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Kingsoft Corporation Limited

金山軟件有限公司

(Continued into the Cayman Islands with limited liability)

(Stock Code: 03888)

ANNOUNCEMENT OF THE RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Kingsoft Corporation Limited (the “**Company**”) hereby announces the audited results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2025. The results have been audited by Ernst & Young, the auditor of the Company in accordance with Hong Kong Standards on Auditing. In addition, the results have also been reviewed by the audit committee of the Company (the “**Audit Committee**”).

FINANCIAL HIGHLIGHTS

	Year ended 31 December		Year-on-year Change %
	2025	2024	
	<i>RMB'000</i>	<i>RMB'000</i>	
Revenue	9,682,881	10,317,904	(6)
Operating profit	1,775,097	3,646,623	(51)
Operating profit before share-based compensation costs	2,071,571	3,922,490	(47)
Profit attributable to owners of the parent	2,004,388	1,551,613	29
	<i>RMB</i>	<i>RMB</i>	
Basic earnings per share	1.46	1.16	26
Diluted earnings per share	1.45	1.11	31

DIVIDEND

The Board has recommended the payment of a final dividend of HK\$0.13 per share for the year ended 31 December 2025 (2024: HK\$0.15 per share). The final dividend, subject to the approval of the shareholders of the Company at the forthcoming annual general meeting (the “AGM”) of the Company, is expected to be paid on 18 June 2026.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

		As at 31 December	
		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		2,442,303	2,215,482
Investment properties		56,338	164,075
Right-of-use assets		318,223	335,986
Goodwill		185,564	185,564
Other intangible assets		80,958	83,944
Investments in joint ventures		964,273	831,645
Investments in associates		4,567,502	3,484,092
Equity investments designated at fair value through other comprehensive income		—	17,814
Financial assets at fair value through profit or loss		729,853	551,270
Deferred tax assets		79,936	137,223
Other non-current assets		38,311	36,983
Total non-current assets		9,463,261	8,044,078
CURRENT ASSETS			
Inventories		12,615	11,465
Trade receivables	10	788,145	698,070
Prepayments, other receivables and other assets		2,195,899	2,945,726
Financial assets at fair value through profit or loss		4,477,643	2,764,308
Restricted cash		8,392	5,806
Cash and bank deposits		22,587,238	23,815,022
Total current assets		30,069,932	30,240,397

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2025**

		As at 31 December	
		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
CURRENT LIABILITIES			
Trade payables	11	543,007	478,381
Interest-bearing bank loans		10,000	—
Other payables and accruals		1,510,605	2,056,722
Lease liabilities		8,839	22,533
Contract liabilities		3,023,581	2,822,856
Income tax payable		196,918	343,107
Liability component of convertible bonds	12	—	2,985,899
Derivative financial instrument		—	7,116
		<hr/>	<hr/>
Total current liabilities		5,292,950	8,716,614
		<hr/>	<hr/>
NET CURRENT ASSETS		24,776,982	21,523,783
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		34,240,243	29,567,861
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NON-CURRENT LIABILITIES			
Contract liabilities		1,230,233	929,952
Deferred tax liabilities		356,414	205,294
Lease liabilities		16,414	11,782
Other non-current liabilities		10,500	8,431
		<hr/>	<hr/>
Total non-current liabilities		1,613,561	1,155,459
		<hr/>	<hr/>
NET ASSETS		32,626,682	28,412,402
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EQUITY			
Equity attributable to owners of the parent			
Issued capital		5,420	5,187
Share premium account		3,842,422	1,439,985
Treasury shares		(504,830)	(137,342)
Equity component of convertible bonds	12	—	468,700
Reserves		22,691,334	20,679,746
		<hr/>	<hr/>
		26,034,346	22,456,276
Non-controlling interests		6,592,336	5,956,126
		<hr/>	<hr/>
TOTAL EQUITY		32,626,682	28,412,402
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2025

		Year ended 31 December	
		2025	2024
	Notes	RMB'000	RMB'000
Revenue			
Office software and services		5,928,745	5,121,075
Online games and others		3,754,136	5,196,829
		<u>9,682,881</u>	<u>10,317,904</u>
Cost of revenue		<u>(1,819,046)</u>	<u>(1,737,428)</u>
Gross profit			
		7,863,835	8,580,476
Research and development costs		(3,533,966)	(3,045,393)
Selling and distribution expenses		(1,790,947)	(1,345,903)
Administrative expenses		(714,239)	(634,304)
Share-based compensation costs	6	(296,474)	(275,867)
Other income		269,552	379,843
Other expenses		(22,664)	(12,229)
		<u>1,775,097</u>	<u>3,646,623</u>
Operating profit			
Other gains/(losses), net	5	1,252,473	(153,770)
Finance income		660,257	720,580
Finance costs		(56,186)	(178,656)
Share of profits and losses of:			
Joint ventures		132,628	10,272
Associates		(450,581)	(913,795)
		<u>3,313,688</u>	<u>3,131,254</u>
Profit before tax	4	3,313,688	3,131,254
Income tax expense	7	(438,622)	(334,158)
		<u>2,875,066</u>	<u>2,797,096</u>
Profit for the year			
Attributable to:			
Owners of the parent		2,004,388	1,551,613
Non-controlling interests		870,678	1,245,483
		<u>2,875,066</u>	<u>2,797,096</u>
		<i>RMB</i>	<i>RMB</i>
Earnings per share attributable to ordinary equity holders of the parent			
Basic		<u>1.46</u>	<u>1.16</u>
Diluted		<u>1.45</u>	<u>1.11</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
PROFIT FOR THE YEAR	<u>2,875,066</u>	<u>2,797,096</u>
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation into presentation currency	120,204	(102,382)
Reclassification to profit or loss from deemed disposal of associates	(4,365)	(2,240)
Share of other comprehensive income/(loss) of associates	<u>(64,431)</u>	<u>16,776</u>
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	<u>51,408</u>	<u>(87,846)</u>
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences of the Company on translation into presentation currency	(239,656)	144,835
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value, net of tax	(17,814)	(654)
Share of other comprehensive loss of an associate	<u>(2)</u>	<u>(120)</u>
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods	<u>(257,472)</u>	<u>144,061</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	<u>(206,064)</u>	<u>56,215</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>2,669,002</u>	<u>2,853,311</u>
Attributable to:		
Owners of the parent	1,812,903	1,602,668
Non-controlling interests	<u>856,099</u>	<u>1,250,643</u>
	<u>2,669,002</u>	<u>2,853,311</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

	Attributable to owners of the parent												
	Issued capital RMB'000	Share premium account RMB'000	Treasury shares RMB'000	Equity component of convertible bonds RMB'000	Statutory reserves RMB'000	Share-based compensation reserve RMB'000	Other capital reserve RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income RMB'000	Foreign currency translation reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2025	5,187	1,439,985	(137,342)	468,700	1,367,405	796,519	5,973,165	10,434	376,749	12,155,474	22,456,276	5,956,126	28,412,402
Profit for the year	—	—	—	—	—	—	—	—	—	2,004,388	2,004,388	870,678	2,875,066
Other comprehensive loss for the year:													
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	—	—	—	—	—	—	—	(13,351)	—	—	(13,351)	(4,463)	(17,814)
Exchange differences on translation into presentation currency	—	—	—	—	—	—	—	—	(109,336)	—	(109,336)	(10,116)	(119,452)
Reclassification to profit and loss from deemed disposal of associates	—	—	—	—	—	—	—	—	(4,365)	—	(4,365)	—	(4,365)
Share of other comprehensive loss of associates	—	—	—	—	—	—	—	(2)	(64,431)	—	(64,433)	—	(64,433)
Total comprehensive income/(loss) for the year	—	—	—	—	—	—	—	(13,353)	(178,132)	2,004,388	1,812,903	856,099	2,669,002
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	(252,826)	(252,826)
Final 2024 dividend declared	—	(190,472)	—	—	—	—	—	—	—	—	(190,472)	—	(190,472)
Share-based compensation costs	—	—	—	—	—	186,311	—	—	—	—	186,311	110,619	296,930
Vesting and settlement of share-based awards	—	23,548	7,637	—	—	(31,185)	—	—	—	—	—	—	—
Exercise and vesting of share-based awards issued by subsidiaries	—	—	—	—	—	(152,434)	181,606	—	—	—	29,172	28,833	58,005
Conversion of convertible bonds	237	2,589,509	—	(343,814)	—	—	—	—	—	—	2,245,932	—	2,245,932
Redemption of convertible bonds	—	—	—	(124,886)	—	—	127,118	—	(2,232)	—	—	—	—
Share of reserves of associates	—	—	—	—	—	—	(2,848)	—	—	—	(2,848)	—	(2,848)
Shares repurchased for share award scheme	—	—	(81,163)	—	—	—	—	—	—	—	(81,163)	—	(81,163)
Shares repurchased for cancellation	—	—	(314,114)	—	—	—	—	—	—	—	(314,114)	—	(314,114)
Profit appropriation	—	—	—	—	201,016	—	—	—	(201,016)	—	—	—	—
Changes in the ownership interests in subsidiaries	—	—	—	—	—	—	(107,651)	—	—	—	(107,651)	(106,515)	(214,166)
Shares cancelled	(4)	(20,148)	20,152	—	—	—	—	—	—	—	—	—	—
Disposal of a subsidiary	—	—	—	—	(1,115)	—	—	—	—	1,115	—	—	—
At 31 December 2025	5,420	3,842,422	(504,830)	—	1,567,306*	799,211*	6,171,390*	(2,919)*	196,385*	13,959,961*	26,034,346	6,592,336	32,626,682

* These reserve accounts comprise the consolidated other reserves of RMB22,691,334,000 (2024: RMB20,679,746,000) in the consolidated statement of financial position.

	Attributable to owners of the parent												
	Issued capital RMB'000	Share premium account RMB'000	Treasury shares RMB'000	Equity component of convertible bonds RMB'000	Statutory reserves RMB'000	Share-based compensation reserve RMB'000	Other capital reserve RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income RMB'000	Foreign currency translation reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2024	5,292	2,187,981	(306,558)	468,700	1,093,947	762,575	5,863,649	11,208	324,920	10,877,319	21,289,033	5,284,224	26,573,257
Profit for the year	—	—	—	—	—	—	—	—	—	1,551,613	1,551,613	1,245,483	2,797,096
Other comprehensive income/(loss) for the year:													
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	—	—	—	—	—	—	—	(654)	—	—	(654)	—	(654)
Exchange differences on translation into presentation currency	—	—	—	—	—	—	—	—	37,293	—	37,293	5,160	42,453
Reclassification to profit and loss from deemed disposal of associates	—	—	—	—	—	—	—	—	(2,240)	—	(2,240)	—	(2,240)
Share of other comprehensive income/(loss) of associates	—	—	—	—	—	—	—	(120)	16,776	—	16,656	—	16,656
Total comprehensive income/(loss) for the year	—	—	—	—	—	—	—	(774)	51,829	1,551,613	1,602,668	1,250,643	2,853,311
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	(690,855)	(690,855)
Final 2023 dividend declared	—	(170,337)	—	—	—	—	—	—	—	—	(170,337)	—	(170,337)
Share-based compensation costs	—	—	—	—	—	168,322	—	—	—	—	168,322	107,841	276,163
Vesting and settlement of share-based awards	—	22,728	2,210	—	—	(24,938)	—	—	—	—	—	—	—
Exercise and vesting of share-based awards issued by subsidiaries	—	—	—	—	—	(109,440)	138,527	—	—	—	29,087	28,900	57,987
Share of reserves of associates	—	—	—	—	—	—	(3,612)	—	—	—	(3,612)	—	(3,612)
Shares repurchased for share award scheme	—	—	(36,388)	—	—	—	—	—	—	—	(36,388)	—	(36,388)
Shares repurchased for cancellation	—	—	(397,098)	—	—	—	—	—	—	—	(397,098)	—	(397,098)
Profit appropriation	—	—	—	—	273,458	—	—	—	—	(273,458)	—	—	—
Changes in the ownership interests in subsidiaries	—	—	—	—	—	—	(25,399)	—	—	—	(25,399)	(24,627)	(50,026)
Shares cancelled	(105)	(600,387)	600,492	—	—	—	—	—	—	—	—	—	—
At 31 December 2024	5,187	1,439,985	(137,342)	468,700	1,367,405*	796,519*	5,973,165*	10,434*	376,749*	12,155,474*	22,456,276	5,956,126	28,412,402

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Net cash flows from operating activities	2,291,620	4,587,160
Net cash flows used in investing activities	(655,477)	(8,523,733)
Net cash flows used in financing activities	(2,159,401)	(1,083,680)
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Net decrease in cash and cash equivalents	(523,258)	(5,020,253)
Cash and cash equivalents at beginning of the year	3,703,586	8,707,372
Effect of foreign exchange rate changes, net	(59,148)	16,467
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Cash and cash equivalents at end of the year	3,121,180	3,703,586
Non-pledged time deposits with original maturity of over three months when acquired	19,466,058	20,111,436
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Cash and bank deposits as stated in the condensed consolidated statement of financial position	<u>22,587,238</u>	<u>23,815,022</u>

NOTES TO FINANCIAL STATEMENTS

1. Corporate information

The Company was incorporated under the Companies Act of the British Virgin Islands on 20 March 1998. On 15 November 2005, the Company was redomiciled to the Cayman Islands under the Company Law (2004 revision) of the Cayman Islands. The Company's shares (the "Shares") have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 9 October 2007.

The Group is principally engaged in the following activities:

- research and development and provision of WPS Office, WPS 365, WPS AI and other office products and services; and
- research and development of games, and provision of PC games, mobile games services, etc.

2. Basis of preparation and changes in material accounting policies

Basis of preparation

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). These financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance.

The financial statements have been prepared under the historical cost convention, except for derivative financial instruments, equity investments and certain other financial assets which have been measured at fair value. These financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

Changes in material accounting policies

The Group has adopted the following revised IFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to IAS 21	<i>Lack of Exchangeability</i>
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The above amendments has had no significant financial effect on the Group.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3. Operating segments information

For management purposes, the Group is organised into business units based on their products and services, and has two reportable operating segments as follows:

- (a) the office software and services segment engages in the research and development and provision of WPS Office, WPS 365, WPS AI and other office products and services; and
- (b) the entertainment software and others segment engages in the research and development of games, and the provision of PC games, mobile games services, etc.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that net other gains/(losses), finance income, non-lease-related finance costs as well as share of profits and losses of joint ventures and associates are excluded from such measurement.

Year ended 31 December 2025	Office software and services RMB'000	Entertainment software and others RMB'000	Total RMB'000
Segment revenue:			
Sales	<u>5,928,745</u>	<u>3,754,136</u>	<u>9,682,881</u>
Segment results	1,531,935	241,853	1,773,788
<i>Reconciliation:</i>			
Other gains, net			1,252,473
Finance income			660,257
Finance costs (other than interest on lease liabilities)			(54,877)
Share of profits and losses of:			
Joint ventures			132,628
Associates			(450,581)
Profit before tax			<u><u>3,313,688</u></u>

3. Operating segments information (continued)

Year ended 31 December 2024	Office software and services <i>RMB'000</i>	Entertainment software and others <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue:			
Sales	5,121,075	5,196,829	10,317,904
Segment results	1,443,645	2,200,437	3,644,082
<i>Reconciliation:</i>			
Other losses, net			(153,770)
Finance income			720,580
Finance costs (other than interest on lease liabilities)			(176,115)
Share of profits and losses of:			
Joint ventures			10,272
Associates			(913,795)
Profit before tax			<u><u>3,131,254</u></u>

4. Profit before tax

The Group's profit before tax is arrived at after charging/(crediting):

	2025	2024
	RMB'000	RMB'000
Employee benefit expenses (including directors' remuneration):		
Wages and salaries	3,270,980	3,032,313
Social insurance costs and staff welfare	572,819	472,344
Share-based compensation costs	296,474	275,867
Pension plan contributions*	349,940	290,374
	4,490,213	4,070,898
(Gain)/loss on disposal of items of property, plant and equipment	(1,295)	6
Lease payments not included in the measurement of lease liabilities	12,214	10,303
Cost of inventories sold	10,562	2,750
Cost of services provided	1,410,577	1,342,075
Depreciation of property, plant and equipment	181,038	150,766
Depreciation of investment properties	5,172	5,756
Depreciation of right-of-use assets	36,149	45,932
Amortisation of other intangible assets	27,783	24,383
Impairment of trade and other receivables**	14,218	15,241
Donations**	712	1,481

* At 31 December 2025, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2024: nil).

** These amounts are included in "other expenses" on the consolidated statement of profit or loss.

5. Other gains/(losses), net

	2025	2024
	RMB'000	RMB'000
Gain/(loss) on deemed disposal of associates	1,181,282	(162,536)
Gain on liquidation of joint ventures	206	106
(Loss)/gain on disposal and partial disposal of associates	(11,236)	3,632
Impairment of investments in associates	(20,790)	(8,091)
Foreign exchange differences, net	(103)	(43,337)
Fair value gains on financial instruments at fair value through profit or loss, net	103,114	56,456
	1,252,473	(153,770)

6. Share-based compensation costs

(a) Share option schemes

2011 Share Option Scheme

The Company operates the 2011 share option scheme (the “**2011 Scheme**”) for the purpose of providing incentives and rewards to eligible participants. Eligible participants of the 2011 Scheme include the directors and other employees of the Group or any of the Group’s invested entities. The 2011 Scheme became effective on 9 December 2011 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. The following share options were outstanding under the 2011 Scheme during the years ended 31 December 2025 and 2024, and their weighted average exercise prices (“**WAEP**”) are also listed as below:

	2025	2025	2024	2024
	Number of	WAEP HK\$	Number of	WAEP HK\$
	share options	per share	share options	per share
Outstanding at 1 January and 31 December	<u>2,529,800</u>	20.25	<u>2,529,800</u>	20.25
Exercisable at 31 December	<u>2,529,800</u>	20.25	<u>2,529,800</u>	20.25

2021 Share Option Scheme

The Company operates the 2021 share option scheme (the “**2021 Scheme**”) for the purpose of providing incentives and rewards to eligible participants. Eligible participants of the 2021 Scheme include the directors and other employees of the Group or any of the Group’s invested entities. The 2021 Scheme became effective on 9 December 2021 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. The following share options were outstanding under the 2021 Scheme during the years ended 31 December 2025 and 2024, and their WAEP are also listed as below:

	2025	2025	2024	2024
	Number of	WAEP HK\$	Number of	WAEP HK\$
	share options	per share	share options	per share
Outstanding at 1 January and 31 December	<u>5,500,000</u>	31.69	<u>5,500,000</u>	31.69
Exercisable at 31 December	<u>3,300,000</u>	31.69	<u>2,200,000</u>	31.69

6. Share-based compensation costs (continued)

(b) Share Award Schemes

On 31 March 2008, the directors of the Company approved and adopted the Share Award Scheme in which selected employees of the Group are entitled to participate. Unless early terminated by the directors of the Company, the Share Award Scheme is valid and effective for a term of five years commencing from 31 March 2008. In prior years, the directors of the Company resolved to have several extensions to the termination date of the Share Award Scheme and on 5 July 2021, the directors of the Company resolved to further extend the termination date of the Share Award Scheme to 30 March 2027. The directors will not grant any awarded shares which would result in the total number of shares (but not counting those which have lapsed or have been forfeited), in aggregate, over 10% of the issued capital of the Company as at the date of such grant.

The following awarded shares were outstanding under the Share Award Scheme during the years ended 31 December 2025 and 2024:

	2025	2024
	Number of Awarded shares	Number of Awarded shares
Outstanding at 1 January	3,316,846	4,182,220
Granted during the year	—	130,000
Forfeited during the year	(28,438)	(58,000)
Vested during the year	(957,945)	(937,374)
	<hr/>	<hr/>
Outstanding as at 31 December	<u>2,330,463</u>	<u>3,316,846</u>

6. Share-based compensation costs (continued)

(c) 2024 Share Scheme

On 23 May 2024, the shareholders of the Company approved and adopted the 2024 Share Scheme in which selected eligible participants are entitled to participate. Unless early terminated by the directors of the Company, the 2024 Share Scheme is valid and effective for a term of ten years commencing from 23 May 2024. The directors will not grant those awarded shares, which shall be satisfied by existing shares upon vesting, that would result in the total number of shares (but not counting any shares which have lapsed or have been forfeited) granted under the 2024 Share Scheme, in aggregate, greater than 5% of the total number of shares in issue as at the adoption date of the 2024 Share Scheme. The total number of new shares which may be issued in respect of all share options and share awards to be granted under 2024 Share Scheme must not exceed 10% of the shares of the Company in issue (excluding any treasury shares) as at 23 May 2024, the date on which the 2024 share Scheme was approved.

The following awarded shares were outstanding under the 2024 Share Scheme during the years ended 31 December 2025 and 2024:

	2025	2024
	Number of Awarded shares	Number of Awarded shares
Outstanding at 1 January	1,527,400	—
Granted during the year	2,621,445	1,527,400
Forfeited during the year	(10,123)	—
Vested during the year	(305,472)	—
	<hr/>	<hr/>
Outstanding as at 31 December	<u>3,833,250</u>	<u>1,527,400</u>

7. Income tax

The People's Republic of China (the "PRC") corporate income tax represents the tax charged on the estimated assessable profits of entities within the Group established in Chinese mainland during the year. In general, the PRC subsidiaries of the Group are subject to the PRC corporate income tax rate of 25% except for certain PRC subsidiaries which are entitled to tax holidays and preferential tax rates.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%).

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Current — Chinese mainland	204,967	423,919
Current — Hong Kong	9,096	14,956
Current — Elsewhere	16,152	14,740
Deferred	208,407	(119,457)
	<hr/>	<hr/>
Total tax charge for the year	438,622	334,158
	<hr/> <hr/>	<hr/> <hr/>

8. Dividends

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Proposed final dividend (note (a)):		
HK\$0.13 (2024: HK\$0.15) per share		
based on issued share capital as at year end	164,432	185,582
Less: dividend for shares held by the trust as at year end	(2,218)	(969)
	<hr/>	<hr/>
	162,214	184,613
	<hr/> <hr/>	<hr/> <hr/>

(a) The proposed final dividend for the year is subject to the approval of the shareholders of the Company at the forthcoming AGM.

9. Earnings per share attributable to ordinary equity holders of the parent

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,373,006,083 (2024: 1,332,588,014) in issue during the year.

The calculation of diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, adjusted to reflect the impact on earnings arising from the share option schemes and the award share schemes adopted by the Group's subsidiaries. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Earnings		
Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation:	<u>2,004,388</u>	<u>1,551,613</u>
Decrease in earnings adjusted for the share option schemes and the share award schemes adopted by the Group's subsidiaries	<u>(1,192)</u>	<u>(64,655)</u>
	<u>2,003,196</u>	<u>1,486,958</u>
	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares in issue less shares held for the share award schemes during the year used in the basic earnings per share calculation	1,373,006,083	1,332,588,014
Effect of dilution — weighted average number of ordinary shares:		
Share options	1,424,804	475,554
Awarded shares	4,118,401	2,144,277
	<u>1,378,549,288</u>	<u>1,335,207,845</u>

10. Trade receivables

An aging analysis of the Group's trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
0–30 days	311,857	211,974
31–60 days	59,533	81,886
61–90 days	40,721	42,522
91–365 days	249,871	162,367
1 to 2 years	75,822	141,409
Over 2 years	50,341	57,912
	<u>788,145</u>	<u>698,070</u>

11. Trade payables

An aging analysis of the Group's trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
0–30 days	233,603	165,181
31–60 days	50,938	69,328
61–90 days	30,170	44,993
91–365 days	131,875	129,407
Over 1 year	96,421	69,472
	<u>543,007</u>	<u>478,381</u>

12. Convertible bonds

On 29 April 2020, the Company issued five-year convertible bonds in the principal amount of HK\$3,100 million which bear interest at a rate of 0.625% per annum payable semi-annually (the “**2020 Convertible Bonds**”). The 2020 Convertible Bonds are convertible at the option of the bondholders into ordinary shares of the Company from 9 June 2020 to the date falling 10 days prior to the maturity date, at a price of HK\$35.7637 per share, subject to adjustments. The Company may redeem under certain circumstances the outstanding 2020 Convertible Bonds at a predetermined amount together with interest accrued by giving the bondholders not less than 30 nor more than 60 days’ prior notice. On the maturity date, any 2020 Convertible Bonds not converted will be redeemed by the Company at 105.85% of the principal amount together with accrued and unpaid interest thereon.

The fair value of the liability component was estimated at the issuance date using an equivalent market interest rate for a similar bond without a conversion option. The residual amount is assigned as the equity component and is included in shareholders’ equity.

In accordance with the terms and conditions of the 2020 Convertible Bonds, the dividend payments made after the issuance of the 2020 Convertible Bonds resulted in adjustments to the conversion price of the 2020 Convertible Bonds and the conversion price of the 2020 Convertible Bonds was adjusted to HK\$34.77 per share after the latest adjustment became effective on 8 June 2024.

During the period from 11 April 2025 to 17 April 2025, the Company issued a total number of 65,401,193 shares to the bondholders from which it received conversion notices. Such convertible bonds, representing principal amount of approximately HK\$2,274 million in aggregate, had been converted at the prevailing adjusted conversion price of HK\$34.77 per share.

Pursuant to the terms and conditions of the 2020 Convertible Bonds, on 29 April 2025 (i.e., the maturity date of the 2020 Convertible Bonds), the Company has fully redeemed the outstanding 2020 Convertible Bonds at the principal amount of approximately HK\$826 million together with all accrued and unpaid interests and fees thereon. Accordingly, there are no outstanding 2020 Convertible Bonds in issue following the aforesaid redemption.

OPERATIONAL HIGHLIGHTS

Office Software and Services

	In December 2025	In December 2024	In September 2025	Year-on-year Change %	Quarter-on-quarter Change %
Monthly Active Devices of WPS Office Globally* (Million)	<u>678</u>	<u>632</u>	<u>669</u>	7	1
			As at 31 December 2025	As at 31 December 2024	Year-on-year Change %
Accumulated paying subscribers** (Million)					
Domestic			46.15	41.70	11
Overseas			<u>2.85</u>	<u>1.74</u>	64

* Monthly Active Devices of WPS Office Globally are defined as the Monthly Active Devices of WPS Office across all platforms, excluding WPS Docs, Kingsoft Powerword and other products.

** Accumulated paying subscribers are defined as paying individual subscribers in the past twelve months (excluding onetime purchase).

FINANCIAL HIGHLIGHTS

	Three months ended		
	31 December 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited)	30 September 2025 RMB'000 (Unaudited)
Revenue			
Office software and services	1,750,360	1,501,181	1,521,263
Online games and others	867,937	1,291,297	897,914
	<u>2,618,297</u>	<u>2,792,478</u>	<u>2,419,177</u>
Cost of revenue	<u>(470,576)</u>	<u>(449,134)</u>	<u>(475,277)</u>
Gross profit	2,147,721	2,343,344	1,943,900
Research and development costs	(952,815)	(730,411)	(899,545)
Selling and distribution expenses	(462,013)	(340,275)	(564,435)
Administrative expenses	(202,423)	(152,717)	(177,887)
Share-based compensation costs	(91,653)	(59,313)	(80,046)
Other income	86,196	60,206	60,327
Other expenses	<u>(10,854)</u>	<u>(13,944)</u>	<u>(5,487)</u>
Operating profit	514,159	1,106,890	276,827
Other gains/(losses), net	819,050	(73,701)	12,862
Finance income	139,716	185,502	167,359
Finance costs	(266)	(45,906)	(1,575)
Share of profits and losses of:			
Joint ventures	162,894	34,738	(10,300)
Associates	<u>(132,359)</u>	<u>(148,318)</u>	<u>4,611</u>
Profit before tax	1,503,194	1,059,205	449,784
Income tax expense	<u>(219,755)</u>	<u>(212,220)</u>	<u>(66,283)</u>
Profit for the period	<u>1,283,439</u>	<u>846,985</u>	<u>383,501</u>
Attributable to:			
Owners of the parent	975,017	460,241	213,057
Non-controlling interests	<u>308,422</u>	<u>386,744</u>	<u>170,444</u>
	<u>1,283,439</u>	<u>846,985</u>	<u>383,501</u>
	<i>RMB</i> <i>(Unaudited)</i>	<i>RMB</i> <i>(Unaudited)</i>	<i>RMB</i> <i>(Unaudited)</i>
Earnings per share attributable to ordinary equity holders of the parent			
Basic	<u>0.70</u>	<u>0.35</u>	<u>0.15</u>
Diluted	<u>0.70</u>	<u>0.34</u>	<u>0.15</u>

FINANCIAL HIGHLIGHTS (CONTINUED)

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Revenue		
Office software and services	5,928,745	5,121,075
Online games and others	3,754,136	5,196,829
	<u>9,682,881</u>	<u>10,317,904</u>
Cost of revenue	(1,819,046)	(1,737,428)
	<u>7,863,835</u>	<u>8,580,476</u>
Gross profit		
Research and development costs	(3,533,966)	(3,045,393)
Selling and distribution expenses	(1,790,947)	(1,345,903)
Administrative expenses	(714,239)	(634,304)
Share-based compensation costs	(296,474)	(275,867)
Other income	269,552	379,843
Other expenses	(22,664)	(12,229)
	<u>1,775,097</u>	<u>3,646,623</u>
Operating profit		
Other gains/(losses), net	1,252,473	(153,770)
Finance income	660,257	720,580
Finance costs	(56,186)	(178,656)
Share of profits and losses of:		
Joint ventures	132,628	10,272
Associates	(450,581)	(913,795)
	<u>3,313,688</u>	<u>3,131,254</u>
Profit before tax		
Income tax expense	(438,622)	(334,158)
	<u>2,875,066</u>	<u>2,797,096</u>
Profit for the year		
Attributable to:		
Owners of the parent	2,004,388	1,551,613
Non-controlling interests	870,678	1,245,483
	<u>2,875,066</u>	<u>2,797,096</u>
	<i>RMB</i>	<i>RMB</i>
Earnings per share attributable to ordinary equity holders of the parent		
Basic	<u>1.46</u>	<u>1.16</u>
Diluted	<u>1.45</u>	<u>1.11</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Fourth Quarter of 2025 Compared with Fourth Quarter of 2024 and Third Quarter of 2025

Revenue

Revenue for the fourth quarter of 2025 decreased 6% year-on-year and increased 8% quarter-on-quarter to RMB2,618.3 million. Revenue from the office software and services, and online games and others represented 67% and 33% of the Group's total revenue for the fourth quarter of 2025, respectively.

Revenue from the office software and services business for the fourth quarter of 2025 increased 17% year-on-year and 15% quarter-on-quarter to RMB1,750.4 million. The increases were primarily attributable to growth across three principal businesses of Beijing Kingsoft Office Software, Inc. (“**Kingsoft Office**”) and its subsidiaries (collectively, “**Kingsoft Office Group**”). The steady increase of WPS individual business was primarily driven by the expanded number of paying subscribers, attributable to continuous iteration of AI capabilities and improvements in intelligent office experience. The strong growth in WPS 365 business was mainly driven by the deep integration of document, AI and collaboration capabilities, along with continued customer expansion among private and local state-owned enterprises. The growth in WPS software business was mainly supported by sustained demand from government and enterprise clients, further consolidating our leading position in the flow-layout and fixed-layout document market.

Revenue from the online games and others business for the fourth quarter of 2025 decreased 33% year-on-year and 3% quarter-on-quarter to RMB867.9 million. The decreases were mainly due to declined revenue from certain existing games.

Cost of Revenue and Gross Profit

Cost of revenue for the fourth quarter of 2025 increased 5% year-on-year and decreased 1% quarter-on-quarter to RMB470.6 million.

Gross profit for the fourth quarter of 2025 decreased 8% year-on-year and increased 10% quarter-on-quarter to RMB2,147.7 million. The Group's gross profit margin decreased by two percentage points year-on-year and increased by two percentage points quarter-on-quarter to 82%.

Research and Development (“R&D”) Costs

R&D costs for the fourth quarter of 2025 increased 30% year-on-year and 6% quarter-on-quarter to RMB952.8 million. The increases were primarily driven by increased headcount and AI-related expenditure, reflecting our strategic focus on advancing AI and collaboration capabilities.

Selling and Distribution Expenses

Selling and distribution expenses for the fourth quarter of 2025 increased 36% year-on-year and decreased 18% quarter-on-quarter to RMB462.0 million. The year-on-year increase was mainly due to higher marketing expenditures in both office software and services and online games businesses. The quarter-on-quarter decrease was mainly due to the high base from promotions for new game launches in the prior quarter, partially offset by increased spending on marketing activities for Kingsoft Office Group.

Administrative Expenses

Administrative expenses for the fourth quarter of 2025 increased 33% year-on-year and 14% quarter-on-quarter to RMB202.4 million. The increases were mainly due to higher personnel-related expenses and increased depreciation arising from the completion and operation of the Wuhan Campus.

Share-based Compensation Costs

Share-based compensation costs for the fourth quarter of 2025 increased 55% year-on-year and 15% quarter-on-quarter to RMB91.7 million. The increases were mainly due to the grants of awarded shares to the selected employees of certain subsidiaries of the Company.

Operating Profit before Share-based Compensation Costs

Operating profit before share-based compensation costs for the fourth quarter of 2025 decreased 48% year-on-year and increased 70% quarter-to-quarter to RMB605.8 million.

Other Gains/(Losses), net

Net other gains for the fourth quarter of 2025 were RMB819.1 million, compared with losses of RMB73.7 million for the fourth quarter of 2024 and gains of RMB12.9 million for the third quarter of 2025, respectively. The gains in this quarter were mainly due to that we recognised gain on deemed disposal of Kingsoft Cloud Holdings Limited (“**Kingsoft Cloud**”) as a result of the dilution impact of issue of new shares of it.

Share of Profits and Losses of Associates

We recorded share of losses of associates of RMB132.4 million for the fourth quarter of 2025, compared with losses of RMB148.3 million for the fourth quarter of 2024 and profits of RMB4.6 million for the third quarter of 2025, respectively.

Income Tax Expense

Income tax expense for the fourth quarter of 2025 was RMB219.8 million, compared with income tax expense of RMB212.2 million and RMB66.3 million for the fourth quarter of 2024 and the third quarter of 2025, respectively.

Profit Attributable to Owners of the Parent

As a result of the reasons discussed above, profit attributable to owners of the parent was RMB975.0 million for the fourth quarter of 2025, compared with profit of RMB460.2 million and RMB213.1 million for the fourth quarter of 2024 and the third quarter of 2025, respectively.

Profit Attributable to Owners of the Parent before Share-based Compensation Costs

Profit attributable to owners of the parent before share-based compensation costs, which is defined as profit attributable to owners of the parent excluding the effect of share-based compensation costs attributable to owners of the parent, is a measure supplementary to the consolidated financial statements presented in accordance with IFRS Accounting Standards.

We believe that the profit attributable to owners of the parent before share-based compensation costs will enhance investors to better understand the Group's overall operating performance. When assessing our operating performance, you should not consider this data in isolation or as a substitute for our profit or any other operating performance measure that is calculated in accordance with IFRS Accounting Standards. In addition, our profit attributable to owners of the parent before share-based compensation costs may not be comparable to similarly titled measures utilized by other companies.

Profit attributable to owners of the parent before share-based compensation costs was RMB1,025.5 million for the fourth quarter of 2025, compared with profit of RMB496.5 million and RMB277.0 million for the fourth quarter of 2024 and the third quarter of 2025, respectively. The net profit margin excluding the effect of share-based compensation costs was 39%, 18% and 11% for the three months ended 31 December 2025, 31 December 2024 and 30 September 2025, respectively.

Year 2025 Compared with Year 2024

Revenue

Revenue for the year of 2025 decreased 6% year-on-year to RMB9,682.9 million. Revenue from the office software and services, and online games and others represented 61% and 39% of the Group's total revenue for the year of 2025, respectively.

Revenue from the office software and services business for the year of 2025 increased 16% year-on-year to RMB5,928.7 million. Each of its key businesses achieved growth at varying rates. The steady increase in WPS individual business was primarily driven by the growing number of paying subscribers, attributable to broader office application scenarios and continuous enhancements to the intelligent office experience through WPS AI upgrades. The notable increase in WPS 365 business mainly reflected deepened integration of document, AI and collaboration capabilities, and accelerated customer expansion among private and local state-owned enterprises. The growth in WPS software business was largely driven by increased orders from government and enterprises.

Revenue from the online games and others business for the year of 2025 decreased 28% year-on-year to RMB3,754.1 million. The decrease primarily reflected the high base last year and lower revenue from certain existing games.

Cost of Revenue and Gross Profit

Cost of revenue for the year of 2025 increased 5% year-on-year to RMB1,819.0 million. The increase was primarily driven by greater server and bandwidth costs along with the business growth for office software and services business.

Gross profit for the year of 2025 decreased 8% year-on-year to RMB7,863.8 million. The Group's gross profit margin decreased by two percentage points to 81%.

R&D Costs

R&D costs for the year of 2025 increased 16% year-on-year to RMB3,534.0 million. The increase was mainly attributable to higher headcount and AI-related spending to support our strategic focus on long-term development in AI and collaboration.

Selling and Distribution Expenses

Selling and distribution expenses for the year of 2025 increased 33% year-on-year to RMB1,790.9 million. The increase was primarily attributable to higher marketing expenditure for new game launches and increased personnel-related expenses for Kingsoft Office Group.

Administrative Expenses

Administrative expenses for the year of 2025 increased 13% year-on-year to RMB714.2 million. The increase was mainly due to higher personnel-related expenses and increased depreciation arising from the completion and operation of the Wuhan Campus.

Share-based Compensation Costs

Share-based compensation costs for the year of 2025 increased 7% year-on-year to RMB296.5 million. The increase was mainly due to the grants of awarded shares to the selected employees of certain subsidiaries of the Company.

Operating Profit before Share-based Compensation Costs

Operating profit before share-based compensation costs for the year of 2025 decreased 47% year-on-year to RMB2,071.6 million.

Other Gains/(Losses), net

Net other gains for the year of 2025 were RMB1,252.5 million, compared with losses of RMB153.8 million for the last year. The gains in this year were mainly due to the gain recognised on deemed disposal of Kingsoft Cloud following dilution from the issuance of new shares of it.

Share of Profits and Losses of Associates

Share of losses of associates for the year of 2025 were RMB450.6 million, compared with losses of RMB913.8 million for the last year.

Income Tax Expense

Income tax expense for the year of 2025 was RMB438.6 million, compared with RMB334.2 million for the prior year.

Profit Attributable to Owners of the Parent

For the reasons described above, profit attributable to owners of the parent was RMB2,004.4 million for the year of 2025, compared with profit of RMB1,551.6 million for the last year.

Profit Attributable to Owners of the Parent before Share-based Compensation Costs

Profit attributable to owners of the parent before share-based compensation costs was RMB2,188.2 million for the year of 2025, compared with profit of RMB1,719.6 million for the last year.

The net profit margin excluding the effect of share-based compensation costs was 23% and 17% for the year 2025 and 2024, respectively.

Liquidity and Financial Resource

The Group had a strong cash position towards the end of 2025. As at 31 December 2025, the Group had major financial resources in the forms of cash and bank deposits and restricted cash amounting to RMB22,587.2 million and RMB8.4 million, respectively, which totally represented 57% of the Group's total assets.

As at 31 December 2025, the Group's gearing ratio, representing total liabilities divided by total assets, was 17%, compared with 26% as at 31 December 2024.

Note:

The cash resources which the Group considered in cash management include cash and bank deposits, restricted cash and partial of financial assets at fair value through profit or loss. As at 31 December 2025, the aggregate amount of cash resources of the Group was RMB27,073.0 million.

Foreign Currency Risk Management

As at 31 December 2025, RMB4,233.0 million of the Group's financial assets were held in deposits and financial assets at fair value through profit or loss denominated in non-RMB currencies. As there are no cost-effective hedges against the fluctuation of RMB, there is a risk that we may experience a loss as a result of any foreign currency exchange rate fluctuation in connection with our deposits and investments.

Net Cash Generated from Operating Activities

Net cash generated from the operating activities reflects the Group's profit for the year, as the case may be, as adjusted for non-cash items, such as finance income, gain on deemed disposal of associates, and share of profits and losses of associates, as well as the effect of changes in certain items of statement of financial position, such as contract liabilities, other payables and accruals.

Net cash generated from operating activities was RMB2,291.6 million and RMB4,587.2 million for the years ended 31 December 2025 and 31 December 2024, respectively.

Capital Expenditures

Capital expenditures represent cash payments for fixed assets and intangible assets. Cash used for capital expenditures was RMB342.1 million and RMB426.2 million for the years ended 31 December 2025 and 31 December 2024, respectively.

BUSINESS REVIEW AND OUTLOOK

Mr. Jun LEI, Chairman of the Company, commented, “In 2025, we remained committed to technology empowerment and focused on enhancing our core capabilities. Kingsoft Office Group adhered to its core strategy of ‘AI, Collaboration, and Internationalisation’, deepened its presence in AI office sector, and developed future-oriented intelligent office products tailored to the full-scenario office needs of both individual and institutional users. For the online games business, we further deepened our layout in classic Wuxia IP while actively expanded into diversified genres and global markets.”

Mr. Tao ZOU, Chief Executive Officer of the Company, added, “In 2025, the Group recorded revenue of RMB9,682.9 million, representing a year-on-year decrease of 6%. The revenue from office software and services business reached RMB5,928.7 million, a year-on-year increase of 16%, maintaining steady growth. Revenue from the online games and others business amounted to RMB3,754.1 million, a year-on-year decrease of 28%, primarily reflecting the high base last year and the declined revenue from existing games. After release in early 2026, Goose Goose Duck has received positive market reception and surpassed 30 million cumulative new users. This demonstrated our potential in expanding into new game genres and injected fresh growth momentum into the online games business.

Kingsoft Office Group continued to implement its core strategies. We advanced in parallel both the ‘Office AI reconstruction and upgrade’ and ‘AI Office native exploration’. On one hand, we drove a comprehensive intelligent upgrade across our existing WPS component suite to reshape the full-scenario office experience. On the other hand, we explored an agent-native office paradigm. WPS Lingxi, an office AI agent, evolved into an ‘All-in-One AI Office Partner’. WPS 365 underwent a comprehensive AI-driven upgrade, and established a multi-dimensional framework that spans technical architecture, collaboration systems, intelligent search, and digital employee ecosystems, comprehensively empowering enterprises in their digital and intelligent transformation while enhancing office collaboration and operational efficiency. Meanwhile, international expansion progressed steadily. We advanced product upgrade of WPS International for individual and overseas data centers deployment. WPS 365 international version offered globally integrated office capabilities.

For WPS individual business, the user base continued to expand steadily, with both domestic and international operations achieving quality growth. In domestic market, the number of WPS cloud documents surpassed 290 billion, reflecting sustained user engagement. The multi-platform product tactics yielded notable results. In overseas markets, the number of accumulated paying users grew substantially, with particularly strong growth among large-screen users.

For WPS 365 business, guided by the core principles of integration, intelligence, and internationalisation, we continued to upgrade products and services and launched industry-specific solutions. We further consolidated our advantages among central and state-owned enterprises, accelerated expansion into private enterprises, foreign-invested enterprises, and local state-owned enterprises, and advanced channel ecosystem development to further enhance our market presence.

For WPS software business, we actively participated in the bids for domestic office software of governments and enterprises, and continued to maintain a leading share in both flow-layout and fixed-layout document software market. We continued to advance the implementation of government digitalisation projects, support the development of digital platforms in multiple regions, and effectively empower the intelligent upgrading of government office operations.

In the fourth quarter, the flagship game JX3 Online enhanced its costume design through technological upgrades, with its Chinese aesthetic style receiving widespread acclaim from players. The version optimisation and service upgrades completed in late 2025 were well received by players, and we will further increase investments in gameplay and narrative experience. The classic JX series of PC games and its inherited mobile games like World of Sword: Origin (劍俠世界: 起源), maintained stable operations in both domestic and overseas markets through ongoing content iterations and version refreshes.

Social deduction game Goose Goose Duck officially launched in January 2026, exceeding 5 million new users on its first day and surpassing 30 million cumulative new users since launch, topping the iOS free games chart for most of the past two months. The game generated organic traffic and penetrated the broader social circle through user referrals. Currently in its early commercialization stage, Goose Goose Duck will continue optimizing its user retention and monetization systems.

Two casual games from the Angry Birds (憤怒的小鳥) series have received license approval and are expected to launch in Chinese mainland in 2026, further enriching our casual games portfolio.

The cozy pastoral life simulation game Starsand Island (星砂島) began early access in February 2026. With its distinctive art style and gameplay, the game established a good reputation within the core gaming community. Moving forward, we will actively optimize the game based on player feedback, laying the groundwork for its official launch in the second half of the year.”

Mr. Jun LEI, Chairman of the Company, concluded, “Looking ahead, Kingsoft Office Group will deepen the application of AI Agent technology across office scenarios, enhance the core competitiveness of WPS 365 as an intelligent collaboration platform, and accelerate international expansion. The online games business will continue to focus on premium content development and global publishing, continuously enhancing the vitality of classic franchises while actively fostering the growth of new game genres to achieve sustainable development. We will continue to deepen technological innovation and commercial expansion, actively explore global market opportunities, and consistently deliver long-term value to our shareholders.”

OTHER INFORMATION

Employee and Remuneration Policies

The remuneration policy and package of the Group's employees are periodically reviewed. Apart from salaries, medical insurance, discretionary bonuses and state managed retirement benefit scheme, the Group has also adopted share option schemes and share award schemes for its employees, providing incentives and rewards to eligible participants with reference to their contribution.

As at 31 December 2025, the Group employed approximately 8,945 full-time employees (2024: 8,047) inclusive of all its staff in China and overseas offices, most of whom are based at the Company's offices in Beijing, Zhuhai and Wuhan. The staff costs of the Group including Directors' and senior management's emoluments in 2025 and 2024 were approximately RMB4,490.2 million and RMB4,070.9 million, respectively.

Purchase, Redemption or Sale of the Company's Listed Securities

In May 2025, the Company repurchased 949,200 of its own ordinary shares on the Stock Exchange at a price range from HK\$33.2 to HK\$35.1. In June 2025, the Company repurchased 620,800 of its own ordinary shares on the Stock Exchange at a price range from HK\$31.65 to HK\$32.4. In July 2025, the Company repurchased 888,600 of its own ordinary shares on the Stock Exchange at a price range from HK\$33 to HK\$34.3. In November 2025, the Company repurchased 2,850,000 of its own ordinary shares on the Stock Exchange at a price range from HK\$27.26 to HK\$29.62. In December 2025, the Company repurchased 6,419,600 of its own ordinary shares on the Stock Exchange at a price range from HK\$27.74 to HK\$29.2. During the year ended 31 December 2025, the Company repurchased a total of 11,728,200 of its own ordinary shares on the Stock Exchange at a total cost of approximately HK\$344.65 million. The Company considered that it is in the best interest of the shareholders to return some surplus funds to them which will in turn enhance shareholders' value. The Company did not have any treasury share (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) during the year ended 31 December 2025.

Code of Conduct Regarding Directors' Securities Transaction

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules to govern securities transactions by Directors. Further to the specific enquiries made by the Company to all Directors, they have confirmed their compliance with the Model Code during their terms of services for the year ended 31 December 2025.

Closure of Register of Members

For the purposes of determining shareholders' eligibility to attend and vote at AGM and entitlement to the final dividend, the register of members of the Company will be closed. Details of such closures are set out below:

(i) For determining eligibility to attend and vote at the AGM

Latest time to lodge transfer documents for registration	4:30 p.m. on Thursday, 21 May 2026
Closure of the register of members of the Company	Friday, 22 May 2026 to Thursday, 28 May 2026 (both dates inclusive)
Record date	Thursday, 28 May 2026

(ii) For determining entitlement to the final dividend

Latest time to lodge transfer documents for registration	4:30 p.m. on Tuesday, 2 June 2026
Closure of the register of members of the Company	Wednesday, 3 June 2026 to Monday, 8 June 2026 (both dates inclusive)
Record date	Monday, 8 June 2026

During the above closure periods, no transfer of shares will be registered. In order to qualify for the proposed final dividend and the right to attend and vote at the forthcoming AGM, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than the aforementioned latest time.

Review by Audit Committee

The Audit Committee of the Company has been established since 2007 with responsibility of assisting the Board in providing an independent review of the financial statements and internal control system. It acts in accordance with its terms of reference which clearly defines its membership, authority, duties and frequency of meetings. It meets regularly with our management, external auditor and internal audit personnel to discuss the accounting principles and practices adopted by the Group and internal control and financial reporting matters. During the year ended 31 December 2025, our Audit Committee comprised of three independent non-executive Directors, namely Ms. Wenjie WU (chairman of the Audit Committee), Mr. Shun Tak WONG, and Mr. Zuotao CHEN.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters with management.

The Audit Committee has reviewed the Group's audited financial statements for the year ended 31 December 2025, and is of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure has been made.

Corporate Governance Code

The Directors, having reviewed the corporate governance practices of the Company, confirm that the Company has complied with all the applicable code provisions as set out in Part 2 of the Corporate Governance Code (the “Code”) contained in Appendix C1 to the Listing Rules, except for the code provision D.1.2 of the Code.

The code provision D.1.2 of the Code requires management to provide all members of the board with monthly updates on the issuer's business. The management of the Company currently reports to the Board quarterly on the Group's performance, position and prospects. The Board believes that with the executive Directors overseeing the daily operation of the Group and the effective communication between the executive Directors, the management and the non-executive Directors (including the independent non-executive Directors) on the Group's affairs, the current practice is sufficient enough for the members of the Board to discharge their duties. The Board will continue to review this practice and shall make necessary changes when appropriate and report to the shareholders accordingly.

Forward Looking Statements

This announcement contains certain forward looking statements with respect to the financial condition, results of operations and business of the Group. These forward looking statements are based upon current plans, estimates and projections and represent the Company's expectations or beliefs concerning future events, therefore, no undue reliance should be placed upon them.

Forward looking statements contain inherent risks and uncertainties. The Company warns that should any of these risks or uncertainties ever materialize or should any number of important factors or events occur or not occur, then the actual results of the Company may differ materially from those either expressed or implied in any of these forward looking statements.

Publication of the Annual Results, Annual Reports and Corporate Governance Report

All the financial and other related information of the Company required by the Listing Rules will be published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.kingsoft.com) in due course.

By Order of the Board
Kingsoft Corporation Limited
Jun LEI
Chairman

Hong Kong, 25 March 2026

As at the date of this announcement, the Executive Director is Mr. Tao ZOU; the Non-executive Directors are Messrs. Jun LEI, Pak Kwan KAU and Leiwen YAO; the Independent Non-executive Directors are Messrs. Shun Tak WONG, Zuotao CHEN, and Ms. Wenjie WU.