

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following information does not form part of the Accountant's Report from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, the Company's reporting accountant, as set out in Appendix I, and is included for information purposes only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" and the Accountant's Report set out in Appendix I.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following is an illustrative statement of the unaudited pro forma adjusted consolidated net tangible assets which has been prepared in accordance with Rule 4.29 of the Listing Rules for the purpose of illustrating the effect of the Global Offering as if it had taken place on September 30, 2020 and based on the audited consolidated net tangible liabilities attributable to the equity holders of the Company as at September 30, 2020 as shown in the Accountant's Report, the text of which is set out in Appendix I to this prospectus, and adjusted as described below.

The unaudited pro forma statement of adjusted consolidated net tangible assets has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the group had the Global Offering been completed as of September 30, 2020 or at any future dates.

Audited consolidated net tangible liabilities attributable to the equity holders of the Company as at September 30, 2020 ⁽¹⁾		Estimated net proceeds from the Global Offering ⁽²⁾	Estimated impact related to the change of terms of convertible redeemable preferred shares upon Listing ⁽³⁾	Unaudited pro forma adjusted consolidated net tangible assets attributable to the equity holders of the Company	Unaudited pro forma adjusted consolidated net tangible assets per Share ⁽⁴⁾⁽⁵⁾	
RMB'000		RMB'000	RMB'000	RMB'000	RMB	HK\$
Based on an Offer Price of						
HK\$105.00 per Share		(149,595,066)	31,534,718	175,237,831	57,177,483	13.92 16.64
Based on an Offer Price of						
HK\$115.00 per Share		(149,595,066)	34,543,063	175,237,831	60,185,828	14.65 17.52

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

Notes:

- (1) The audited consolidated net tangible liabilities attributable to the equity holders of the Company as of September 30, 2020 is extracted from the Accountant's Report as set out in Appendix I, which is based on the audited consolidated net liabilities attributable to the equity holders of the Company as of September 30, 2020 of approximately RMB148,341,372,000 with an adjustment for the intangible assets as of September 30, 2020 of approximately RMB1,253,694,000.
- (2) The estimated net proceeds to be received by the Company from the Global Offering are based on the indicative Offer Prices of HK\$105.00 and HK\$115.00 per Share, respectively, after deduction of the underwriting fees and other related expenses payable by the Company (excluding approximately RMB23,136,793 listing expenses which have been charged to our consolidated income statements for the nine months ended September 30, 2020), and does not take into account any Class B shares that may be issued pursuant to the exercise of the Over-allotment Option, any Shares that may be issued pursuant to the Post-IPO Share Option Scheme and Post-IPO RSU Scheme or any Shares that may be issued or repurchased by the Company under the general mandates granted to our Directors.
- (3) Upon the Listing and the completion of the Global Offering, all the Preferred Shares will be automatically converted into Class B Shares. These Preferred Shares will be re-designated from liabilities to equity. Accordingly, for the purpose of the unaudited pro forma financial information, the unaudited pro forma adjusted net tangible assets attributable to the equity holders of the Company will be increased by RMB175,237,831,000, being the carrying amounts of the Preferred Shares as of September 30, 2020.
- (4) The unaudited pro forma adjusted consolidated net tangible assets per Share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that 4,108,194,737 Shares were in issue (including 363,146,799 Class B Shares to be issued pursuant to the exercised options under the Pre-IPO ESOP, 766,237,001 Class A Shares convertible from the ordinary shares held by Reach Best Developments Limited and Ke Yong Limited, 164,435,258 Class B Shares convertible from the ordinary shares held by shareholders other than Reach Best Developments Limited and Ke Yong Limited and 2,449,157,079 Class B Shares convertible from the Preferred Shares) assuming that the Global Offering has been completed on September 30, 2020 but does not take into account any Class B shares that may be issued pursuant to the exercise of the Over-allotment Option, any Shares that may be issued pursuant to the Post-IPO Share Option Scheme and Post-IPO RSU Scheme or any Shares that may be issued or repurchased by the Company under the general mandates granted to our Directors.
- (5) For the purpose of this unaudited pro forma adjusted net tangible assets, the amounts stated in RMB are converted into Hong Kong dollars at a rate of RMB1.00 to HK\$1.1957. No representation is made that Renminbi amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.
- (6) No adjustment has been made to reflect any trading result or other transactions of the Group entered into subsequent to September 30, 2020, including the acquisition of a company engaging in online payment services in the PRC (the "**Target**") as set out in Note 38 to the Accountant's Report in Appendix I to this prospectus. While the Company is still in the process of assessing the fair value of the identifiable assets and liabilities of the Target as of the completion date, it is expected that the unaudited pro forma adjusted consolidated net tangible assets per Share would decrease taking into account this subsequent acquisition as the Target holds significant intangible assets.

B. REPORT FROM THE REPORTING ACCOUNTANT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.



羅兵咸永道

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**To the Directors of Kuaishou Technology**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Kuaishou Technology (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as of September 30, 2020, and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages II-1 to II-2 of the Company’s prospectus dated January 26, 2021, in connection with the proposed initial public offering of the shares of the Company (the “**Prospectus**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed initial public offering on the Group’s financial position as of September 30, 2020 as if the proposed initial public offering had taken place at September 30, 2020. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Group’s financial information for the nine months ended September 30, 2020, on which an accountant’s report has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7, *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars*, (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Control 1 issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed initial public offering at September 30, 2020 would have been as presented.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our work has not been carried out in accordance with auditing standards or other standards and practices generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) or standards and practices of any professional body in any other overseas jurisdiction and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, January 26, 2021