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Kingsoft Cloud Holdings Limited

金山云控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03896)

(Nasdaq Stock Ticker: KC)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

PLACING OF NEW SHARES

The Board announces that on September 23, 2025 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which, the Company has conditionally agreed to place, through the Placing Agent, an aggregate of 338,000,000 Placing Shares to not less than six Placees at a price of HK\$8.29 per Placing Share.

As at the date of this announcement, the Company has 4,193,784,801 Ordinary Shares in issue. Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Closing Date, the total number of 338,000,000 Placing Shares represents:

- (i) approximately 8.06% of the existing issued Ordinary Shares as at the date of this announcement; and
- (ii) approximately 7.46% of the issued Ordinary Shares as enlarged by the allotment and issue of the Placing Shares.

The Placing Price of HK\$8.29 per Placing Share represents:

- (i) a discount of approximately 8.80% to the closing price of HK\$9.090 per Ordinary Share as quoted on the Hong Kong Stock Exchange on September 23, 2025 (Hong Kong time), being the date of the Placing Agreement; and
- (ii) a discount of approximately 4.62% to the average closing price of HK\$8.692 per Ordinary Share as quoted on the Hong Kong Stock Exchange for the five consecutive trading days immediately prior to the date of the Placing Agreement.

An application will be made by the Company to the Listing Committee of the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

USE OF PROCEEDS

The Company intends to use the net proceeds of the Placing by December 31, 2028 in the following manners: (i) 80% of the Placing Proceeds to support our AI business, including expand infrastructure and enhance cloud service capabilities, and (ii) 20% of the Placing Proceeds to replenish working capital and other corporate purposes.

Since completion of the Placing is subject to the satisfaction of the conditions set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares or other securities of the Company.

Reference is made to the inside information announcement of the Company dated September 23, 2025. The Board hereby announces the upsized placing of 338,000,000 new Shares pursuant to the Placing Announcement.

On September 23, 2025 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which, the Company has conditionally agreed to place, through the Placing Agent, an aggregate of 338,000,000 Placing Shares to not less than six Placees at a price of HK\$8.29 per Placing Share.

The principal terms of the Placing Agreement are summarized below:

THE PLACING AGREEMENT

Date

September 23, 2025

Parties

- (a) the Company; and
- (b) the Placing Agent

The Placing

The Placing Agent has conditionally agreed to procure, on a best effort basis, the placing of 338,000,000 Placing Shares (with total nominal value of US\$338,000) at the Placing Price of HK\$8.29 per Placing Share.

The Placees

The Placing Shares will be placed to not fewer than six Placees. It is expected that none of the Placees will become a substantial shareholder (as defined under the Listing Rules) of the Company as a result of the Placing.

To the best of the knowledge, information and belief of the Directors and the Placing Agent, the Placees and the ultimate beneficial owners of the Placees are or will be, as the case may be, Independent Third Parties.

Number of Placing Shares

As at the date of this announcement, the Company has 4,193,784,801 Ordinary Shares in issue. Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Closing Date, the total number of 338,000,000 Placing Shares represents:

- (i) approximately 8.06% of the existing issued Ordinary Shares as at the date of this announcement; and
- (ii) approximately 7.46% of the issued Ordinary Shares as enlarged by the allotment and issue of the Placing Shares.

The Placing Shares, when issued and fully paid, shall rank pari passu in all respects with the Ordinary Shares then in issue, including the right to receive all dividends and/or distributions declared, made or paid at any time after the date of issuance.

Placing Price

The Placing Price of HK\$8.29 per Placing Share represents:

- (i) a discount of approximately 8.80% to the closing price of HK\$9.090 per Ordinary Share as quoted on the Hong Kong Stock Exchange on September 23, 2025 (Hong Kong time), being the date of the Placing Agreement; and
- (ii) a discount of approximately 4.62% to the average closing price of HK\$8.692 per Ordinary Share as quoted on the Hong Kong Stock Exchange for the five consecutive trading days immediately prior to the date of the Placing Agreement.

The net Placing Price (after deducting the placing commission, without taking into account other related expenses payable by the Company) is approximately HK\$8.17 per Placing Share.

The Placing Price was determined on an arm's length basis between the Company and the Placing Agent, with reference to the market condition and the prevailing market prices of the ADSs and the Ordinary Shares.

Conditions precedent and Closing

- (a) The obligations of the Placing Agent shall be subject to the following conditions (the “**Placing Conditions**”):
 - (i) before the closing of the Placing, there shall not have occurred:
 - (A) any material adverse change, or any development reasonably likely to involve a material adverse change, in the condition, financial or otherwise, or in the earnings, assets, business, operations or prospects of the Company, or the Company and the Group taken as a whole; or
 - (B) any suspension or limitation of trading (a) in any of the Company's securities by the Hong Kong Stock Exchange or Nasdaq Global Market, or (b) generally on the Hong Kong Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the London Stock Exchange, the New York Stock Exchange, the Nasdaq Global Market or other relevant exchanges; or
 - (C) any outbreak or escalation of hostilities, act of terrorism, the declaration by Hong Kong, the Cayman Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any other member of the European Economic Area (“**EEA**”) of a national emergency or war or other calamity or crisis; or
 - (D) any material disruption in commercial banking or securities settlement or clearance services in Hong Kong, the Cayman Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any other member of the EEA and/or a general moratorium on commercial banking activities having been declared by the relevant authorities in Hong Kong, the Cayman Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any member of the EEA; or

- (E) any material adverse change or development involving a prospective material adverse change in or affecting the financial markets in Hong Kong, the Cayman Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any member of the EEA or in international financial, political or economic conditions, currency exchange rates, exchange controls or taxation,

that, in the sole judgment of the Placing Agent, would make the placement of the Placing Shares or the enforcement of contracts to purchase the Placing Shares impracticable or inadvisable, or would materially prejudice trading of the Placing Shares in the secondary market;

- (ii) the representations and warranties made by the Company pursuant to the Placing Agreement being true and accurate and not misleading as of the date of the Placing Agreement and the Closing Date;
 - (iii) the Company having complied with all of the agreements and undertakings and satisfied all of the conditions on its part to be complied with or satisfied under the Placing Agreement on or before the Closing Date;
 - (iv) the Placing Agent having received on the Closing Date the relevant legal opinions and other documentation as set out in the Placing Agreement;
 - (v) the Listing Committee of the Hong Kong Stock Exchange granting listing of and permission to deal in the Placing Shares (the “**Listing Approval**”) and such listing and permission not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Placing Shares (the “**Listing Condition**”).
- (b) The Company shall, as soon as is reasonably practicable, apply to the Hong Kong Stock Exchange for the granting of Listing Approval after the signing of the Placing Agreement and the Company shall promptly inform the Placing Agent following the receipt of the Listing Approval. The Company shall furnish such information, supply such documents, pay such fees and do all such acts and things as may reasonably be required by the Placing Agent, the Hong Kong Stock Exchange and/or the SFC in connection with the fulfilment of the Placing Conditions.
- (c) In relation to the Listing Approval, the Placing Agent shall submit to the Hong Kong Stock Exchange in the prescribed form a list of the placees procured by it; and
- (d) The Company shall use their reasonable endeavours to procure the fulfilment of the Placing Conditions on or before the Closing Date. The Placing Agent in its sole discretion may waive any of the c Placing Conditions (except for the Listing Condition), in whole or in part and with or without conditions, by notice to the Company.

The closing of the placing shall take place on or before the sixth Business Day after the date of the Placing Agreement or at such other time and/or date as the Company and the Placing Agent agree.

Lock-up Undertaking by the Company

The Company shall not, without the prior written consent of the Placing Agent, (i) effect or arrange or procure placement of, allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe for, or enter into any transaction which is designed to, or might reasonably be expected to, result in any of the aforesaid (whether by actual disposition or effective economic disposition due to cash settlement or otherwise), directly or indirectly, any equity securities of the Company or any securities convertible into, or exercisable, or exchangeable for, equity securities of the Company, or (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise, or (iii) publicly announce an intention to effect any such transaction, for a period beginning on the date of the Placing Agreement and ending on the date which is 90 days after the Closing Date. The foregoing shall not apply to (i) the issue of the Placing Shares under the Placing Agreement, (ii) the issue of Shares or securities convertible into or exercisable for Shares pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of restricted share units (“RSUs”) (including net settlement), in each case outstanding on the date of the Placing Agreement; (iii) grants of stock options, stock awards, restricted shares, RSUs, or other equity awards and the issuance of Shares or securities convertible into or exercisable or exchangeable for Shares (whether upon the exercise of stock options or otherwise) to the Company’s employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the Closing Date.

Application for listing

The securities of the Company are dual-primary listed on Nasdaq Global Market and the Hong Kong Stock Exchange. The ADSs have been quoted on the Nasdaq Global Market system under the symbol “KC” since May 8, 2020. The Ordinary Shares have been listed on the Main Board of the Hong Kong Stock Exchange under the stock code “3896” since December 30, 2022.

An application will be made by the Company to the Listing Committee of the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Since completion of the Placing is subject to the satisfaction of the conditions set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares or other securities of the Company.

EFFECT ON THE SHARE CAPITAL OF THE COMPANY AS A RESULT OF THE PLACING

	As at the date of this announcement		Immediately after the completion of the Placing	
	Share number	%	Share number	%
Director				
Mr. Zou Tao	2,000,000	0.05	2,000,000	0.04
Substantial shareholders (including controlling shareholder)				
Kingsoft Corporation	1,492,621,584	35.59	1,492,621,584	32.94
Xiaomi Corporation	466,161,000	11.12	466,161,000	10.29
The Bank of New York Mellon Corporation	421,045,882	10.04	421,045,882	9.29
Public Shareholders				
Placees	–	–	338,000,000	7.46
Other Public Shareholders	1,811,956,335	43.20	1,811,956,335	39.98
Total	4,193,784,801	100.00	4,531,784,801	100.00

Notes:

1. The above assumes there is no change to the issued share capital of the Company from the date of this announcement up to the Closing Date, save for the allotment and issue of the Placing Shares.
2. Certain figures and percentage figures included in the above table have been subject to rounding adjustments.

REASONS FOR AND BENEFITS OF THE PLACING AND USE OF PROCEEDS

Generative AI technologies have been rapidly developing and widely applied across industries in recent years. Based on publicly available market information, the aggregate revenue of the generative AI market is projected to grow at a compound annual growth rate of approximately 40% from 2024 to 2029. These AI related advancements have significantly expanded the potential of the cloud services market.

As a leading cloud service provider in China, the Company has also experienced substantial growth in revenue and profitability from its AI business in 2025. Benefiting from the continued prosperity of the Xiaomi-Kingsoft Ecosystem and ever-expanding business opportunities, in the first half of 2025, revenue from Xiaomi-Kingsoft Ecosystem reached RMB1.13 billion, contributing to 26% of the total revenue of the Group. The Company expects to continue capitalizing on the structural and tangible opportunities arising from Xiaomi-Kingsoft Ecosystem, while expanding its presence across other customers for their AI related cloud computing demand.

In response to the growing market demand, the Company has been proactively investing in its infrastructure to upgrade its computing power and storage capabilities. In the first half of 2025, the capital expenditures of the Group (including those financed by third parties) and right-of-use assets obtained by the Group in exchange for finance lease liabilities amounted to approximately RMB4,975.50 million in aggregate, representing a year-on-year increase of approximately 155%. While the Company intends to use the relevant proceeds of approximately US\$167 million from the Previous Financing for the investment in upgrading and expanding infrastructure, the Company anticipates that substantial capital investments will be further needed in the coming years to support the development of large-scale computing power services and intelligent cloud computing resources.

Therefore, it is expected that the proceeds of the Placing will be primarily utilized to meet the medium- and long-term funding needs related to the expansion of infrastructure and the enhancement of cloud service capabilities, mainly including the procurement of servers and network equipment, the deployment of network resources, and the rental of data centers. The remaining portion of the Proceeds will be allocated to cover other corporate purposes, including but not limited to the payment of daily operating and administrative fees and other related expenses.

Specifically, assuming that all the Placing Shares are fully placed, the estimated gross proceeds and net proceeds (after deducting the placing commission, without taking into account other related expenses payable by the Company) from the Placing will amount to approximately HK\$2,802,020,000 and approximately HK\$2,759,989,700, respectively. The Company intends to use the net proceeds of the Placing (the “**Placing Proceeds**”) by December 31, 2028 in the following manners: (i) 80% of the Placing Proceeds to support our AI business, including expand infrastructure and enhance cloud service capabilities, and (ii) 20% of the Placing Proceeds to replenish working capital and other corporate purposes.

By continuously enhancing the stability and reliability of its infrastructure, the Company will be well-positioned to provide sustainable computing resources and respond to the growing demand in the generative-AI era. Meanwhile, as the strategic cloud platform of Xiaomi and Kingsoft Ecosystem, the Company will continue to grasp the enormous demands of ecosystem clients and pursue symbiotic growth and mutual success. The Company is fully confident in further growth of ecological business collaborations.

Having considered that the Placing will facilitate the ongoing development and upgrading of the Company’s infrastructure and accelerate the deployment of its advanced cloud and AI solutions, as well as further enlarge its Shareholders’ equity base and optimize its capital structure, the Directors consider that the terms and conditions of the Placing (including the Placing Price and the placing commission) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL MANDATE

By an ordinary resolution of the Shareholders passed on June 9, 2025, a General Mandate was granted to the Directors to (i) allot, issue or deal with additional Shares and/or ADSs and (ii) sell and/or transfer Shares out of treasury that are held as treasury shares not exceeding 20% of the total number of issued Shares as at the date of passing of such resolution. Under the General Mandate, the Company is authorised to issue up to 824,881,960 Shares.

Since the grant of the General Mandate on June 9, 2025 and up to the date of this announcement, the Directors have not exercised their power to allot or issue any new Shares pursuant to such General Mandate.

The Placing Shares will be allotted and issued under the General Mandate, and therefore no Shareholders' approval is required for the allotment and issue of the Placing Shares.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS

On April 16, 2025 (after trading hours), the Company and the underwriters entered into the underwriting agreement, pursuant to which, (i) the Company has allotted and issued 17,300,000 firm ADSs on April 17, 2025 and 18,000,000 offer Shares on April 25, 2025 (the **“Offering”**), and (ii) the Company has allotted and issued 2,775,000 additional ADSs on April 28, 2025 (the **“Option”**).

On April 16, 2025 (after trading hours), the Company and Kingsoft Corporation entered into the subscription agreement, pursuant to which the Company has allotted and issued 69,375,000 new Shares to Kingsoft Corporation on June 17, 2025 (the **“Subscription”**).

The aggregate net proceeds from the Offering, Option and the Subscription (after deducting all fees, costs and expenses properly incurred thereof) amount to approximately US\$278,986,066.

As of the date of this announcement, although the proceeds from the Offering, Option and Subscription had not yet been utilized as the Company is still in the process of completing the relevant procedures in accordance with the PRC foreign exchange requirements, the Company plans to utilize the net proceeds from the Offering, the Option and the Subscription with the intended uses as disclosed in the AGM circular to support the enhancement of infrastructure and cloud service capabilities.

Save as disclosed above, the Company has not conducted any fund raising activities in the 12 months immediately preceding the date of this announcement.

INFORMATION ABOUT THE COMPANY

The Group is a leading cloud service provider in China. With its full commitment to cloud service, it is dedicated to mobilizing our resources to enable its customers to successfully embrace the benefits of cloud solutions, to pursue their digital transformation strategies, and to create business value.

CSRC FILINGS

The Company shall comply with CSRC Rules and complete the CSRC Filings in connection with the Placing.

DEFINITIONS

Unless the context otherwise requires, the terms used in this announcement shall have the following meanings:

“ADS(s)”	American depositary share(s), each ADS represents 15 Ordinary Shares
“AGM”	the annual general meeting of the Company held on around June 9, 2025
“AGM Circular”	the circular of the AGM
“Board”	the board of Directors
“Business Days”	any day (excluding a Saturday, Sunday and public holidays in Hong Kong) on which licensed banks are generally open for business in Hong Kong and the Hong Kong Stock Exchange is generally open for trading of securities in Hong Kong.
“Closing Date”	the date of the closing of the Placing Shares pursuant to the Placing Agreement
“Company”	Kingsoft Cloud Holdings Limited, an exempted company with limited liability incorporated in the Cayman Islands on January 3, 2012, the ADS(s) of which were listed on the Nasdaq Global Market in May 2020 and the Ordinary Shares of which were listed on the Main Board of the Hong Kong Stock Exchange in December 2022
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“CSRC”	China Securities Regulatory Commission
“CSRC Filings”	any and all letters, filings, correspondences, communications, documents, responses, undertakings and submissions in writing, orally or in any form, including any amendments, supplements and/or modifications thereof, made or to be made to the CSRC, relating to or in connection with the Placing, respectively pursuant to the CSRC Filing Rules and other applicable laws, regulations and requirements of the CSRC (including, without limitation, the CSRC Filing report)
“Directors”	the directors of the Company

“General Mandate”	the general mandate granted to the Directors by an ordinary resolution passed by the Shareholders at the annual general meeting of the Company held on June 9, 2025, pursuant to which the Company has been authorised to (i) allot, issue or deal with additional Shares and/or ADSs and (ii) sell and/or transfer Shares out of treasury that are held as treasury shares not exceeding 20% of the total number of issued Shares as at the date of passing of such resolution
“Group”	the Company, its subsidiaries and the consolidated affiliated entities from time to time
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Third Party(ies)”	third party(ies) who/which is/are not connected person(s) of the Group
“Kingsoft Corporation”	Kingsoft Corporation Limited, an exempted limited liability company incorporated in the British Virgin Islands on March 20, 1998 and discontinued in the British Virgin Islands and continued into the Cayman Islands on November 15, 2005, the controlling shareholder of the Company
“Listing Committee”	the listing committee of the Hong Kong Stock Exchange for considering applications for listing and the granting of listing
“Listing Rules”	Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended and supplemented from time to time
“Previous Financing”	the Offering, the Option and the Subscription
“Placing”	the placing of 338,000,000 Placing Shares pursuant to the terms of the Placing Agreement
“Placing Agreement”	the Placing agreement entered into between the Company and the Placing Agent dated September 23, 2025 in relation to the Placing
“Placing Agent”	Morgan Stanley Asia Limited
“Placing Price”	HK\$8.29 per Placing Share
“Placing Shares”	338,000,000 Placing Shares to be placed pursuant to the Placing Agreement

“Placee(s)”	any individuals, corporate, institutional or other investor(s) procured by the Placing Agent or its agents to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“PRC”	the People’s Republic of China, excluding for the purposes of this announcement only, Hong Kong, the Macau Special Administrative Region and Taiwan region
“Share(s)” or “Ordinary Share(s)”	ordinary Shares of US\$0.001 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“SFC”	the Securities and Futures Commission of Hong Kong
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“US\$”	United States dollar, the lawful currency of the United States
“%”	per cent

By order of the Board
Kingsoft Cloud Holdings Limited
Mr. Zou Tao
*Vice Chairman of the Board, Executive Director
and acting Chief Executive Officer*

Hong Kong, September 24, 2025

As at the date of this announcement, the board of directors of the Company comprises Mr. Lei Jun as Chairman and non-executive director, Mr. Zou Tao as Vice Chairman and executive director, Mr. Zhang Duo as non-executive director, and Mr. Yu Minto, Mr. Wang Hang and Ms. Qu Jingyuan as independent non-executive directors.