has also established a Corporate Governance Committee, a Nomination Committee and a Remuneration Committee.

## CORPORATE GOVERNANCE COMMITTEE

The Company has established the Corporate Governance Committee with written terms of reference in compliance with Rule 8A.30 of the Listing Rules and the Corporate Governance Code. The primary duties of the Corporate Governance Committee are to ensure that the Company is operated and managed for the benefit of all Shareholders and to ensure the Company's compliance with the Listing Rules and safeguards relating to the weighted voting rights structure of the Company. The Corporate Governance Committee currently comprises three independent non-executive Directors, namely, Mr. MA Yin, Ms. LU Rong and Mr. HUANG Jia. Mr. MA Yin is the chairman of the Corporate Governance Committee. During the Reporting Period, the Corporate Governance Committee had held two meetings, in which the Corporate Governance Committee has performed the following major tasks:

- reviewed the Company's compliance with laws, regulations and the Corporate Governance Code, and the disclosure in the corporate governance report;

- reviewed the written confirmation provided by the WVR Beneficiaries that they have been members of the Board throughout the year and that no matters under Rule 8A.17 of the Listing Rules have occurred during the relevant financial year; and that they have complied with Rules 8A.14, 8A.15, 8A.18 and 8A.24 of the Listing Rules throughout the year;

- reviewed and monitored the management of conflicts of interests between the Company, its subsidiaries or Consolidated Affiliated Entities and/or the Shareholders on one hand and any WVR Beneficiaries or Controlling Shareholders on the other;

- reviewed and monitored all risks related to the weighted voting rights structure;

- reviewed and monitored the training and continuous professional development of Directors and senior management;

- reviewed the implementation and effectiveness of the shareholders' communication policy;

- made a recommendation to the Board as to the appointment or removal of the compliance advisor;

- reviewed and recommended to the Board for approval the workforce diversity policy;

- reviewed and approved the statement of the Board regarding Environmental, Social and Governance ("**ESG**") of the Group (including reviewing the adequacy of resources, staff qualifications and experience, training programs and budget of the Group's ESG related matters);

- reviewed and approved the 2025 ESG report; and

- reviewed and recommended to the Board for approval the share incentive grant proposal of a Director.

In particular, the Corporate Governance Committee has confirmed to the Board that it is of the view that the Company has adopted sufficient corporate governance measures to manage the potential conflict of interest between the Group and the WVR Beneficiaries in order to ensure that the operations and management of the Company are in the interests of the Shareholders as a whole. These measures include the Corporate Governance Committee ensuring that (i) any connected transactions are disclosed and dealt with in accordance with the requirements of the Listing Rules, (ii) any Directors who have a conflict of interest abstain from voting on the relevant board resolution, and (iii) the compliance advisor is consulted on any matters related to transactions involving the WVR Beneficiaries or a potential conflict of interest between the Group and the WVR Beneficiaries. The Corporate Governance Committee recommended the Board to continue the implementation of these measures and to periodically review their efficacy towards these objectives.

Having reviewed the remuneration and terms of engagement of the compliance advisor, the Corporate Governance Committee confirmed to the Board that it was not aware of any factors that would require it to consider either the removal of the current compliance advisor or the appointment of a new compliance advisor. As a result, the Corporate Governance Committee recommended that the Board retain the services of the compliance advisor of the Company.

## SIGNIFICANT EVENTS AFTER JUNE 30, 2026

Save as otherwise disclosed in this interim report (including Note 27 to the Condensed Consolidated Interim Financial Information), there were no other significant events affecting the Group which occurred after June 30, 2026 and up to the Latest Practicable Date.

# Report on Review of Interim Financial Information

**To the Board of Directors of Kuaishou Technology**
*(incorporated in the Cayman Islands with limited liability)*

## INTRODUCTION

We have reviewed the interim financial information set out on pages 57 to 106, which comprises the condensed consolidated balance sheet of Kuaishou Technology (the "**Company**") and its subsidiaries (together, the "**Group**") as of June 30, 2026 and the condensed consolidated income statement, the condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting". The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

**PricewaterhouseCoopers**
*Certified Public Accountants*

Hong Kong, August 19, 2026

# Condensed Consolidated Income Statement

| | Note | Unaudited Three months ended June 30, 2026 RMB'Million | Unaudited Three months ended June 30, 2025 RMB'Million | Unaudited Six months ended June 30, 2026 RMB'Million | Unaudited Six months ended June 30, 2025 RMB'Million |
|---|---|---|---|---|---|
| **Revenues** | 7 | 35,535 | 35,046 | 69,251 | 67,654 |
| Cost of revenues | 9 | (17,207) | (15,542) | (33,674) | (30,358) |
| **Gross profit** | | 18,328 | 19,504 | 35,577 | 37,296 |
| Selling and marketing expenses | 9 | (9,922) | (10,503) | (20,255) | (20,400) |
| Administrative expenses | 9 | (895) | (897) | (1,661) | (1,725) |
| Research and development expenses | 9 | (4,581) | (3,400) | (8,202) | (6,698) |
| Other income | | 33 | 16 | 278 | 69 |
| Other gains, net | 8 | 794 | 569 | 1,615 | 1,006 |
| **Operating profit** | | 3,757 | 5,289 | 7,352 | 9,548 |
| Finance expenses, net | | (258) | (54) | (431) | (78) |
| Share of losses of investments accounted for using the equity method | | (2) | (12) | (15) | (10) |
| **Profit before income tax** | | 3,497 | 5,223 | 6,906 | 9,460 |
| Income tax expenses | 10 | (345) | (301) | (849) | (559) |
| **Profit for the period** | | 3,152 | 4,922 | 6,057 | 8,901 |
| **Attributable to:** | | | | | |
| — Equity holders of the Company | | 3,146 | 4,922 | 6,049 | 8,900 |
| — Non-controlling interests | | 6 | — | 8 | 1 |
| | | 3,152 | 4,922 | 6,057 | 8,901 |
| **Earnings per share attributable to equity holders of the Company (expressed in RMB per share)** | 11 | | | | |
| Basic earnings per share | | 0.73 | 1.15 | 1.40 | 2.09 |
| Diluted earnings per share | | 0.72 | 1.13 | 1.38 | 2.04 |

The accompanying notes on pages 64 to 106 form an integral part of this interim financial information.

# Condensed Consolidated Statement of Comprehensive Income

| | | Unaudited | | Unaudited | |
|---|---|---|---|---|---|
| | | Three months ended June 30, | | Six months ended June 30, | |
| | | 2026 | 2025 | 2026 | 2025 |
| | Note | RMB'Million | RMB'Million | RMB'Million | RMB'Million |
| **Profit for the period** | | 3,152 | 4,922 | 6,057 | 8,901 |
| **Other comprehensive loss** | | | | | |
| *Items that will not be reclassified to profit or loss* | | | | | |
| Share of other comprehensive (loss)/income of investments accounted for using the equity method | | — | — | (3) | 1 |
| Currency translation differences | | (1,127) | (185) | (2,219) | (284) |
| *Items that may be subsequently reclassified to profit or loss* | | | | | |
| Net movement for net investment hedges | | (257) | — | (528) | — |
| Currency translation differences | | 848 | 144 | 1,685 | 223 |
| **Other comprehensive loss for the period, net of taxes** | | (536) | (41) | (1,065) | (60) |
| **Total comprehensive income for the period** | | 2,616 | 4,881 | 4,992 | 8,841 |
| **Attributable to:** | | | | | |
| — Equity holders of the Company | | 2,610 | 4,881 | 4,984 | 8,840 |
| — Non-controlling interests | | 6 | — | 8 | 1 |
| | | 2,616 | 4,881 | 4,992 | 8,841 |

The accompanying notes on pages 64 to 106 form an integral part of this interim financial information.

# Condensed Consolidated Balance Sheet

| | Note | Unaudited As of June 30, 2026 RMB'Million | Audited As of December 31, 2025 RMB'Million |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property and equipment | *12* | **34,126** | 22,869 |
| Right-of-use assets | *13* | **10,302** | 8,545 |
| Intangible assets | | **968** | 986 |
| Investments accounted for using the equity method | | **130** | 149 |
| Financial assets at fair value through profit or loss | *14* | **29,618** | 23,747 |
| Derivative financial instruments | | **—** | 353 |
| Other financial assets at amortized cost | *14* | **—** | 35 |
| Deferred tax assets | *23* | **6,529** | 5,585 |
| Long-term time deposits | | **14,291** | 22,015 |
| Other non-current assets | | **4,950** | 2,671 |
| | | **100,914** | 86,955 |
| **Current assets** | | | |
| Trade receivables | *15* | **7,804** | 8,127 |
| Prepayments, other receivables and other current assets | *16* | **9,837** | 7,028 |
| Financial assets at fair value through profit or loss | *14* | **56,353** | 42,323 |
| Derivative financial instruments | | **584** | 1 |
| Other financial assets at amortized cost | *14* | **—** | 9 |
| Short-term time deposits | | **12,358** | 8,630 |
| Restricted cash | | **220** | 251 |
| Cash and cash equivalents | | **11,696** | 11,180 |
| | | **98,852** | 77,549 |
| **Total assets** | | **199,766** | 164,504 |

# Condensed Consolidated Balance Sheet

| | Note | Unaudited<br>As of<br>June 30,<br>2026<br>RMB'Million | Audited<br>As of<br>December 31,<br>2025<br>RMB'Million |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Equity attributable to equity holders of the Company** | | | |
| Share capital | 17 | — | — |
| Share premium | 17 | 261,530 | 265,628 |
| Treasury shares | 17 | (95) | (602) |
| Other reserves | | 39,096 | 38,873 |
| Accumulated losses | | (218,292) | (224,341) |
| | | 82,239 | 79,558 |
| **Non-controlling interests** | | 34 | 26 |
| **Total equity** | | 82,273 | 79,584 |
| **Non-current liabilities** | | | |
| Borrowings | 20 | 14,792 | 11,098 |
| Derivative financial instruments | | 520 | 30 |
| Lease liabilities | 13 | 7,920 | 5,977 |
| Deferred tax liabilities | 23 | 169 | 241 |
| Other non-current liabilities | | 115 | 39 |
| | | 23,516 | 17,385 |
| **Current liabilities** | | | |
| Accounts payables | 21 | 28,130 | 27,209 |
| Other payables and accruals | 22 | 41,620 | 29,160 |
| Dividend payable | 18 | 2,584 | — |
| Advances from customers | | 4,842 | 4,848 |
| Borrowings | 20 | 12,570 | 1,968 |
| Income tax liabilities | | 479 | 388 |
| Lease liabilities | 13 | 3,752 | 3,962 |
| | | 93,977 | 67,535 |
| **Total liabilities** | | 117,493 | 84,920 |
| **Total equity and liabilities** | | 199,766 | 164,504 |

The accompanying notes on pages 64 to 106 form an integral part of this interim financial information.

# Condensed Consolidated Statement of Changes in Equity

| | | Unaudited | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Attributable to equity holders of the Company | | | | | | | |
| | Note | Share capital RMB'Million | Share premium RMB'Million | Treasury shares RMB'Million | Other reserves RMB'Million | Accumulated losses RMB'Million | Subtotal RMB'Million | Non-controlling interests RMB'Million | Total RMB'Million |
| **Balance at January 1, 2026** | | – | 265,628 | (602) | 38,873 | (224,341) | 79,558 | 26 | 79,584 |
| Profit for the period | | – | – | – | – | 6,049 | 6,049 | 8 | 6,057 |
| **Other comprehensive loss** | | | | | | | | | |
| Share of other comprehensive loss of investments accounted for using the equity method | | – | – | – | (3) | – | (3) | – | (3) |
| Net movement for net investment hedges | | – | – | – | (528) | – | (528) | – | (528) |
| Currency translation differences | | – | – | – | (534) | – | (534) | – | (534) |
| **Total comprehensive (loss)/income for the period** | | – | – | – | (1,065) | 6,049 | 4,984 | 8 | 4,992 |
| Share of other changes in net assets of investments accounted for using the equity method | | – | – | – | 3 | – | 3 | – | 3 |
| **Transactions with owners in their capacity as owners** | | | | | | | | | |
| Share-based compensation | 19 | – | – | – | 1,285 | – | 1,285 | – | 1,285 |
| Exercise of share options and vesting of restricted share units ("**RSUs**") | 17 | – | 266 | – | – | – | 266 | – | 266 |
| Repurchase of shares(to be canceled) | 17 | – | – | (1,267) | – | – | (1,267) | – | (1,267) |
| Cancelation of shares | 17 | – | (1,774) | 1,774 | – | – | – | – | – |
| Dividends | 18 | – | (2,590) | – | – | – | (2,590) | – | (2,590) |
| **Total transactions with owners in their capacity as owners** | | – | (4,098) | 507 | 1,285 | – | (2,306) | – | (2,306) |
| **Balance at June 30, 2026** | | – | 261,530 | (95) | 39,096 | (218,292) | 82,239 | 34 | 82,273 |

# Condensed Consolidated Statement of Changes in Equity

| | | Unaudited | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Attributable to equity holders of the Company | | | | | | | |
| | Note | Share capital RMB'Million | Share premium RMB'Million | Treasury shares RMB'Million | Other reserves RMB'Million | Accumulated losses RMB'Million | Subtotal RMB'Million | Non-controlling interests RMB'Million | Total RMB'Million |
| **Balance at January 1, 2025** | | — | 268,733 | (341) | 35,776 | (242,164) | 62,004 | 20 | 62,024 |
| Profit for the period | | — | — | — | — | 8,900 | 8,900 | 1 | 8,901 |
| **Other comprehensive income/(loss)** | | | | | | | | | |
| Share of other comprehensive income of investments accounted for using the equity method | | — | — | — | 1 | — | 1 | — | 1 |
| Currency translation differences | | — | — | — | (61) | — | (61) | — | (61) |
| **Total comprehensive (loss)/income for the period** | | — | — | — | (60) | 8,900 | 8,840 | 1 | 8,841 |
| **Transactions with owners in their capacity as owners** | | | | | | | | | |
| Share-based compensation | *19* | — | — | — | 1,320 | — | 1,320 | — | 1,320 |
| Exercise of share options and vesting of RSUs | *17* | — | 303 | — | — | — | 303 | — | 303 |
| Repurchase of shares (to be canceled) | *17* | — | — | (1,771) | — | — | (1,771) | — | (1,771) |
| Cancelation of shares | *17* | — | (2,112) | 2,112 | — | — | — | — | — |
| Deregistration of subsidiaries | | — | — | — | — | — | — | (1) | (1) |
| **Total transactions with owners in their capacity as owners** | | — | (1,809) | 341 | 1,320 | — | (148) | (1) | (149) |
| **Balance at June 30, 2025** | | — | 266,924 | — | 37,036 | (233,264) | 70,696 | 20 | 70,716 |

The accompanying notes on pages 64 to 106 form an integral part of this interim financial information.

# Condensed Consolidated Statement of Cash Flows

| | Unaudited Six months ended June 30, 2026 RMB'Million | Unaudited Six months ended June 30, 2025 RMB'Million |
|---|---|---|
| **Cash flows from operating activities** | | |
| Cash generated from operations | **10,135** | 12,657 |
| Income tax paid | **(1,091)** | (876) |
| **Net cash generated from operating activities** | **9,044** | 11,781 |
| **Cash flows from investing activities** | | |
| Purchase of/prepayments for property, equipment and intangible assets | **(17,941)** | (7,075) |
| Proceeds from disposal of property, equipment and intangible assets | **29** | 20 |
| Purchase of investments in financial assets at fair value through profit or loss | **(69,762)** | (68,978) |
| Proceeds from disposal of investments in financial assets at fair value through profit or loss | **50,660** | 58,387 |
| Proceeds from disposal of investments in other financial assets at amortized cost | **43** | 151 |
| Purchase of time deposits with initial terms of over three months | **(1,215)** | (4,668) |
| Proceeds from maturity of time deposits with initial terms of over three months | **5,291** | 6,520 |
| Interest income received | **204** | 530 |
| Dividend received | **3** | — |
| **Net cash used in investing activities** | **(32,688)** | (15,113) |
| **Cash flows from financing activities** | | |
| Proceeds from borrowings | **16,526** | 2,153 |
| Repayments of borrowings and related interest | **(2,328)** | (1,261) |
| Payments for principal elements of lease and related interest | **(1,919)** | (1,733) |
| Proceeds from exercise of share options and vesting of RSUs | **271** | 164 |
| Proceeds received under notes payable arrangement | **25,162** | 13,673 |
| Proceeds received from notes receivable factoring to banks | **19,399** | 16,425 |
| Payments for principal of matured notes and related interest | **(31,455)** | (24,579) |
| Payments for shares repurchase | **(1,329)** | (1,896) |
| **Net cash generated from financing activities** | **24,327** | 2,946 |
| **Net increase/(decrease) in cash and cash equivalents** | **683** | (386) |
| Cash and cash equivalents at the beginning of the period | **11,180** | 12,697 |
| Effects of exchange rate changes on cash and cash equivalents | **(167)** | (1) |
| **Cash and cash equivalents at the end of the period** | **11,696** | 12,310 |

The accompanying notes on pages 64 to 106 form an integral part of this interim financial information.

# Notes to the Condensed Consolidated Interim Financial Information

## 1 GENERAL INFORMATION

Kuaishou Technology (the "**Company**") was incorporated in the Cayman Islands on February 11, 2014 as an exempted company with limited liability. The registered office is at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The Company's Class B Shares have been listed on the Main Board of the Hong Kong Stock Exchange.

The Company is an investment holding company. The Company and its subsidiaries, including structured entities (collectively, the "**Group**"), provide online marketing services, live streaming and other services to its customers.

The condensed consolidated interim financial information comprises the condensed consolidated balance sheet as of June 30, 2026, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes (the "**Interim Financial Information**").

The Interim Financial Information is presented in Renminbi ("**RMB**"), unless otherwise stated.

The Interim Financial Information has been reviewed by the external auditor of the Company.

## 2 BASIS OF PREPARATION

The Interim Financial Information has been prepared in accordance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting", issued by the International Accounting Standards Board("**IASB**").

The Interim Financial Information does not include all the notes of the type normally included in annual financial statements. The Interim Financial Information should be read in conjunction with the annual audited financial statements of the Group for the year ended December 31, 2025 which have been prepared in accordance with all applicable International Financial Reporting Standards and interpretations issued by the IASB by the Group as set out in the 2025 annual report of the Company (the "**2025 Financial Statements**") and any public announcements made by the Group during the interim reporting period.

## 3 ACCOUNTING POLICIES

The accounting policies and methods of computations used in the preparation of the Interim Financial Information are consistent with those used in the preparation of the annual financial statements for the year ended December 31, 2025, as described in the 2025 Financial Statements, except for the newly added derivative and hedging activities and amendments adopted by the Group as set out below.

### Derivative and hedging activities

#### *(a) Initial recognition and subsequent measurement*

Derivatives are initially recognized at fair value on the date when a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative, which are recognized under "Derivative financial instruments" in the consolidated balance sheet. The full fair value of hedging derivatives is classified as a noncurrent asset or liability unless the remaining maturity of the hedged items is less than 12 months. Trading derivatives are classified as a current asset or liability.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. Changes in the fair value of any derivative that does not qualify for hedge accounting criteria are recognized immediately in the consolidated income statement and included in net foreign exchange losses of "other gains, net" as applicable.

#### *(b) Net investment hedges*

The Group designates certain derivatives as hedges of net investment in a foreign operation ("**net investment hedges**"). At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items as well as its risk management objective and strategy for undertaking its hedge transactions.

Any gain or loss on the hedging instruments relating to the effective portion of the hedge is recognized in other comprehensive loss until the disposal of the foreign operation, when the cumulative amount is reclassified from equity to the consolidated income statement. The gain or loss relating to the ineffective portion is recognized immediately in the consolidated income statement within "other gains, net".

## 3 ACCOUNTING POLICIES (CONTINUED)

### Derivative and hedging activities (Continued)

#### *(b) Net investment hedges (Continued)*

The forward foreign exchange risk of derivative financial instruments is included in the hedge designation, whereas the foreign currency basis spreads is excluded from the hedge designation and the hedge effectiveness assessment. The cost of hedging approach has been applied for the foreign currency basis spreads. The change in the foreign currency basis spreads related to the time-period hedged items is recognized within other comprehensive loss as the costs of hedging reserve accumulated in equity. The foreign currency basis spreads at the date of designation are amortized on a systematic and rational basis over the period of the hedging relationship. In each reporting period, the amortization amount is reclassified from the separate component of equity to the consolidated income statement.

### Amendments adopted by the Group

- Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7
- Annual improvements to IFRS — Volume 11

The adoption of the amendment does not have significant impact on the results and the financial position of the Group.

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the Interim Financial Information, the critical accounting estimates and judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the 2025 Financial Statements.

## 5 FINANCIAL RISK MANAGEMENT

### 5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's policies on financial risk management were set out in the 2025 Financial Statements and there have been no significant changes in the financial risk management policies for the three months and six months ended June 30, 2026, except for the description as set out below:

In order to better manage the foreign exchange risk of certain net investments in foreign operations in Chinese Mainland, the Group enters into fixed-fixed cross currency interest rate swaps (the "**CCIRSs**") to buy USD for RMB and applies hedge accounting. There is an economic relationship between the hedged items and the hedging instruments as the net investment creates a translation risk that will match the foreign exchange risk on the CCIRSs. The Group did not hedge 100% of its net investments in foreign operations, and so the hedged items were identified as a proportion of the outstanding net investments in foreign operations up to the notional and interest amount of the CCIRSs.

No ineffectiveness is expected unless changes in circumstances affect the foreign operations such that the critical terms of the hedging instruments no longer match exactly with the hedged items, the Group uses the hypothetical derivative method to assess effectiveness. Hedge ineffectiveness in relation to the CCIRSs was negligible for the three months and six months ended June 30, 2026.

### 5.2 Fair value estimation

#### *(a) Fair value hierarchy*

The table below analyzes the Group's financial instruments carried at fair value as of each balance sheet date, by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorized into three levels within a fair value hierarchy as follows:

(1) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

(2) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and

(3) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

## 5 FINANCIAL RISK MANAGEMENT (CONTINUED)

### 5.2 Fair value estimation (Continued)

#### *(a) Fair value hierarchy (Continued)*

The following table presents the Group's financial assets and liabilities that are measured at fair value at June 30, 2026:

| | Level 1<br>*RMB'Million* | Level 2<br>*RMB'Million* | Level 3<br>*RMB'Million* | Total<br>*RMB'Million* |
|---|---|---|---|---|
| **(Unaudited)** | | | | |
| **Assets** | | | | |
| Financial assets at fair value through profit or loss | | | | |
| — Investments in listed entities | 101 | — | 618 | 719 |
| — Investments in unlisted entities | — | — | 2,502 | 2,502 |
| — Wealth management products and others | — | — | 82,750 | 82,750 |
| Derivative financial instruments | — | 584 | — | 584 |
| | 101 | 584 | 85,870 | 86,555 |
| **Liabilities** | | | | |
| Derivative financial instruments | — | 520 | — | 520 |

The following table presents the Group's financial assets and liabilities that are measured at fair value at December 31, 2025:

| | Level 1<br>*RMB'Million* | Level 2<br>*RMB'Million* | Level 3<br>*RMB'Million* | Total<br>*RMB'Million* |
|---|---|---|---|---|
| **(Audited)** | | | | |
| **Assets** | | | | |
| Financial assets at fair value through profit or loss | | | | |
| — Investments in listed entities | 149 | — | 574 | 723 |
| — Investments in unlisted entities | — | — | 2,551 | 2,551 |
| — Wealth management products and others | — | 62 | 62,734 | 62,796 |
| Derivative financial instruments | — | 354 | — | 354 |
| | 149 | 416 | 65,859 | 66,424 |
| **Liabilities** | | | | |
| Derivative financial instruments | — | 30 | — | 30 |

# 5 FINANCIAL RISK MANAGEMENT (CONTINUED)

## 5.2 Fair value estimation (Continued)

### *(a) Fair value hierarchy (Continued)*

The fair value of financial instruments traded in active markets is based on quoted market prices at each of the reporting dates. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in level 2.

Level 2 instruments of the Group's assets and liabilities mainly include foreign exchange options, foreign exchange forwards, CCIRS, and perpetual bonds in wealth management products and others.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Level 3 instruments of the Group's assets mainly include investments in unlisted entities and investments in wealth management products and others (excluding investments in perpetual bonds) (Note 14).

### *(b) Valuation techniques and key inputs used to determine fair values*

Specific valuation techniques used to value financial instruments and key inputs include:

- Quoted market prices or dealer quotes for similar instruments;
- Discounted cash flow model and unobservable inputs mainly including assumptions of expected future cash flows and discount rate;
- The fair values of foreign currency forwards are determined with reference to the discounted value of the differential between the contracted strike/forward rate to the market forward exchange rate with same maturity;
- The fair value of foreign currency options are determined by using option pricing model, such as Garman-Kohlhagen's Model, with reference to the spot rate and volatility of currency exchange rate, risk-free rates for both currencies, and contract strike rate for the options; and

## 5 FINANCIAL RISK MANAGEMENT (CONTINUED)

### 5.2 Fair value estimation (Continued)

#### *(b) Valuation techniques and key inputs used to determine fair values (Continued)*

- The fair values of CCIRS are determined with reference to the discounted value of the difference between cash flows of the receive leg and the pay leg, based on the contractual terms and relevant market forward exchange rate curves.

- A combination of observable and unobservable inputs, including risk-free rate, expected volatility, discount rate for lack of marketability ("**DLOM**"), market multiples, etc.

#### *(c) Financial instruments in level 3*

The following table presents the changes in level 3 items of financial assets at fair value through profit or loss for the six months ended June 30, 2026 and 2025.

| | **Financial assets at fair value through profit or loss** *RMB'Million* |
|---|---|
| **(Unaudited)** | |
| **At January 1, 2026** | **65,859** |
| Additions | **69,721** |
| Disposals | **(50,592)** |
| Change in fair value* | **1,803** |
| Currency translation differences | **(921)** |
| **At June 30, 2026** | **85,870** |
| * Includes unrealized gains recognized in the condensed consolidated income statement attributable to balances held at the end of the period | **1,634** |

## 5 FINANCIAL RISK MANAGEMENT (CONTINUED)

### 5.2 Fair value estimation (Continued)

#### *(c) Financial instruments in level 3 (Continued)*

| | Financial assets at fair value through profit or loss *RMB'Million* |
|---|---|
| **(Unaudited)** | |
| **At January 1, 2025** | 50,865 |
| Additions | 68,935 |
| Disposals | (58,223) |
| Change in fair value* | 1,247 |
| Currency translation differences | (259) |
| **At June 30, 2025** | 62,565 |
| * Includes unrealized gains recognized in the condensed consolidated income statement attributable to balances held at the end of the period | 1,053 |

As level 3 instruments are not traded in an active market, their fair values have been determined by using various application valuation techniques, including market approach, etc.

The Group has a team that manages the valuation of level 3 instruments for financial reporting purposes. The team manages the valuation of the investments on a case by case basis. At least once every year, the team would use valuation techniques to determine the fair value of the Group's level 3 instruments. External valuation experts will be involved when necessary.

## 5 FINANCIAL RISK MANAGEMENT (CONTINUED)

### 5.2 Fair value estimation (Continued)

#### *(c) Financial instruments in level 3 (Continued)*

The following table summarizes the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements.

| Description | Fair Values | | Significant unobservable inputs | Range of inputs | | Relationship of unobservable inputs to fair values |
|---|---|---|---|---|---|---|
| | **As of June 30, 2026** ***RMB'Million*** **(Unaudited)** | As of December 31, 2025 *RMB'Million* (Audited) | | **As of June 30, 2026** **(Unaudited)** | As of December 31, 2025 (Audited) | |
| Investments in unlisted entities | **2,502** | 2,551 | Expected volatility | **39%–67%** | 39%–67% | The higher the expected volatility, the lower the fair value |
| | | | DLOM | **7%–25%** | 7%–25% | The higher the DLOM, the lower the fair value |
| | | | Risk-free rate | **1.40%–3.60%** | 1.40%–3.60% | The higher the risk-free rate, the lower the fair value |
| Wealth management products and others | **82,750** | 62,734 | Expected rate of return | **2.20%–10.41%** | 3.20%–10.41% | The higher the expected rate of return, the higher the fair value |

## 5 FINANCIAL RISK MANAGEMENT (CONTINUED)

### 5.2 Fair value estimation (Continued)

#### *(c) Financial instruments in level 3 (Continued)*

Investments in wealth management products are mainly the investment products purchased from reputable financial institutions in the People's Republic of China ("**PRC**") and international financial institutions outside of the PRC with unguaranteed return rates. The returns on all of these wealth management products are not guaranteed, hence their contractual cash flows do not qualify for solely payments of principal and interest. Therefore, they are measured at fair value through profit or loss. None of these investments are past due. The fair values are determined based on the expected rate of return (based on management judgment) and are within level 3 of the fair value hierarchy. From the perspective of cash management and risk control, the Group diversifies its investment portfolios and mainly purchases low-risk products from reputable financial institutions and prefers those products with high-liquidity.

There were no transfers between level 1, 2 and 3 of fair value hierarchy classifications during the six months ended June 30, 2026 and 2025.

The carrying amounts of the Group's financial assets that are not measured at fair value, including cash and cash equivalents, restricted cash, time deposits, trade receivables, other receivables, other current and non-current assets and other financial assets at amortized cost, and the Group's financial liabilities that are not measured at fair value, including accounts payables, other payables and accruals, borrowings and lease liabilities, approximate their fair values due to their short maturities or the interest rates are close to the market interest rates.

## 6 SEGMENT INFORMATION

### 6.1 Description of segments and principal activities

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the chief operating decision-maker ("**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer of the Group. As a result of this evaluation, the Group determined that it has operating segments as follows:

- Domestic
- Overseas

The CODM assesses the performance of the operating segments mainly based on revenues and operating profit or loss of each operating segment. Thus, segment results would present revenues, cost of revenues and operating expenses, and operating profit or loss for each segment. There were no material inter-segment sales during the three months and six months ended June 30, 2026 and 2025.

The revenues reported to CODM are measured consistently with the financial statements. The operating profit or loss in each segment reported to CODM is measured as cost of revenues and operating expenses deducted from its revenues. Certain items, such as share-based compensation expenses, other income and other gains, net, are not allocated to each segment as they are not directly relevant to the operating results upon performance measurement and resource allocation by the CODM.

There are no separate segment assets and segment liabilities information provided to the CODM, as CODM does not use this information to allocate resources to or to assess the performance of the operating segments.

## 6 SEGMENT INFORMATION (CONTINUED)

### 6.1 Description of segments and principal activities (Continued)

The segment results are as follows:

| | Three months ended June 30, 2026 | | | |
|---|---|---|---|---|
| | Domestic *RMB'Million* (Unaudited) | Overseas *RMB'Million* (Unaudited) | Unallocated items *RMB'Million* (Unaudited) | Total *RMB'Million* (Unaudited) |
| **Revenues** | 34,356 | 1,179 | — | 35,535 |
| Cost of revenues and operating expenses | (30,623) | (1,204) | — | (31,827) |
| Unallocated items | — | — | 49 | 49 |
| **Operating profit/(loss)** | 3,733 | (25) | 49 | 3,757 |

| | Three months ended June 30, 2025 | | | |
|---|---|---|---|---|
| | Domestic *RMB'Million* (Unaudited) | Overseas *RMB'Million* (Unaudited) | Unallocated items *RMB'Million* (Unaudited) | Total *RMB'Million* (Unaudited) |
| **Revenues** | 33,746 | 1,300 | — | 35,046 |
| Cost of revenues and operating expenses | (28,345) | (1,281) | — | (29,626) |
| Unallocated items | — | — | (131) | (131) |
| **Operating profit/(loss)** | 5,401 | 19 | (131) | 5,289 |

## 6 SEGMENT INFORMATION (CONTINUED)

### 6.1 Description of segments and principal activities (Continued)

| | Six months ended June 30, 2026 | | | |
|---|---|---|---|---|
| | Domestic *RMB'Million* (Unaudited) | Overseas *RMB'Million* (Unaudited) | Unallocated items *RMB'Million* (Unaudited) | Total *RMB'Million* (Unaudited) |
| **Revenues** | 66,910 | 2,341 | — | 69,251 |
| Cost of revenues and operating expenses | (60,084) | (2,397) | — | (62,481) |
| Unallocated items | — | — | 582 | 582 |
| **Operating profit/(loss)** | 6,826 | (56) | 582 | 7,352 |

| | Six months ended June 30, 2025 | | | |
|---|---|---|---|---|
| | Domestic *RMB'Million* (Unaudited) | Overseas *RMB'Million* (Unaudited) | Unallocated items *RMB'Million* (Unaudited) | Total *RMB'Million* (Unaudited) |
| **Revenues** | 65,039 | 2,615 | — | 67,654 |
| Cost of revenues and operating expenses | (55,293) | (2,568) | — | (57,861) |
| Unallocated items | — | — | (245) | (245) |
| **Operating profit/(loss)** | 9,746 | 47 | (245) | 9,548 |

### 6.2 Segment assets

As of June 30, 2026 and December 31, 2025, substantially all of the Group's non-current assets other than certain financial instruments and investments accounted for using the equity method were located in the PRC.

## 7 REVENUES

The breakdown of revenues is as follows:

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| | ***RMB'Million*** | *RMB'Million* | ***RMB'Million*** | *RMB'Million* |
| | **(Unaudited)** | (Unaudited) | **(Unaudited)** | (Unaudited) |
| Online marketing services | **20,639** | 19,765 | **40,282** | 37,742 |
| Live streaming | **8,690** | 10,044 | **17,182** | 19,858 |
| Other services | **6,206** | 5,237 | **11,787** | 10,054 |
| | **35,535** | 35,046 | **69,251** | 67,654 |

The majority of revenues are recognized at a point in time. There was no concentration risk as no revenue from a single customer was more than 10% of the Group's total revenues for the three months and six months ended June 30, 2026 and 2025.

## 8 OTHER GAINS, NET

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| | ***RMB'Million*** | *RMB'Million* | ***RMB'Million*** | *RMB'Million* |
| | **(Unaudited)** | (Unaudited) | **(Unaudited)** | (Unaudited) |
| Net fair value gains on financial assets at fair value through profit or loss | | | | |
| — Investments in listed and unlisted entities | **17** | 20 | **81** | 23 |
| — Wealth management products and others | **866** | 685 | **1,688** | 1,242 |
| Net gains on disposal of property and equipment, intangible assets and right-of-use assets | **9** | 10 | **27** | 20 |
| Net foreign exchange losses | **(81)** | (30) | **(41)** | (120) |
| Others | **(17)** | (116) | **(140)** | (159) |
| | **794** | 569 | **1,615** | 1,006 |

## 9 EXPENSES BY NATURE

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| | ***RMB'Million*** | *RMB'Million* | ***RMB'Million*** | *RMB'Million* |
| | **(Unaudited)** | (Unaudited) | **(Unaudited)** | (Unaudited) |
| Revenue sharing costs and related taxes | **12,323** | 10,542 | **23,106** | 20,484 |
| Promotion and marketing expenses | **9,491** | 9,935 | **19,325** | 19,289 |
| Employee benefit expenses | **4,398** | 4,461 | **8,801** | 8,879 |
| Bandwidth expenses and server custody costs | **1,627** | 1,335 | **3,376** | 2,812 |
| Depreciation of property and equipment | **1,745** | 885 | **3,109** | 1,667 |
| Depreciation of right-of-use assets *(Note a)* | **845** | 831 | **1,644** | 1,599 |
| Amortization of intangible assets | **16** | 26 | **32** | 48 |
| Payment processing costs | **589** | 800 | **1,250** | 1,568 |
| Outsourcing and other labor costs | **418** | 365 | **819** | 705 |
| Tax surcharges | **157** | 255 | **332** | 509 |
| Professional fees | **60** | 66 | **114** | 126 |
| Credit loss allowances on financial assets | **31** | 93 | **108** | 117 |
| Others *(Note b)* | **905** | 748 | **1,776** | 1,378 |
| | **32,605** | 30,342 | **63,792** | 59,181 |

*Note a:* The depreciation of right-of-use assets includes the expenses related to leases of internet data centers, office buildings and land with a term of over one year.

*Note b:* Others mainly comprise content-related costs, traveling and communication expenses and office facilities expenses.

## 10 INCOME TAX

### (a) Cayman Islands

The Company is incorporated as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands and is not subject to tax on income or capital gains. Additionally, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders. The Cayman Islands is not party to any double tax treaties that are applicable to any payments made by or to the Company.

### (b) British Virgin Islands ("BVI")

The Group's entities established under the BVI Business Companies Act (as amended) are not subject to tax on income or capital gains.

## 10 INCOME TAX (CONTINUED)

### (c) Hong Kong Income Tax

Hong Kong profits tax has been provided at the rate of 16.5% on estimated assessable profits, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2 million of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

### (d) PRC Enterprise Income Tax

The income tax provision of the Group in respect of its operations in Chinese Mainland was subject to the statutory tax rate of 25% on the assessable profits for the three months and six months ended June 30, 2026 and 2025, based on the existing legislation, interpretation and practices in respect thereof.

Certain subsidiaries of the Group in Chinese Mainland were accredited as High and New Technology Enterprise, and they were subject to a preferential corporate income tax rate of 15% for the three months and six months ended June 30, 2026 and 2025. In addition, certain subsidiaries of the Group were entitled to other tax concessions, mainly including the preferential tax rate of 15% applicable to some subsidiaries located in certain areas of Chinese Mainland upon fulfilment of certain requirements of the respective local governments.

The State Taxation Administration of the PRC announced in March 2023 that enterprises engaging in research and development activities would be entitled to claim 200% of their research and development expenses so incurred as tax deductible expenses when determining their assessable profits for that year ("**Super Deduction**") from January 1, 2023 onwards. The Group has made its best estimate for the Super Deduction to be claimed for the Group's entities in ascertaining their assessable profits during the period.

### (e) Withholding tax in Chinese Mainland

According to applicable tax regulations prevailing in Chinese Mainland, distribution of profits earned by companies in Chinese Mainland since January 1, 2008 to foreign investors is subject to withholding tax of 5% or 10%, depending on the country or jurisdiction of incorporation of the foreign investor, upon the distribution of profits to overseas-incorporated immediate holding companies.

## 10 INCOME TAX (CONTINUED)

The income tax expenses of the Group are analyzed as follows:

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| | ***RMB'Million*** | *RMB'Million* | ***RMB'Million*** | *RMB'Million* |
| | **(Unaudited)** | (Unaudited) | **(Unaudited)** | (Unaudited) |
| Current income tax | **(1,283)** | (174) | **(1,874)** | (435) |
| Deferred income tax *(Note 23)* | **938** | (127) | **1,025** | (124) |
| **Income tax expenses** | **(345)** | (301) | **(849)** | (559) |

### OECD Pillar Two model rules

The Group is within the scope of the Organisation for Economic Co-operation and Development ("**OECD**") Pillar Two model rules. The Group applies the IAS 12 exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income tax.

Pillar Two legislation has been effective in certain jurisdictions in which the Group operates (e.g. Hong Kong and Singapore) since January 1, 2025. Under the legislation, it exposes a top-up tax on profits arising in a jurisdiction whenever its effective tax rate determined by the Pillar Two model rules on a jurisdictional basis is below a minimum rate of 15%. Management has assessed the related impact which is not material.

## 11 EARNINGS PER SHARE

### (a) Basic earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| | **(Unaudited)** | (Unaudited) | **(Unaudited)** | (Unaudited) |
| Earnings attributable to equity holders of the Company *(RMB millions)* | **3,146** | 4,922 | **6,049** | 8,900 |
| Weighted average number of ordinary shares in issue *(million shares)* | **4,313** | 4,270 | **4,308** | 4,267 |
| Basic earnings per share *(expressed in RMB per share)* | **0.73** | 1.15 | **1.40** | 2.09 |

### (b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. During the three months and six months ended June 30, 2026 and 2025, the Company had two categories of potential ordinary shares: share options and RSUs.

## 11 EARNINGS PER SHARE (CONTINUED)

### (b) Diluted earnings per share (Continued)

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| | **(Unaudited)** | (Unaudited) | **(Unaudited)** | (Unaudited) |
| Earnings attributable to equity holders of the Company *(RMB millions)* | **3,146** | 4,922 | **6,049** | 8,900 |
| Weighted average number of ordinary shares in issue *(million shares)* | **4,313** | 4,270 | **4,308** | 4,267 |
| Adjustments for share options and RSUs *(million shares)* | **61** | 83 | **89** | 95 |
| Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share *(million shares)* | **4,374** | 4,353 | **4,397** | 4,362 |
| Diluted earnings per share *(expressed in RMB per share)* | **0.72** | 1.13 | **1.38** | 2.04 |

## 12 PROPERTY AND EQUIPMENT

The detailed information of property and equipment is as follows:

| | **Property and equipment** *RMB'Million* **(Unaudited)** |
|---|---|
| **At January 1, 2026** | **22,869** |
| Additions | **14,393** |
| Disposals | **(13)** |
| Depreciation charge | **(3,109)** |
| Currency translation differences | **(14)** |
| **At June 30, 2026** | **34,126** |
| **At January 1, 2025** | 14,831 |
| Additions | 4,513 |
| Disposals | (38) |
| Depreciation charge | (1,667) |
| Currency translation differences | (2) |
| **At June 30, 2025** | 17,637 |

## 13 LEASE

| | As of June 30, 2026 *RMB'Million* (Unaudited) | As of December 31, 2025 *RMB'Million* (Audited) |
|---|---|---|
| **Right-of-use assets** | | |
| Internet data centers | 8,458 | 7,042 |
| Office buildings | 1,818 | 1,477 |
| Land use rights | 26 | 26 |
| | 10,302 | 8,545 |

| | As of June 30, 2026 *RMB'Million* (Unaudited) | As of December 31, 2025 *RMB'Million* (Audited) |
|---|---|---|
| **Lease liabilities** | | |
| Current | 3,752 | 3,962 |
| Non-current | 7,920 | 5,977 |
| | 11,672 | 9,939 |

## 14 INVESTMENTS

| | As of June 30, 2026 RMB'Million (Unaudited) | As of December 31, 2025 RMB'Million (Audited) |
|---|---|---|
| **Non-current assets** | | |
| Financial assets at fair value through profit or loss | | |
| — Investments in unlisted entities | 2,502 | 2,551 |
| — Wealth management products and others | 27,116 | 21,196 |
| | 29,618 | 23,747 |
| Other financial assets at amortized cost | — | 35 |
| | 29,618 | 23,782 |
| **Current assets** | | |
| Financial assets at fair value through profit or loss | | |
| — Investment in listed entities | 719 | 723 |
| — Wealth management products and others | 55,634 | 41,600 |
| | 56,353 | 42,323 |
| Other financial assets at amortized cost | — | 9 |
| | 56,353 | 42,332 |
| **Total** | 85,971 | 66,114 |

## 14 INVESTMENTS (CONTINUED)

Movements in financial assets at fair value through profit or loss are as follows:

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'Million*** | *RMB'Million* |
| | **(Unaudited)** | (Unaudited) |
| **At the beginning of the period** | **66,070** | 51,187 |
| Additions | **69,721** | 68,935 |
| Disposals | **(50,660)** | (58,344) |
| Change in fair value | **1,769** | 1,265 |
| Currency translation differences | **(929)** | (260) |
| **At the end of the period** | **85,971** | 62,783 |

## 15 TRADE RECEIVABLES

| | As of June 30, 2026 RMB'Million (Unaudited) | As of December 31, 2025 RMB'Million (Audited) |
|---|---|---|
| Trade receivables from contracts with customers | 8,024 | 8,301 |
| Less: credit loss allowances | (220) | (174) |
| | 7,804 | 8,127 |

The Group generally grants a credit period within 90 days to its customers. Aging analysis of trade receivables based on invoice date is as follows:

| | As of June 30, 2026 RMB'Million (Unaudited) | As of December 31, 2025 RMB'Million (Audited) |
|---|---|---|
| Up to 3 months | 7,192 | 7,218 |
| Over 3 months | 832 | 1,083 |
| | 8,024 | 8,301 |

Movements in the Group's allowance for credit loss of trade receivables are as follows:

| | Six months ended June 30, | |
|---|---|---|
| | 2026 RMB'Million (Unaudited) | 2025 RMB'Million (Unaudited) |
| **At the beginning of the period** | (174) | (153) |
| Additional provision | (59) | (57) |
| Write-offs | 13 | — |
| **At the end of the period** | (220) | (210) |

## 16 PREPAYMENTS, OTHER RECEIVABLES AND OTHER CURRENT ASSETS

The detailed information of prepayments, other receivables and other current assets is as follows:

| | As of June 30, 2026 *RMB'Million* (Unaudited) | As of December 31, 2025 *RMB'Million* (Audited) |
|---|---|---|
| Recoverable VAT and other tax prepayments | 4,450 | 3,035 |
| Receivables from third parties | 2,396 | 1,736 |
| Loan receivables | 992 | 470 |
| Prepayments for content and other services | 967 | 631 |
| Prepaid promotion and marketing fees | 808 | 979 |
| Deposits | 99 | 114 |
| Others | 300 | 233 |
| | 10,012 | 7,198 |
| Less: credit loss allowances | (175) | (170) |
| | 9,837 | 7,028 |

## 17 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

**Issued:**

| (Unaudited) | Number of ordinary shares *'Million* | Nominal value of ordinary shares *USD'Million* | Equivalent nominal value of ordinary shares *RMB'Million* | Share premium *RMB'Million* |
|---|---|---|---|---|
| **At January 1, 2026** | 4,307 | — | — | 265,628 |
| Exercise of share options and vesting of RSUs | 45 | — | — | 266 |
| Cancelation of shares | (39) | — | — | (1,774) |
| Dividends | — | — | — | (2,590) |
| **At June 30, 2026** | 4,313 | — | — | 261,530 |

**Issued:**

| (Unaudited) | Number of ordinary shares *'Million* | Nominal value of ordinary shares *USD'Million* | Equivalent nominal value of ordinary shares *RMB'Million* | Share premium *RMB'Million* |
|---|---|---|---|---|
| **At January 1, 2025** | 4,277 | — | — | 268,733 |
| Exercise of share options and vesting of RSUs | 44 | — | — | 303 |
| Cancelation of shares | (47) | — | — | (2,112) |
| **At June 30, 2025** | 4,274 | — | — | 266,924 |

**Treasury shares:**

During the six months ended June 30, 2026, the Company repurchased an aggregate number of 31,005,000 of Class B ordinary shares from the market, out of which, 2,437,000 had not been canceled as of June 30, 2026 and had been subsequently canceled in July 2026. And during the six months ended June 30, 2025, the Company repurchased 38,797,300 of Class B ordinary shares from the market and had been canceled as of June 30, 2025.

## 18 DIVIDENDS

On March 25, 2026, the Board of Directors of the Company proposed a final dividend of HK$0.69 per ordinary share for the year ended December 31, 2025. The proposed final dividend was approved by the Shareholders at the 2026 annual general meeting of the Company. The aggregate amount of the final dividend was HK$3.0 billion, which was paid in July 2026.

Except as disclosed above, no other dividends have been paid or declared by the Company during the six months ended June 30, 2026 and 2025.

## 19 SHARE-BASED COMPENSATION

On December 22, 2014, the Board of Directors of the Company approved the establishment of Pre-IPO ESOP Plan with the purpose of attracting, motivating, retaining and rewarding certain employees, directors and other eligible persons. Pre-IPO ESOP Plan is valid and effective for 10 years from the approval of the Board of Directors. The maximum number of shares that may be issued under Pre-IPO ESOP Plan shall be 312,661,648 of ordinary shares, which were adjusted to 509,616,655 ordinary shares in February 2015 and further to 711,946,697 ordinary shares in February 2018. Pre-IPO ESOP Plan permits the awards of options.

The Post-IPO Share Option Scheme and RSU Scheme was approved and adopted by all the then Shareholders of the Company on January 18, 2021 to recognize and reward eligible persons for their contribution to the Group, to attract best available personnel, and to provide additional incentives to them. The Post-IPO Share Option Scheme and RSU Scheme commenced on February 5, 2021 and was terminated upon the 2023 Share Incentive Scheme becoming unconditional and effective on June 23, 2023.

The 2023 Share Incentive Scheme was approved and adopted by the Shareholders on June 16, 2023, which shall be valid and effective for a period of ten years commencing from June 16, 2023. The purposes of the 2023 Share Incentive Scheme are to recognize and reward eligible participants for their contribution to the Group, to attract and retain best available personnel, and to encourage eligible participants to work towards enhancing the value of the Company and its shares.

## 19 SHARE-BASED COMPENSATION (CONTINUED)

### Pre-IPO ESOP Plan

*Share options granted to employees*

Movements in the number of share options granted and their related weighted average exercise prices are as follows:

| (Unaudited) | Number of share options | Weighted average exercise price per share option *HK$* |
|---|---|---|
| Outstanding at January 1, 2026 | 20,509,118 | 23.33 |
| Forfeited during the period | (512,418) | 117.71 |
| Exercised during the period | (3,398,476) | 0.33 |
| Outstanding at June 30, 2026 | 16,598,224 | 25.13 |
| Exercisable at June 30, 2026 | 16,598,224 | 25.13 |

| (Unaudited) | Number of share options | Weighted average exercise price per share option *HK$* |
|---|---|---|
| Outstanding at January 1, 2025 | 34,790,022 | 19.28 |
| Forfeited during the period | (924,299) | 112.37 |
| Exercised during the period | (10,403,668) | 4.37 |
| Outstanding at June 30, 2025 | 23,462,055 | 22.22 |
| Exercisable at June 30, 2025 | 23,462,055 | 22.22 |

The weighted average remaining contract life for outstanding share options was 2.63 years and 3.24 years as of June 30, 2026 and December 31, 2025, respectively. The weighted average price of the shares at the time these share options were exercised was HK$64.47 per share during the six months ended June 30, 2026.

## 19 SHARE-BASED COMPENSATION (CONTINUED)

### Pre-IPO ESOP Plan (Continued)

*Fair value of share options*

The Group used the discounted cash flow method to determine the underlying equity fair value of the Company and adopted the equity allocation model to determine the fair value of the underlying ordinary shares. Key assumptions, such as the discount rate and projections of future performance, are determined by the Group with best estimate.

Based on fair value of the underlying ordinary shares, the Group used binomial model to determine the fair value of the share option at the grant date. There was no share option granted during the six months ended June 30, 2026 and 2025.

### Post-IPO Share Option Scheme

*Share options granted to employees*

Movements in the number of share options granted and their related weighted average exercise prices are as follows:

| (Unaudited) | Number of share options | Weighted average exercise price per share option HK$ |
|---|---|---|
| Outstanding at January 1, 2026 | 38,691,645 | 67.16 |
| Forfeited during the period | (10,778,977) | 62.25 |
| Exercised during the period | (4,569,595) | 65.16 |
| Outstanding at June 30, 2026 | 23,343,073 | 69.82 |
| Exercisable at June 30, 2026 | 23,253,002 | 69.77 |

## 19 SHARE-BASED COMPENSATION (CONTINUED)

### Post-IPO Share Option Scheme (Continued)

*Share options granted to employees (Continued)*

| (Unaudited) | Number of share options | Weighted average exercise price per share option HK$ |
|---|---|---|
| Outstanding at January 1, 2025 | 66,257,055 | 65.34 |
| Forfeited during the period | (5,181,398) | 65.16 |
| Exercised during the period | (4,623,137) | 61.43 |
| Outstanding at June 30, 2025 | 56,452,520 | 65.68 |
| Exercisable at June 30, 2025 | 44,897,321 | 66.36 |

The weighted average remaining contract life for outstanding share options was 3.12 years and 2.90 years as of June 30, 2026 and December 31, 2025, respectively. The weighted average price of the shares at the time these share options were exercised was HK$78.30 per share during the six months ended June 30, 2026.

*Fair value of share options*

Based on fair value of the underlying ordinary shares, the Group used binomial model to determine the fair value of the share option at the grant date. There was no share option granted during the six months ended June 30, 2026 and 2025.

## 19 SHARE-BASED COMPENSATION (CONTINUED)

### Post-IPO RSU Scheme

*RSUs granted to employees*

Movements in the number of RSUs granted to the Group's employees under the Post-IPO RSU Scheme and the respective weighted average grant date fair value are as follows:

| **(Unaudited)** | **Number of RSUs** | **Weighted average grant date fair value per RSU** *HK$* |
|---|---|---|
| Outstanding at January 1, 2026 | **18,165,075** | **53.69** |
| Forfeited during the period | **(1,676,630)** | **52.11** |
| Vested during the period | **(7,352,525)** | **58.13** |
| Outstanding at June 30, 2026 | **9,135,920** | **50.41** |

| (Unaudited) | Number of RSUs | Weighted average grant date fair value per RSU *HK$* |
|---|---|---|
| Outstanding at January 1, 2025 | 50,685,134 | 67.16 |
| Forfeited during the period | (5,916,216) | 66.15 |
| Vested during the period | (11,170,503) | 85.35 |
| Outstanding at June 30, 2025 | 33,598,415 | 61.29 |

## 19 SHARE-BASED COMPENSATION (CONTINUED)

### 2023 Share Incentive Scheme

*Share options granted to employees*

Movements in the number of share options granted and their related weighted average exercise prices are as follows:

| (Unaudited) | Number of share options | Weighted average exercise price per share option *HK$* |
|---|---|---|
| Outstanding at January 1, 2026 | — | — |
| Granted during the period | 2,909,450 | 45.94 |
| Outstanding at June 30, 2026 | 2,909,450 | 45.94 |
| Exercisable at June 30, 2026 | — | — |

The weighted average remaining contract life for outstanding share options was 6.82 years as of June 30, 2026.

*Fair value of share options*

Based on fair value of the underlying ordinary shares, the Group used binomial model to determine the fair value of the share option at the grant date. There was no share option granted during the six months ended June 30, 2025. Key assumptions for the six months ended June 30, 2026 are set as below:

| | Six months ended June 30, 2026 (Unaudited) |
|---|---|
| Fair value of ordinary shares *(HK$)* | 43.70–46.46 |
| Exercise price *(HK$)* | 45.86–46.46 |
| Risk-free interest rate | 2.62%–2.67% |
| Dividend yield | 1.40% |
| Expected volatility | 57.7%–57.8% |

The risk-free interest rate is based on the yield to maturity of Hong Kong government bond with a term commensurate with the maturity of the share options as of the grant date. Given the limited trading period of the Company as of the grant date, the expected volatility is estimated based on the historical daily share price volatility of comparable companies and the Company itself with a time horizon close to the life to expiration of the share options. Dividend yield is based on management's estimation at the grant date.

## 19 SHARE-BASED COMPENSATION (CONTINUED)

### 2023 Share Incentive Scheme (Continued)

*Fair value of share options (Continued)*

The weighted average grant date fair value of granted share options was HK$16.34 per share for the six months ended June 30, 2026.

*RSUs granted to employees*

Movements in the number of RSUs granted to the Group's employees under the 2023 Share Incentive Scheme and the respective weighted average grant date fair value are as follows:

| **(Unaudited)** | **Number of RSUs** | **Weighted average grant date fair value per RSU** *HK$* |
|---|---|---|
| Outstanding at January 1, 2026 | **119,514,212** | **50.59** |
| Granted during the period | **81,195,589** | **45.89** |
| Forfeited during the period | **(14,723,666)** | **53.52** |
| Vested during the period | **(29,958,599)** | **48.05** |
| Outstanding at June 30, 2026 | **156,027,536** | **48.36** |

| (Unaudited) | Number of RSUs | Weighted average grant date fair value per RSU *HK$* |
|---|---|---|
| Outstanding at January 1, 2025 | 84,603,849 | 46.51 |
| Granted during the period | 67,991,765 | 49.40 |
| Forfeited during the period | (8,970,507) | 47.17 |
| Vested during the period | (17,986,948) | 44.61 |
| Outstanding at June 30, 2025 | 125,638,159 | 48.30 |

## 19 SHARE-BASED COMPENSATION (CONTINUED)

### 2023 Share Incentive Scheme (Continued)

*RSUs granted to employees (Continued)*

The fair value of each RSU was determined by reference to the market price of the Company's shares at the respective grant date.

The share-based compensation expenses of RMB1,311 million and RMB1,320 million were recognized in the condensed consolidated income statement for the six months ended June 30, 2026 and 2025, respectively.

## 20 BORROWINGS

| | As of June 30, 2026 *RMB'Million* (Unaudited) | As of December 31, 2025 *RMB'Million* (Audited) |
|---|---|---|
| Non-current liabilities | | |
| — RMB bank loans *(Note b)* | 1,250 | 11,098 |
| — Long-term USD senior notes *(Note a)* | 10,059 | — |
| — Long-term RMB senior notes *(Note a)* | 3,483 | — |
| | 14,792 | 11,098 |
| Current liabilities | | |
| — RMB bank loans *(Note b)* | 10,836 | — |
| — USD bank loans | 1,494 | 1,968 |
| — Undue interest accrued for long-term senior notes | 240 | — |
| | 12,570 | 1,968 |
| Total | 27,362 | 13,066 |

All bank loans raised by the Group and all senior notes issued by the Group were unsecured.

*Note a:* In January 2026, the Company completed the issuance of US$600 million 4.125% senior notes due 2031, US$900 million 4.750% senior notes due 2036 and RMB3.5 billion 2.450% senior notes due 2031.

*Note b:* The annual average interest rates of these borrowings are 2.99% and 3.09% for the periods ended June 30, 2026 and December 31, 2025, respectively.

## 20 BORROWINGS (CONTINUED)

As of June 30, 2026 and December 31, 2025, except for the senior notes, the Group's borrowings were carried at floating rates. The Group's borrowings were repayable as follows:

| | **As of June 30, 2026** *RMB'Million* **(Unaudited)** | As of December 31, 2025 *RMB'Million* (Audited) |
|---|---|---|
| Within 1 year | **12,570** | 1,968 |
| Between 1 and 2 years | **750** | 11,098 |
| Between 2 and 5 years | **8,013** | — |
| Over 5 years | **6,029** | — |
| | **27,362** | 13,066 |

The Group had complied with all of the financial covenants of its borrowing facilities for the periods ended June 30, 2026 and December 31, 2025.

## 21 ACCOUNTS PAYABLES

The aging analysis of accounts payables based on invoice date is as follows:

| | **As of June 30, 2026** *RMB'Million* **(Unaudited)** | As of December 31, 2025 *RMB'Million* (Audited) |
|---|---|---|
| Up to 3 months | **20,223** | 18,354 |
| 3 to 6 months | **4,530** | 3,042 |
| 6 months to 1 year | **1,966** | 4,443 |
| Over 1 year | **1,411** | 1,370 |
| | **28,130** | 27,209 |

## 22 OTHER PAYABLES AND ACCRUALS

The breakdown of other payables and accruals is as follows:

| | As of June 30, 2026 RMB'Million (Unaudited) | As of December 31, 2025 RMB'Million (Audited) |
|---|---|---|
| Notes payable | 25,248 | 11,948 |
| Refundable deposits from customers | 8,657 | 8,453 |
| Employee benefit payables | 3,784 | 5,549 |
| Other taxes payable | 856 | 672 |
| Others | 3,075 | 2,538 |
| | 41,620 | 29,160 |

### (a) Notes payable arrangements

The Group has entered into arrangements with its suppliers and certain banks since 2022, under which the payable to suppliers is settled through notes, whose payment is guaranteed by the banks. When the suppliers further discount the notes from the contracted banks, they get cash from the banks on behalf of the Group on an agreed date, with discount interest borne and paid by the Group. The Group undertakes the obligation to make payment to the contracted banks, thus derecognizes the payable presented under "accounts payables" that owes its suppliers and recognizes a payable that owes the contracted banks, which is presented as notes payable under "other payables and accruals" upon the settlement with the suppliers. The Group repays the banks the principal on the maturity date of the notes.

The range of payment due dates is as follows:

| | Six months ended June 30, | |
|---|---|---|
| | 2026 | 2025 |
| Notes payable | 114–365 days after invoice date | 97–365 days after invoice date |
| Comparable accounts payables that are not part of the arrangements (same line of business) | 0–90 days after invoice date | 0–90 days after invoice date |

## 22 OTHER PAYABLES AND ACCRUALS (CONTINUED)

### (a) Notes payable arrangements (Continued)

The carrying amount of liabilities under the arrangements was RMB25,253 million and RMB11,948 million as of June 30, 2026 and December 31, 2025, respectively. The carrying amount of liabilities under the arrangements of which the supplier has received payments from banks was RMB25,248 million and RMB11,948 million as of June 30, 2026 and December 31, 2025, respectively.

Based on the terms and conditions of the arrangements, the Group considers the cash flows in substance occur for the Group in the transactions where it directs the contracted banks to pay the suppliers on the Group's behalf. Therefore, when the contracted banks pay the payable the Group owes its suppliers on its behalf, the Group presents a financing cash inflow and an operating, investing or financing cash outflow related to the affected payable the Group owes its suppliers. When the Group subsequently pays to the banks when the notes mature, the Group presents the cash flow as a financing cash outflow.

## 23 DEFERRED INCOME TAX

The amounts of offsetting deferred tax assets and liabilities were RMB1,785 million and RMB1,448 million as of June 30, 2026 and December 31, 2025, respectively.

The movements and amounts of the deferred tax assets before offsetting are as follows:

| | **Six months ended June 30,** | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'Million*** | *RMB'Million* |
| | **(Unaudited)** | (Unaudited) |
| **At the beginning of the period** | **7,033** | 8,102 |
| Credited/(Debited) to the condensed consolidated income statement | **1,290** | (10) |
| Debited to other reserves | **(9)** | — |
| **At the end of the period** | **8,314** | 8,092 |

## 23 DEFERRED INCOME TAX (CONTINUED)

| | As of June 30, 2026 RMB'Million (Unaudited) | As of December 31, 2025 RMB'Million (Audited) |
|---|---|---|
| **The gross amount of deferred tax assets attributable to:** | | |
| — Accrued liabilities and provisions | 2,866 | 2,430 |
| — Tax losses *(Note a)* | 3,417 | 2,909 |
| — Lease liabilities | 1,849 | 1,527 |
| — Others | 182 | 167 |
| **Total gross deferred tax assets** | 8,314 | 7,033 |

*Note a:* The deductible cumulative tax losses will expire within 10 years. The Group only recognizes deferred tax assets for cumulative tax losses if it is probable that future taxable amounts will be available to utilize those tax losses.

The movements and amounts of the deferred tax liabilities before offsetting are as follows:

| | Six months ended June 30, 2026 RMB'Million (Unaudited) | 2025 RMB'Million (Unaudited) |
|---|---|---|
| **At the beginning of the period** | 1,689 | 1,511 |
| Debited to the condensed consolidated income statement | 265 | 114 |
| **At the end of the period** | 1,954 | 1,625 |

## 23 DEFERRED INCOME TAX (CONTINUED)

| | As of June 30, 2026 RMB'Million (Unaudited) | As of December 31, 2025 RMB'Million (Audited) |
|---|---|---|
| **The gross amount of deferred tax liabilities attributable to:** | | |
| — Right-of-use assets | 1,753 | 1,421 |
| — Withholding tax on the earnings anticipated to be remitted by subsidiaries | 89 | 175 |
| — Others | 112 | 93 |
| **Total gross deferred tax liabilities** | 1,954 | 1,689 |

## 24 COMMITMENTS

Significant capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

| | As of June 30, 2026 RMB'Million (Unaudited) | As of December 31, 2025 RMB'Million (Audited) |
|---|---|---|
| Property and equipment | 4,762 | 5,477 |
| Investments | 118 | 152 |
| | 4,880 | 5,629 |

## 25 RELATED PARTY TRANSACTIONS

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 operational decisions. Parties are also considered to be related if they are subjected to common control. Members of Group's key management and their close family members are also considered as related parties.

The following significant transactions were carried out between the Group and its related parties during the periods presented. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

### (a) Names and relationships with related parties

The following companies are significant related parties of the Group that had transactions with the Group during the six months ended June 30, 2026 and 2025, and/or balances with the Group as of June 30, 2026 and December 31,2025, respectively.

| Company | Relationship |
|---|---|
| Tencent Holdings Limited and its subsidiaries ("**Tencent Group**") | One of the Company's shareholders |
| Zhihu Inc. and its subsidiaries | Investee of the Group |
| SHAREit Technology Holdings Inc. and its subsidiaries | Investee of the Group |
| Chengdu Qingsong Digital Information Technology Co., Ltd and its subsidiaries ("**Chengdu Qingsong**") | Entities controlled by senior management of the Group |

### (b) Significant transactions with related parties

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'Million*** | *RMB'Million* |
| | **(Unaudited)** | (Unaudited) |
| (i) Provision of services | | |
| Tencent Group | **302** | 208 |
| Others | **6** | 17 |
| | **308** | 225 |

## 25 RELATED PARTY TRANSACTIONS (CONTINUED)

### (b) Significant transactions with related parties (Continued)

| | Six months ended June 30, 2026 RMB'Million (Unaudited) | Six months ended June 30, 2025 RMB'Million (Unaudited) |
|---|---|---|
| (ii) Purchases of services | | |
| Tencent Group | **1,905** | 2,021 |
| Others | **22** | 23 |
| | **1,927** | 2,044 |

### (c) Balances with related parties

| | As of June 30, 2026 RMB'Million (Unaudited) | As of December 31, 2025 RMB'Million (Audited) |
|---|---|---|
| (i) Prepayments and other receivables | | |
| Tencent Group | **500** | 475 |
| Chengdu Qingsong | **271** | 271 |
| | **771** | 746 |

| | As of June 30, 2026 RMB'Million (Unaudited) | As of December 31, 2025 RMB'Million (Audited) |
|---|---|---|
| (ii) Trade receivables | | |
| Tencent Group | **165** | 127 |

## 25 RELATED PARTY TRANSACTIONS (CONTINUED)

### (c) Balances with related parties (Continued)

| | As of June 30, 2026 RMB'Million (Unaudited) | As of December 31, 2025 RMB'Million (Audited) |
|---|---|---|
| (iii) Accounts payables | | |
| Tencent Group | **331** | 139 |
| Others | **63** | 58 |
| | **394** | 197 |

| | As of June 30, 2026 RMB'Million (Unaudited) | As of December 31, 2025 RMB'Million (Audited) |
|---|---|---|
| (iv) Advances from customers | | |
| Tencent Group | **147** | 6 |

All the balances with related parties above were business operation related and were considered as trade in nature as of June 30, 2026 and December 31, 2025. All the balances with the related parties above were unsecured, non-interest bearing and repayable on demand.

### (d) Loans to related parties

| | As of June 30, 2026 RMB'Million (Unaudited) | As of December 31, 2025 RMB'Million (Audited) |
|---|---|---|
| Loan and interest receivables | | |
| Chengdu Qingsong | **510** | 504 |

## 25 RELATED PARTY TRANSACTIONS (CONTINUED)

### (d) Loans to related parties (Continued)

The loan was repayable within three years, advanced by the Group to Chengdu Qingsong, with floating interest rate at 2.5% annually, and was provided credit guarantees by shareholders of Chengdu Qingsong and its wholly owned subsidiary.

The loan was primarily to facilitate Chengdu Qingsong, who has entered into a business cooperation agreement with the Group in payment services and other related professional areas, to develop its own capacity of payment related service.

## 26 CONTINGENCIES

As of June 30, 2026 and December 31, 2025, the Group did not have any material contingent liabilities.

## 27 SUBSEQUENT EVENTS

On July 2, 2026, Beijing Kling (i) together with some other subsidiaries of the Group, entered into a capital increase agreement with certain investors, pursuant to which Beijing Kling will receive capital injection from the investors for an aggregate amount not exceeding US$3.0 billion, (ii) adopted three share participation schemes which are to recognize the contributions made or to be made by the eligible participants, to retain them and to attract suitable personnel for Beijing Kling's operation and development, and (iii) entered into a restructuring framework agreement with certain other subsidiaries of the Group, pursuant to which Beijing Kling shall hold the Group's Kling AI related assets and businesses.

Upon completion of the above transactions, the financial results of Beijing Kling will continue to be consolidated into the financial statements of the Group, and the restructuring (excluding the share participation schemes) will not result in the recognition of any gain or loss in consolidated income statement by the Group. For further details, please refer to the announcement of the Company dated July 2, 2026.

Except as disclosed above, there were no other material subsequent events during the period from July 1, 2026 to the approval date of the Interim Financial Information.

# Definitions

In this interim report, unless the context otherwise requires the following expressions have the following meanings.

| | |
|---|---|
| **"2023 Share Incentive Scheme"** | the share incentive scheme of the Company adopted at the annual general meeting held on June 16, 2023 |
| **"AI"** | artificial intelligence |
| **"AIGC"** | artificial intelligence generated content |
| **"Articles"** | the articles of association of the Company adopted on and with effect from June 25, 2026, as amended from time to time |
| **"associate(s)"** | has the meaning ascribed to it under the Listing Rules |
| **"Audit Committee"** | the audit committee of the Board |
| **"Auditor"** | PricewaterhouseCoopers, the external auditor of the Company |
| **"Beijing Kling"** | Beijing Kling Intelligent Technology Co. Ltd. (北京可靈智能科技有限公司), a limited liability company incorporated under the laws of the PRC on August 5, 2020 and a subsidiary of the Company |
| **"Beijing One Smile"** | Beijing One Smile Technology and Development Co., Ltd. (北京一笑科技發展有限公司), a limited liability company incorporated under the laws of the PRC on November 29, 2011 and a Consolidated Affiliated Entity |
| **"Board" or "Board of Directors"** | the board of Directors |
| **"BVI"** | the British Virgin Islands |
| **"CBA"** | the China Basketball Association |
| **"Chief Executive Officer"** | the chief executive officer of the Company |
| **"Class A Shares"** | class A ordinary shares of the share capital of the Company with a par value of US$0.0000053 each, conferring weighted voting rights in the Company such that a holder of a Class A Share is entitled to 10 votes per share on any resolution tabled at the Company's general meeting, save for resolutions with respect to any Reserved Matters, in which case they shall be entitled to one vote per share |
| **"Class B Shares"** | class B ordinary shares of the share capital of the Company with a par value of US$0.0000053 each, conferring a holder of a Class B Share one vote per share on any resolution tabled at the Company's general meeting |

# Definitions

| | |
|---|---|
| **"Companies Ordinance"** | the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended or supplemented from time to time |
| **"Company", "Kuaishou" or "we"** | Kuaishou Technology (快手科技), an exempted company incorporated in the Cayman Islands with limited liability on February 11, 2014 |
| **"Consolidated Affiliated Entities"** | the entities we control through the Contractual Arrangements, namely the PRC Holdcos and their respective subsidiaries |
| **"Contractual Arrangements"** | the series of contractual arrangements entered into between WFOE, PRC Holdcos and the registered shareholders (as applicable) |
| **"Controlling Shareholders"** | has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. SU Hua, Mr. CHENG Yixiao, Reach Best and Ke Yong |
| **"Corporate Governance Code"** | the Corporate Governance Code as set out in Appendix C1 to the Listing Rules |
| **"Corporate Governance Committee"** | the corporate governance committee of the Board |
| **"DAU(s)"** | daily active user(s), which is/are calculated as the number of unique user accounts, excluding spam accounts, that access an app at least once during the day |
| **"Designated Employees(s)"** | certain employee(s) (including senior management) of the Group as designated by the Board or its delegate(s), the vesting of whose RSUs shall be subject to the satisfaction of the performance targets. The scope and criteria of the Designated Employee(s) are determined by the Board or its delegate(s) as he may in his absolute discretion deem appropriate and necessary taking into account, among other factors, the talent motivation strategy of the Group |
| **"Director(s)"** | the director(s) of the Company |
| **"GMV"** | gross merchandise value, the total value of all orders for products and services placed on, or directed to the Group's partners through, the Group's platform, regardless of whether the order is settled or returned, excluding single transactions of RMB100,000 or greater and any series of transactions from a single buyer totaling RMB1,000,000 or greater in a single day, unless they are settled |

| | |
|---|---|
| **"Group"** | the Company, its subsidiaries and the Consolidated Affiliated Entities, or where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries, the subsidiaries as if they were the subsidiaries of the Company at the time |
| **"Hangzhou Youqu"** | Hangzhou Youqu Network Co., Ltd. (杭州遊趣網絡有限公司), a limited liability company incorporated under the laws of the PRC on July 7, 2008 and a Consolidated Affiliated Entity |
| **"HK$" or "HKD"** | Hong Kong dollars, the lawful currency of Hong Kong |
| **"Hong Kong" or "HK"** | the Hong Kong Special Administrative Region of the PRC |
| **"Hong Kong Stock Exchange" or "Stock Exchange"** | The Stock Exchange of Hong Kong Limited |
| **"Huayi Huilong"** | Beijing Huayi Huilong Network Technology Co., Ltd. (北京華藝匯龍網絡科技有限公司), a limited liability company incorporated under the laws of the PRC on November 6, 2006 and a Consolidated Affiliated Entity |
| **"IASB"** | International Accounting Standards Board |
| **"IFRS Accounting Standards"** | International Financial Reporting Standards, amendments and interpretations issued by the IASB |
| **"Ke Yong"** | Ke Yong Limited, a limited liability company incorporated under the laws of the BVI which is controlled by Mr. CHENG Yixiao |
| **"KOL(s)"** | key opinion leader(s) |
| **"Kuaishou App"** | collectively, Kuaishou Flagship, Kuaishou Express and Kuaishou Concept mobile apps |
| **"Kuaishou Concept"** | an app that we launched in November 2018 to explore different user needs and preferences |
| **"Kuaishou Express"** | a variant of Kuaishou Flagship that was officially launched in August 2019 |
| **"Kuaishou Flagship"** | a mobile app that was derived from our original mobile app, *GIF Kuaishou* (launched in 2011) |
| **"Latest Practicable Date"** | August 25, 2026, being the latest practicable date prior to the printing of this interim report for the purpose of ascertaining certain information contained in this interim report |

# Definitions

| | |
|---|---|
| **"Listing"** | the listing of the Class B Shares on the Main Board of the Stock Exchange |
| **"Listing Date"** | February 5, 2021, on which the Class B Shares were listed and dealings in the Class B Shares were first permitted to take place on the Main Board of the Stock Exchange |
| **"Listing Rules"** | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time) |
| **"Main Board"** | the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange |
| **"MAUs"** | monthly active users, which are calculated as the number of unique user accounts, excluding spam accounts, that access an app at least once during the calendar month |
| **"Memorandum"** | the memorandum of association of the Company adopted on and with effect from June 25, 2026, as amended from time to time |
| **"Model Code"** | Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules |
| **"Nomination Committee"** | the nomination committee of the Board |
| **"paying user(s)"** | user account(s) that purchase(s) a particular service at least once during a given period |
| **"Post-IPO RSU Scheme"** | the post-IPO restricted share unit scheme adopted by the Company on January 18, 2021 and terminated on June 23, 2023 |
| **"Post-IPO Share Option Scheme"** | the post-IPO share option scheme adopted by the Company on January 18, 2021 and terminated on June 23, 2023 |
| **"PRC" or "China"** | the People's Republic of China, but for the purposes of this interim report only (unless otherwise indicated) excluding Hong Kong, the Macau Special Administrative Region and Taiwan |
| **"PRC Holdcos"** | Hangzhou Youqu, Huayi Huilong and Beijing One Smile |
| **"Pre-IPO ESOP"** | the pre-IPO employee incentive scheme adopted by the Company dated February 6, 2018 and terminated upon Listing |

| | |
|---|---|
| **"R&D"** | research and development |
| **"Reach Best"** | Reach Best Developments Limited, a limited liability company incorporated under the laws of the BVI which is controlled by Mr. SU Hua |
| **"Remuneration Committee"** | the remuneration committee of the Board |
| **"Reporting Period"** | the six months ended June 30, 2026 |
| **"Reserved Matters"** | those matters resolutions with respect to which each Share is entitled to one vote at general meetings of the Company pursuant to the Articles, being: (i) any amendment to the Memorandum or Articles, including the variation of the rights attached to any class of shares, (ii) the appointment, election or removal of any independent non-executive Director, (iii) the appointment or removal of our auditors, and (iv) the voluntary liquidation or winding-up of the Company |
| **"RMB" or "Renminbi"** | the lawful currency of the PRC |
| **"ROI"** | return on investment |
| **"Scheme Mandate Limit"** | the limit on grant(s) of share option(s) and/or award(s) over new Shares under all share schemes of the Company approved by the Shareholders, which must not exceed 433,510,190 Shares (being 10% of the total number of issued Shares as at the date of the Shareholders' approval of the Scheme Mandate Limit) |
| **"senior management"** | any person referred to as senior management in the corporate communication of the Company, or any other publications on the websites of the Stock Exchange or the Company |
| **"Service Provider(s)"** | have the same meaning as set out in Rule 17.03A of the Listing Rules and permitted under the 2023 Share Incentive Scheme |
| **"Service Provider Sublimit"** | a sublimit under the Scheme Mandate Limit for grant(s) of share option(s) and/or award(s) over new Shares to the Service Providers under all share schemes of the Company approved by the Shareholders, which must not exceed 21,675,509 Shares (being 0.5% of the total number of issued Shares as at the date of the Shareholders' approval of the Service Provider Sublimit) |
| **"SFC"** | the Securities and Futures Commission of Hong Kong |

# Definitions

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|---|---|
| **"SFO"** | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time |
| **"Shareholder(s)"** | holder(s) of the Shares |
| **"Share(s)"** | the Class A Shares and Class B Shares in the capital of the Company, as the context so requires |
| **"subsidiary" or "subsidiaries"** | has the meaning ascribed to it under the Companies Ordinance |
| **"substantial shareholder"** | has the meaning ascribed to it in the Listing Rules |
| **"Tencent"** | Tencent Holdings Limited (stock code: 700), or Tencent Holdings Limited and/or its subsidiaries, as the case may be |
| **"treasury shares"** | has the meaning ascribed to it under the Listing Rules |
| **"United States"** | the United States of America, its territories, its possessions and all areas subject to its jurisdiction |
| **"US$" or "USD"** | United States dollars, the lawful currency for the time being of the United States |
| **"WVR" or "weighted voting rights"** | has the meaning ascribed to it in the Listing Rules |
| **"WVR Beneficiaries"** | has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. SU Hua and Mr. CHENG Yixiao, being the holders of the Class A Shares, entitling each to weighted voting rights |
| **"%"** | per cent |

KUAISHOU


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