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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 THREE AND SIX MONTHS ENDED 30 JUNE 2026

The board ("**Board**") of directors (the "**Directors**") of Kingsoft Corporation Limited (the "**Company**") announces the unaudited results of the Company and its subsidiaries (the "**Group**" or "**Kingsoft**") for the three and six months ended 30 June 2026. These interim results have been reviewed by the audit committee of the Company (the "**Audit Committee**").

FINANCIAL HIGHLIGHTS

	For the three months ended				
	30 June 2026	30 June 2025	Year-on-year	31 March 2026	Quarter-on-quarter
	RMB'000	*RMB'000*	Change	*RMB'000*	Change
	(Unaudited)	*(Unaudited)*	%	*(Unaudited)*	%
Revenue	**2,510,419**	2,307,412	9	2,416,713	4
Office software and services	**1,700,038**	1,355,653	25	1,613,224	5
Online games and others	**810,381**	951,759	(15)	803,489	1
Operating profit	**418,668**	382,658	9	395,304	6
Profit attributable to owners of the parent	**547,974**	532,440	3	1,091,302	(50)
Non-IFRS Measure:					
Adjusted net profit attributable to owners of the parent[1]	**330,487**	240,721	37	250,088	32

1. See the section entitled "Non-IFRS Measure: Adjusted net profit attributable to owners of the parent" for more information about the non-IFRS measure.

	For the six months ended		
	30 June 2026	30 June 2025	Year-on-year Change
	RMB'000	*RMB'000*	%
	(Unaudited)	*(Unaudited)*	
Revenue	**4,927,132**	4,645,407	6
Office software and services	**3,313,262**	2,657,122	25
Online games and others	**1,613,870**	1,988,285	(19)
Operating profit	**813,972**	984,111	(17)
Profit attributable to owners of the parent	**1,639,276**	816,314	101
Non-IFRS Measure:			
Adjusted net profit attributable to owners of the parent	**580,575**	666,417	(13)

OPERATIONAL HIGHLIGHTS

Office Software and Services

	In June 2026	In June 2025	Year-on-year Change %
Monthly Active Devices of WPS Office Globally[1] (Million)	**676**	651	4

	As at 30 June 2026	As at 30 June 2025	Year-on-year Change %
Accumulated Annual Paying Individual Subscribers[2] (Million)	**48.25**	41.79	15

1. 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.

2. Accumulated Annual Paying Individual Subscribers are defined as paying individual subscribers in the past twelve months (excluding onetime purchase) in Chinese mainland.

BUSINESS REVIEW AND OUTLOOK

Results Summary

In the second quarter of 2026, the Group advanced its AI-driven long-term development strategy, continuously strengthening AI capabilities and integrating AI across its core business sectors — office, online games, and cloud. The office business remained focused on our core direction of "AI, Collaboration, and Internationalization", and continued to drive the integration of AI technologies into office scenarios, developing future-oriented intelligent office products tailored to the full-scenario office needs of both individual and institutional users, while continuously exploring innovative business model. The online games business continued to optimize resources allocation to support the long-term operations of our classic JX series games and product innovation, while actively exploring new approaches to AI-empowered research and development ("**R&D**") and content production. The cloud business deepened its presence in the AI computing cloud sector, strengthening its full-stack AI capabilities, and as the strategic cloud platform for the Xiaomi and Kingsoft Ecosystem, actively seized growth opportunities arising from increasing AI demand both within and beyond the ecosystem.

In this quarter, the Group recorded total revenue of RMB2,510.4 million. Revenue from the office software and services business was RMB1,700.0 million, representing a year-on-year increase of 25%; revenue from the online games and others business was RMB810.4 million, representing a year-on-year decrease of 15%. Operating profit was RMB418.7 million, representing a year-on-year increase of 9%. Adjusted net profit attributable to owners of the Company was RMB330.5 million, representing a year-on-year increase of 37%. As at the end of the quarter, the Group's cash resources amounted to RMB27,156.6 million. Strong cash reserves provide a solid foundation for accelerating our AI development strategy, capturing business growth opportunities, and enhancing shareholder returns.

Business Performance by Sector

Office Business

In this quarter, revenue from WPS individual business was RMB1,038.7 million, representing a year-on-year increase of 17%. In the domestic market, as of June 2026, the number of Accumulated Annual Paying Individual Subscribers reached 48.25 million, representing a year-on-year increase of 15%. We continued to deepen the integration of AI capabilities into WPS Office applications, further improving user productivity and experience. AI capabilities are gradually becoming an important driver of paid conversion and user value. In the overseas markets, WPS Office introduced two major features: integrated cloud and device capabilities for seamless cross-device synchronization, and an embedded AI document assistant. The cloud-device integration enables seamless cross-device workflows, while the AI assistant integrates full-text translation, spell checking and intelligent writing enhancement, supporting translation across more than 100 languages. These enhancements are accelerating the adoption of AI services among overseas users.

In this quarter, WPS 365 business maintained rapid growth, with revenue of RMB253.1 million, representing a year-on-year increase of 61%. Guided by our strategic priorities of integration, intelligence and internationalization, we continued to upgrade WPS 365 to further unlock the productivity potential of enterprise AI. Whilst consolidating our strengths among central and state-owned enterprises, we accelerated our expansion into private enterprises, multinational companies and local state-owned enterprises, while further developing our channel ecosystem to strengthen WPS 365's market presence. Meanwhile, we continued to advance the development of the international version of WPS 365, exploring product adaptation and business models for AI features across different markets.

In this quarter, revenue from WPS software business was RMB375.8 million, representing a year-on-year increase of 34%. We actively participated in procurement tenders for domestic office software by central and local government and enterprise customers, and continued to maintain a leading share in the flow-layout and fixed-layout document software market. To address the digitalization and intelligent transformation needs of government and enterprise customers, we continued to expand application scenarios and advance the deployment of projects including unified online collaboration and shared document libraries. We also extended AI capabilities into scenarios such as official document drafting and proofreading, further enhancing our service capabilities.

While continuing to deepen the integration of AI capabilities into our existing WPS product portfolio to enhance user experience and productivity, we are also actively exploring AI-native office products, enterprise service models and commercialization pathways for the AI era. Across both individual and institutional markets, we continued to innovate around AI-native interaction and task execution capabilities. We launched two AI-native office products: "WPS Lingxi", designed for individual users, and "WPS Comate", designed for institutional customers. At the same time, we are exploring upgrades to the WPS 365 business model, the Forward Deployed Engineer ("**FDE**") delivery model and enterprise AI use cases, advancing AI from enhancing existing products toward broader innovation across native applications, business models and delivery system.

WPS Lingxi is positioned as a professional personal office assistant. By deeply integrating the core capabilities of WPS Office applications, it supports end-to-end office workflows from information understanding and content generation to the delivery of professional documents, producing native documents that can be directly edited and reviewed. This further expands the application of AI across individual productivity scenarios. On commercialization, building on our existing subscription model, we will explore new business models such as "subscription plus AI usage", with pricing better aligned with the value delivered by different AI features and their associated resource consumption, to gradually drive new revenue contributions from AI-native office products.

WPS Comate is positioned as an enterprise AI workspace, supporting customers progressively evolve from "human-human collaboration" to "human-AI collaboration". To address challenges in enterprise AI adoption, including fragmented knowledge, data silos, connectivity across business systems and security governance, WPS Comate provides an integrated platform covering knowledge understanding, data analysis, business collaboration and task execution, enhancing both the usability and deployment efficiency of enterprise AI. WPS Comate has also introduced modules including "Experts" and "Applications", enabling enterprises to capture and reuse internal expertise and business know-how, and to rapidly build and deploy AI applications based on actual business needs. Those help accelerate the scaled adoption of AI in specific business scenarios.

To date, we have deployed 26 representative Experts use cases across 11 major functions, including human resources, administration, finance, legal, marketing, and product and R&D. Since the launch of WPS Comate, we have engaged with a number of medium-sized and large enterprise customers across manufacturing, education, financial services, logistics and retail to explore joint development opportunities, further advancing enterprise AI from product validation toward deployment in real-world business scenarios.

Meanwhile, in response to how enterprise customers use AI products and their evolving needs, we are actively exploring upgrades to the WPS 365 business model. Building on the subscription model, we are exploring a "seat-plus-AI usage" model to better align with varying levels of AI adoption and business needs across enterprise customers, thereby further expanding customer value potential.

Through the FDE model, we aim to bring AI-powered office capabilities into real-world business scenarios. We work closely with customers across specific industries, going deep into their business workflows. While ensuring data security and compliance, we seek to further integrate WPS 365 with customers' existing business systems and organizational processes, continuously enhancing delivery quality and the value customers derive from our products and services.

Online Games Business

In this quarter, revenue from the online games business declined year-on-year, primarily due to lifecycle changes in certain existing games and the competitive industry environment. We proactively pursued strategic adjustments, optimized resources allocation, and refocused on the R&D and content investments for our classic JX series games, while advancing AI-empowered game development and content creation. These capabilities will be built up gradually through product iteration and operational optimization, and their value will take time to materialize.

We actively explored the application of AI-driven creative paradigms in game development, leveraging AI to enhance content production efficiency and drive deep integration between AI technology and the online games business, laying the foundation for optimizing long-standing classic IPs and expanding new games, with practical implementation already underway in key games.

Since the beginning of the year, we have further increased R&D resources investment in our flagship game JX3 Online (劍網3), continuing to enhance content quality and player experience through long-term operations. In April, we launched the "Anying Qianji" expansion pack, improving user retention and community engagement through content updates, gameplay expansion, and optimized progression systems for both new and existing players, further strengthening the foundation for the game's long-term operations.

We also made steady progress in exploring new categories within social games. Since its public beta launch on January 7, the mobile game Goose Goose Duck (鵝鴨殺) has gained user recognition for its differentiated social gameplay. According to QuestMobile data for June 2026, Goose Goose Duck ranked in the top three in terms of monthly active users among mobile games newly launched in China in 2026. We continued to enhance product engagement through content updates and IP collaborations — the collaboration with Empresses in the Palace (甄嬛傳) in April and the Journey to the West (西遊記) in July successively drove the game to a top-five ranking on the App Store's top-grossing chart and the No.1 position on the iOS free chart, respectively.

Cloud Business

Kingsoft Cloud[1] continued to implement its strategy of "Technology-driven Approach" and "High Quality and Sustainable Development", seizing industry opportunities as the AI cloud business evolves from resources supply toward value delivery.

As inference demand related to AI Coding and Agent applications continued to grow, enterprise customers accelerated the adoption of AI in actual business scenarios, driving increased demand for computing power and AI computing solutions. Kingsoft Cloud continued to advance its AI cloud infrastructure, Model as a Service ("**MaaS**"), and FDE businesses, while upgrading its full-stack AI capabilities to meet the growing demand for AI computing implementation and AI applications. In this quarter, the Starflow MaaS platform improved the performance of multi-model services in high-concurrency inference scenarios, and officially launched the "Star Origin AgentKit" platform to better support AI Agent development.

In terms of ecosystem synergy, Kingsoft Cloud continued to capture AI cloud service demand within the Xiaomi and Kingsoft Ecosystem, with business opportunities within the ecosystem being realized at an accelerated pace. At the same time, Kingsoft Cloud actively expanded its customer base beyond the ecosystem, with its AI cloud services now covering sectors such as internet, frontier AI laboratories, embodied intelligence, autonomous driving, AI for Science, fintech, game, and audio and video, further diversifying its customer mix.

1. Kingsoft Cloud Holdings Limited ("**Kingsoft Cloud**") and its subsidiaries (collectively, "**Kingsoft Cloud Group**"), a material associate engages in the provision of cloud services.

Business Outlook

In the first half of 2026, we continued to advance the implementation of our AI strategy and further strengthened the synergy of our office, online games, and cloud businesses within our overall AI strategic framework. Looking ahead, we will continue to prioritize AI as the core strategic direction, leveraging the application advantages of our office and online games businesses, together with Kingsoft Cloud's capabilities in AI infrastructure, platforms, and enterprise services, while actively exploring collaboration opportunities with the Xiaomi ecosystem in areas such as large language models, smart devices, and cloud services. The office business will continue to advance product innovation and commercialization of AI-native office products across individual and organizational scenarios, while increasing investment in R&D and product resources. The online games business will continue to focus on core IPs and user ecosystem development, gradually improving operating performance through content iteration, technology upgrades, and operational optimization, while prudently exploring new game categories. Kingsoft Cloud will seize growth opportunities arising from increasing AI cloud service demand, continuing to enhance computing power delivery and resources utilization efficiency, and improving earnings quality and cash flow. We will measure the effectiveness of AI strategy through product, customer, and commercialization outcomes, continuously enhancing long-term competitiveness and shareholder value.

MANAGEMENT DISCUSSION AND ANALYSIS

Second Quarter of 2026 Compared with Second Quarter of 2025 and First Quarter of 2026

	For the three months ended		
	30 June 2026	30 June 2025	31 March 2026
	RMB'000	*RMB'000*	*RMB'000*
	(Unaudited)	*(Unaudited)*	*(Unaudited)*
Revenue			
Office software and services	**1,700,038**	1,355,653	1,613,224
Online games and others	**810,381**	951,759	803,489
	2,510,419	2,307,412	2,416,713
Cost of revenue	**(538,780)**	(453,784)	(486,847)
Gross profit	**1,971,639**	1,853,628	1,929,866
Research and development costs	**(930,868)**	(853,753)	(941,761)
Selling and distribution expenses	**(384,518)**	(424,031)	(394,833)
Administrative expenses	**(187,431)**	(173,641)	(188,424)
Share-based compensation costs	**(93,694)**	(71,090)	(88,730)
Other income	**47,440**	53,909	79,298
Other expenses	**(3,900)**	(2,364)	(112)
Operating profit	**418,668**	382,658	395,304
Other gains, net	**42,748**	442,852	81,605
Finance income	**149,479**	165,505	145,793
Finance costs	**(2,511)**	(9,456)	(2,334)
Share of profits and losses of:			
Joint ventures	**251,346**	(7,637)	1,858,909
Associates	**263,614**	(170,109)	(110,897)
Profit before tax	**1,123,344**	803,813	2,368,380
Income tax expense	**(106,672)**	(104,251)	(229,578)
Profit for the period	**1,016,672**	699,562	2,138,802
Attributable to:			
Owners of the parent	**547,974**	532,440	1,091,302
Non-controlling interests	**468,698**	167,122	1,047,500
	1,016,672	699,562	2,138,802

Revenue

Revenue for the second quarter of 2026 increased 9% year-on-year and 4% quarter-on-quarter to RMB2,510.4 million. Revenue from office software and services, and online games and others represented 68% and 32% of the Group's total revenue for the second quarter of 2026, respectively.

Revenue from office software and services business for the second quarter of 2026 increased 25% year-on-year and 5% quarter-on-quarter to RMB1,700.0 million. The increases were mainly attributable to the growth across three principal businesses. The steady growth of WPS individual business was mainly driven by the continued integration of AI capabilities into core office scenarios, further enhancing user experience and product value and driving higher conversion rates. The robust year-on-year growth of WPS 365 business was primarily driven by AI-powered product upgrades, and the continued deployment of intelligent office solutions across key industries. The growth of WPS software business was primarily driven by sustained localization demand and the continued adoption of digital and intelligent solutions by government and enterprise customers.

Revenue from online games and others business for the second quarter of 2026 decreased 15% year-on-year and increased 1% quarter-on-quarter to RMB810.4 million. The year-on-year decrease was mainly due to declined revenue from certain existing games, partially offset by the revenue contribution of Goose Goose Duck and certain other games.

Cost of Revenue and Gross Profit

Cost of revenue for the second quarter of 2026 increased 19% year-on-year and 11% quarter-on-quarter to RMB538.8 million. The increases were primarily due to greater usage of AI products features from office software and services business, and higher revenue sharing costs of online games business.

Gross profit for the second quarter of 2026 increased 6% year-on-year and 2% quarter-on-quarter to RMB1,971.6 million. The Group's gross profit margin decreased by one percentage point year-on-year and quarter-on-quarter to 79%.

R&D Costs

R&D costs for the second quarter of 2026 increased 9% year-on-year and decreased 1% quarter-on-quarter to RMB930.9 million. The year-on-year increase was mainly driven by increased headcount, reflecting continued investments in AI and collaboration capabilities of office software and services business.

Selling and Distribution Expenses

Selling and distribution expenses for the second quarter of 2026 decreased 9% year-on-year and 3% quarter-on-quarter to RMB384.5 million. The decreases were mainly due to lower marketing expenditures related to online games business, partially offset by higher headcount and personnel-related expenses, as well as increased promotional spending of office software and services business.

Administrative Expenses

Administrative expenses for the second quarter of 2026 increased 8% year-on-year and decreased 1% quarter-on-quarter to RMB187.4 million. The year-on-year increase was mainly due to greater personnel-related expenses of office software and services business.

Share-based Compensation Costs

Share-based compensation costs for the second quarter of 2026 increased 32% year-on-year and 6% quarter-on-quarter to RMB93.7 million. The increases were mainly due to the grants of awarded shares to the selected employees of certain subsidiaries of the Company.

Other Gains, net

Net other gains for the second quarter of 2026 were RMB42.7 million, compared with gains of RMB442.9 million and RMB81.6 million for the second quarter of 2025 and the first quarter of 2026, respectively. The gains in the second quarter of 2025 were mainly due to that we recognised gain on deemed disposal of Kingsoft Cloud as a result of the dilution impact of issue of new shares of it.

Share of Profits and Losses of Joint Ventures

Share of profits of joint ventures were RMB251.3 million for the second quarter of 2026, compared with losses of RMB7.6 million for the second quarter of 2025 and profits of RMB1,858.9 million for the first quarter of 2026, respectively. The profits in this quarter and the first quarter of 2026 were primarily due to the net unrealised gains on equity investments, which were excluded from our adjusted net profit attributable to owners of the parent.

Share of Profits and Losses of Associates

Share of profits of associates were RMB263.6 million for the second quarter of 2026, compared with losses of RMB170.1 million and RMB110.9 million for the second quarter of 2025 and first quarter of 2026, respectively. The profits in this quarter were primarily due to the net unrealised gains on equity investments, which were excluded from our adjusted net profit attributable to owners of the parent.

Income Tax Expense

Income tax expense for the second quarter of 2026 was RMB106.7 million, compared with income tax expense of RMB104.3 million and RMB229.6 million for the second quarter of 2025 and the first quarter of 2026, respectively.

Profit Attributable to Owners of the Parent

As a result of the reasons discussed above, profit attributable to owners of the parent was RMB548.0 million for the second quarter of 2026, compared with profit of RMB532.4 million and RMB1,091.3 million for the second quarter of 2025 and the first quarter of 2026, respectively.

Adjusted Net Profit Attributable to Owners of the Parent

Adjusted net profit attributable to owners of the parent for the second quarter of 2026 was RMB330.5 million, compared with profit of RMB240.7 million and RMB250.1 million for the second quarter of 2025 and the first quarter of 2026, respectively. The adjusted net profit margin attributable to owners of the parent was 13%, 10% and 10% for the second quarter of 2026, the second quarter of 2025 and the first quarter of 2026, respectively.

First Half of 2026 Compared with First Half of 2025

	For the six months ended	
	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Revenue		
Office software and services	**3,313,262**	2,657,122
Online games and others	**1,613,870**	1,988,285
	4,927,132	4,645,407
Cost of revenue	**(1,025,627)**	(873,193)
Gross profit	**3,901,505**	3,772,214
Research and development costs	**(1,872,629)**	(1,681,606)
Selling and distribution expenses	**(779,351)**	(764,499)
Administrative expenses	**(375,855)**	(333,929)
Share-based compensation costs	**(182,424)**	(124,775)
Other income	**126,738**	123,029
Other expenses	**(4,012)**	(6,323)
Operating profit	**813,972**	984,111
Other gains, net	**124,353**	420,561
Finance income	**295,272**	353,182
Finance costs	**(4,845)**	(54,345)
Share of profits and losses of:		
Joint ventures	**2,110,255**	(19,966)
Associates	**152,717**	(322,833)
Profit before tax	**3,491,724**	1,360,710
Income tax expense	**(336,250)**	(152,584)
Profit for the period	**3,155,474**	1,208,126
Attributable to:		
Owners of the parent	**1,639,276**	816,314
Non-controlling interests	**1,516,198**	391,812
	3,155,474	1,208,126

Revenue

Revenue for the first half of 2026 increased 6% year-on-year to RMB4,927.1 million. Revenue from office software and services, and online games and others represented 67% and 33% of the Group's total revenue for the first half of 2026, respectively.

Revenue from office software and services business for the first half of 2026 increased 25% year-on-year to RMB3,313.3 million. Each of its key businesses achieved growth at varying rates. The steady growth of WPS individual business was primarily driven by enhanced AI capabilities, which improved user experience and product value, supporting higher conversion rates. The robust growth of WPS 365 business was mainly driven by continued AI-powered product upgrades and broader adoption of AI capabilities across enterprise use cases. The growth of WPS software business was primarily driven by the continued release of localization demand and the further deployment of digital and intelligent solutions among government and enterprise customers.

Revenue from online games and others business for the first half of 2026 decreased 19% year-on-year to RMB1,613.9 million. The decrease was mainly due to declined revenue from certain existing games, partially offset by revenue contributions from new games.

Cost of Revenue and Gross Profit

Cost of revenue for the first half of 2026 increased 17% year-on-year to RMB1,025.6 million. The increase was mainly due to growing usage of AI product features and greater server and bandwidth costs from office software and services business, as well as higher revenue sharing costs from online games business.

Gross profit for the first half of 2026 increased 3% year-on-year to RMB3,901.5 million. The Group's gross profit margin decreased by two percentage points year-on-year to 79%, which was mainly due to the changes in revenue mix.

R&D Costs

R&D costs for the first half of 2026 increased 11% year-on-year to RMB1,872.6 million. The increase was primarily driven by increased headcount from office software and services business, reflecting its continued strategic investments in technology and product innovation.

Selling and Distribution Expenses

Selling and distribution expenses for the first half of 2026 increased 2% year-on-year to RMB779.4 million. The increase was mainly due to higher headcount and personnel-related expenses, as well as increased marketing expenditures for office software and services business, partially offset by decreased marketing expenditures related to online games business.

Administrative Expenses

Administrative expenses for the first half of 2026 increased 13% year-on-year to RMB375.9 million. The increase was mainly due to higher personnel-related expenses of office software and services business and increased depreciation arising from the completion and operation of Wuhan Campus.

Share-based Compensation Costs

Share-based compensation costs for the first half of 2026 increased 46% year-on-year to RMB182.4 million. The increase was mainly due to the grants of awarded shares to the selected employees of certain subsidiaries of the Company.

Other Gains, net

Net other gains for the first half of 2026 were RMB124.4 million, compared with gains of RMB420.6 million in the same period last year. The gains for the first half of 2025 were mainly due to that we recognised gain on deemed disposal of Kingsoft Cloud as a result of the dilution impact of issue of new shares of it.

Share of Profits and Losses of Joint Ventures

We recorded share of profits of joint ventures of RMB2,110.3 million for the first half of 2026, compared with losses of RMB20.0 million for the first half of 2025. The profits in the first half of 2026 were primarily due to the net unrealised gains on equity investments, which were excluded from our adjusted net profit attributable to owners of the parent.

Share of Profits and Losses of Associates

Share of profits of associates were RMB152.7 million for the first half of 2026, compared with losses of RMB322.8 million for the first half of 2025. The profits in the first half of 2026 were primarily due to the net unrealised gains on equity investments, which were excluded from our adjusted net profit attributable to owners of the parent.

Income Tax Expense

Income tax expense was RMB336.3 million and RMB152.6 million for the first half of 2026 and 2025, respectively. The increase was mainly due to the taxable temporary differences recognised associated to net unrealised gains on certain equity investments.

Profit Attributable to Owners of the Parent

As a result of the reasons discussed above, profit attributable to owners of the parent was RMB1,639.3 million for the first half of 2026, compared with profit of RMB816.3 million in the same period last year.

Adjusted Net Profit Attributable to Owners of the Parent

Adjusted net profit attributable to owners of the parent for the first half of 2026 was RMB580.6 million, compared with profit of RMB666.4 million in the same period last year. The adjusted net profit margin attributable to owners of the parent was 12% and 14% for the first half of 2026 and 2025, respectively.

Non-IFRS Measure: Adjusted Net Profit Attributable to Owners of the Parent

To supplement our consolidated results which are prepared and presented in accordance with all applicable IFRS Accounting Standards, we utilise non-IFRS adjusted net profit attributable to owners of the parent as an additional financial measure, which is defined as profit for the period attributable to owners of the parent before (i) share-based compensation costs, (ii) net fair value changes on investments, (iii) net foreign exchange differences, (iv) share of profits and losses of joint ventures and associates excluding Kingsoft Cloud Group, and (v) income tax effects of the non-IFRS adjustments.

We believe that the adjusted net profit attributable to owners of the parent will enable the investors to better understand the Group's overall operating performance, by eliminating any potential impact of items that our management does not consider to be indicative of our operating performance such as certain non-cash items and the impact of certain investment transactions. When assessing the Group's operating performance, investors should not consider this data in isolation or as a substitute for the Group's profit or any other operating performance measure that is calculated in accordance with IFRS Accounting Standards. In addition, the Group's adjusted net profit attributable to owners of the parent may not be comparable to similarly titled measures utilized by other companies.

The following tables set forth reconciliations of the Group's non-IFRS measures for the second quarter of 2026, the second quarter of 2025 and the first quarter of 2026, as well as the first half of 2026 and 2025, to the nearest measures prepared in accordance with IFRS Accounting Standards.

	For the three months ended		
	30 June 2026	30 June 2025	31 March 2026
	RMB'000	*RMB'000*	*RMB'000*
	(Unaudited)	*(Unaudited)*	*(Unaudited)*
Profit for the period	**1,016,672**	699,562	2,138,802
Adjusted for:			
Share-based compensation costs	**93,694**	71,090	88,730
Net fair value changes on investments[1]	**(10,660)**	(395,904)	(6,665)
Net foreign exchange differences	**(21,239)**	(29,831)	(52,141)
Share of profits and losses of joint ventures and associates excluding Kingsoft Cloud Group[2]	**(534,950)**	66,772	(1,827,948)
Income tax effects[3]	**57,550**	33,219	184,376
Adjusted net profit	**601,067**	444,908	525,154
Attributable to:			
Owners of the parent	**330,487**	240,721	250,088
Non-controlling interests	**270,580**	204,187	275,066

	For the six months ended	
	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Profit for the period	**3,155,474**	1,208,126
Adjusted for:		
Share-based compensation costs	**182,424**	124,775
Net fair value changes on investments[1]	**(17,325)**	(356,600)
Net foreign exchange differences	**(73,380)**	(37,261)
Share of profits and losses of joint ventures and associates excluding Kingsoft Cloud Group[2]	**(2,362,897)**	159,542
Income tax effects[3]	**241,925**	27,700
Adjusted net profit	**1,126,221**	1,126,282
Attributable to:		
Owners of the parent	**580,575**	666,417
Non-controlling interests	**545,646**	459,865

Notes:

1. Net fair value changes on investments primarily include net fair value gains/(losses) on equity investments measured at fair value through profit or loss, net gains/(losses) on deemed disposals/disposals/partial disposals of investee companies, and the impairment provisions for investments. These items are unrelated to operating performance and subject to market fluctuations, and exclusion of which provides investors with more relevant and useful information to evaluate our performance.

2. Share of profits and losses of joint ventures and associates excluding Kingsoft Cloud Group includes all such items from investee entities except Kingsoft Cloud Group, as cloud business is one of our core businesses and should not be adjusted. In addition, adjustments related to share of losses of Kingsoft Cloud Group are measured based on its non-IFRS financial measures, whose calculation method is consistent with one of non-GAAP financial measures used by management of Kingsoft Cloud Group.

3. Income tax effects of non-IFRS adjustments.

Liquidity and Financial Resource

The Group had a strong cash position towards the end of reporting period. As at 30 June 2026, the Group had major financial resources in the forms of cash and bank deposits and restricted cash amounting to RMB24,494.1 million and RMB2.9 million, respectively, which together represented 58% of the Group's total assets.

As at 30 June 2026, the Group's gearing ratio, representing total liabilities divided by total assets, was 17%, which kept flat with that of 31 December 2025.

Note:
The cash resources which the Group considered in cash management include cash and bank deposits, restricted cash, part of financial assets at fair value through profit or loss, and financial assets at amortised cost. As at 30 June 2026, the aggregate amount of cash resources of the Group was RMB27,156.6 million.

Foreign Currency Risk Management

As at 30 June 2026, RMB3,795.5 million of the Group's financial assets were held in cash and bank deposits, financial assets at fair value through profit or loss, and financial assets at amortised cost 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 reflected the Group's profit for the six-month period mentioned above, as the case may be, as adjusted for non-cash items, such as share of profits and losses of joint ventures and associates, finance income, and share-based compensation costs, 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 RMB709.6 million and RMB664.9 million for the six months ended 30 June 2026 and 30 June 2025, respectively.

Capital Expenditures

Capital expenditures represent cash payments for fixed assets and intangible assets. Cash used for capital expenditures was RMB114.2 million and RMB202.6 million for the six months ended 30 June 2026 and 30 June 2025, respectively.

FINANCIAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three and six months ended 30 June 2026

	Notes	For the three months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)	For the six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue					
Office software and services		**1,700,038**	1,355,653	**3,313,262**	2,657,122
Online games and others		**810,381**	951,759	**1,613,870**	1,988,285
		2,510,419	2,307,412	**4,927,132**	4,645,407
Cost of revenue		**(538,780)**	(453,784)	**(1,025,627)**	(873,193)
Gross profit		**1,971,639**	1,853,628	**3,901,505**	3,772,214
Research and development costs		**(930,868)**	(853,753)	**(1,872,629)**	(1,681,606)
Selling and distribution expenses		**(384,518)**	(424,031)	**(779,351)**	(764,499)
Administrative expenses		**(187,431)**	(173,641)	**(375,855)**	(333,929)
Share-based compensation costs		**(93,694)**	(71,090)	**(182,424)**	(124,775)
Other income		**47,440**	53,909	**126,738**	123,029
Other expenses		**(3,900)**	(2,364)	**(4,012)**	(6,323)
Operating profit		**418,668**	382,658	**813,972**	984,111
Other gains, net		**42,748**	442,852	**124,353**	420,561
Finance income		**149,479**	165,505	**295,272**	353,182
Finance costs		**(2,511)**	(9,456)	**(4,845)**	(54,345)
Share of profits and losses of:					
Joint ventures		**251,346**	(7,637)	**2,110,255**	(19,966)
Associates		**263,614**	(170,109)	**152,717**	(322,833)
Profit before tax	4	**1,123,344**	803,813	**3,491,724**	1,360,710
Income tax expense	5	**(106,672)**	(104,251)	**(336,250)**	(152,584)
Profit for the period		**1,016,672**	699,562	**3,155,474**	1,208,126
Attributable to:					
Owners of the parent		**547,974**	532,440	**1,639,276**	816,314
Non-controlling interests		**468,698**	167,122	**1,516,198**	391,812
		1,016,672	699,562	**3,155,474**	1,208,126
		RMB ***(Unaudited)***	*RMB* *(Unaudited)*	***RMB*** ***(Unaudited)***	*RMB* *(Unaudited)*
Earnings per share attributable to ordinary equity holders of the parent	7				
Basic		**0.40**	0.39	**1.19**	0.60
Diluted		**0.40**	0.38	**1.19**	0.59

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three and six months ended 30 June 2026

	For the three months ended 30 June		For the six months ended 30 June	
	2026	2025	**2026**	2025
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
PROFIT FOR THE PERIOD	**1,016,672**	699,562	**3,155,474**	1,208,126
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	**87,547**	52,993	**176,606**	67,676
Reclassification to profit or loss from deemed disposal of associates	**(1,016)**	(2,530)	**(937)**	(2,590)
Share of other comprehensive income/(loss) of associates	**(36,577)**	11,947	**(62,455)**	15,316
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**49,954**	62,410	**113,214**	80,402
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	**(171,627)**	(123,618)	**(380,970)**	(140,571)
Equity investments designated at fair value through other comprehensive income: Changes in fair value, net of tax	**—**	(8,462)	**—**	(17,814)
Share of other comprehensive income of an associate	**387**	—	**334**	—
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	**(171,240)**	(132,080)	**(380,636)**	(158,385)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	**(121,286)**	(69,670)	**(267,422)**	(77,983)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**895,386**	629,892	**2,888,052**	1,130,143
Attributable to:				
Owners of the parent	**434,055**	465,729	**1,386,659**	747,489
Non-controlling interests	**461,331**	164,163	**1,501,393**	382,654
	895,386	629,892	**2,888,052**	1,130,143

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**As at 30 June 2026** ***RMB'000*** ***(Unaudited)***	As at 31 December 2025 *RMB'000* *(Audited)*
NON-CURRENT ASSETS			
Property, plant and equipment		**2,362,850**	2,442,303
Investment properties		**55,572**	56,338
Right-of-use assets		**545,168**	318,223
Goodwill		**185,564**	185,564
Other intangible assets		**86,478**	80,958
Investments in joint ventures		**3,075,289**	964,273
Investments in associates		**4,674,004**	4,567,502
Financial assets at fair value through profit or loss		**715,303**	729,853
Financial assets at amortised cost		**207,016**	—
Deferred tax assets		**81,939**	79,936
Other non-current assets		**38,911**	38,311
Total non-current assets		**12,028,094**	9,463,261
CURRENT ASSETS			
Inventories		**12,131**	12,615
Trade receivables	8	**966,422**	788,145
Prepayments, other receivables and other assets		**2,435,414**	2,195,899
Financial assets at fair value through profit or loss		**2,246,110**	4,477,643
Financial assets at amortised cost		**206,707**	—
Restricted cash		**2,923**	8,392
Cash and bank deposits		**24,494,092**	22,587,238
Total current assets		**30,363,799**	30,069,932
CURRENT LIABILITIES			
Trade payables	9	**643,236**	543,007
Interest-bearing bank loans		**10,000**	10,000
Other payables and accruals		**1,220,241**	1,510,605
Lease liabilities		**47,459**	8,839
Contract liabilities		**3,221,249**	3,023,581
Income tax payable		**149,805**	196,918
Total current liabilities		**5,291,990**	5,292,950
NET CURRENT ASSETS		**25,071,809**	24,776,982
TOTAL ASSETS LESS CURRENT LIABILITIES		**37,099,903**	34,240,243

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2026

	As at 30 June 2026 *RMB'000* *(Unaudited)*	As at 31 December 2025 *RMB'000* *(Audited)*
NON-CURRENT LIABILITIES		
Contract liabilities	**1,218,597**	1,230,233
Deferred tax liabilities	**590,710**	356,414
Lease liabilities	**210,908**	16,414
Other non-current liabilities	**10,397**	10,500
Total non-current liabilities	**2,030,612**	1,613,561
NET ASSETS	**35,069,291**	32,626,682
EQUITY		
Equity attributable to owners of the parent		
Issued capital	**5,354**	5,420
Share premium account	**3,210,846**	3,842,422
Treasury shares	**(333,189)**	(504,830)
Reserves	**24,200,074**	22,691,334
	27,083,085	26,034,346
Non-controlling interests	**7,986,206**	6,592,336
TOTAL EQUITY	**35,069,291**	32,626,682

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the parent											
	Issued capital	Share premium account	Treasury shares	Statutory reserves	Share-based compensation reserve	Other capital reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Foreign currency translation reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(Unaudited)	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*	*(Unaudited)*
At 1 January 2026	**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**
Profit for the period	—	—	—	—	—	—	—	—	1,639,276	1,639,276	1,516,198	3,155,474
Other comprehensive income/(loss) for the period:												
Exchange differences on translation into presentation currency	—	—	—	—	—	—	—	(189,559)	—	(189,559)	(14,805)	(204,364)
Reclassification to profit or loss from deemed disposal of associates	—	—	—	—	—	—	—	(937)	—	(937)	—	(937)
Share of other comprehensive income of associates	—	—	—	—	—	—	334	(62,455)	—	(62,121)	—	(62,121)
Total comprehensive income for the period	—	—	—	—	—	—	334	(252,951)	1,639,276	1,386,659	1,501,393	2,888,052
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	(281,877)	(281,877)
Final 2025 dividend declared	—	(154,559)	—	—	—	—	—	—	—	(154,559)	—	(154,559)
Share-based compensation costs	—	—	—	—	97,871	—	—	—	—	97,871	84,719	182,590
Vesting and settlement of share-based awards	—	6,286	25,019	—	(31,305)	—	—	—	—	—	—	—
Exercise and vesting of share-based awards issued by subsidiaries	—	—	—	—	(126,602)	202,025	—	—	—	75,423	71,083	146,506
Shares repurchased for share award scheme	—	—	(17,865)	—	—	—	—	—	—	(17,865)	—	(17,865)
Shares repurchased for cancellation	—	—	(318,882)	—	—	—	—	—	—	(318,882)	—	(318,882)
Shares cancelled	(66)	(483,303)	483,369	—	—	—	—	—	—	—	—	—
Changes in the ownership of interests in subsidiaries	—	—	—	—	—	(17,721)	—	—	—	(17,721)	17,721	—
Share of reserves of associates	—	—	—	—	—	(2,187)	—	—	—	(2,187)	831	(1,356)
At 30 June 2026	**5,354**	**3,210,846**	**(333,189)**	**1,567,306***	**739,175***	**6,353,507***	**(2,585)***	**(56,566)***	**15,599,237***	**27,083,085**	**7,986,206**	**35,069,291**

* *These reserve accounts comprise the consolidated reserves of RMB24,200,074,000 (31 December 2025: RMB22,691,334,000) in the interim condensed consolidated statement of financial position.*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the six months ended 30 June 2025

	Attributable to owners of the parent												
	Issued capital *RMB'000* *(Unaudited)*	Share premium account *RMB'000* *(Unaudited)*	Treasury shares *RMB'000* *(Unaudited)*	Equity component of convertible bonds *RMB'000* *(Unaudited)*	Statutory reserves *RMB'000* *(Unaudited)*	Share-based compensation reserve *RMB'000* *(Unaudited)*	Other capital reserve *RMB'000* *(Unaudited)*	Fair value reserve of financial assets at fair value through other comprehensive income *RMB'000* *(Unaudited)*	Foreign currency translation reserve *RMB'000* *(Unaudited)*	Retained profits *RMB'000* *(Unaudited)*	Total *RMB'000* *(Unaudited)*	Non-controlling interests *RMB'000* *(Unaudited)*	Total equity *RMB'000* *(Unaudited)*
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 period	—	—	—	—	—	—	—	—	—	816,314	816,314	391,812	1,208,126
Other comprehensive income/(loss) for the period:													
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	—	—	—	—	—	—	—	(12,936)	—	—	(12,936)	(4,878)	(17,814)
Exchange differences on translation into presentation currency	—	—	—	—	—	—	—	—	(68,615)	—	(68,615)	(4,280)	(72,895)
Reclassification to profit or loss from deemed disposal of associates	—	—	—	—	—	—	—	—	(2,590)	—	(2,590)	—	(2,590)
Share of other comprehensive income of associates	—	—	—	—	—	—	—	—	15,316	—	15,316	—	15,316
Total comprehensive income for the period	—	—	—	—	—	—	—	(12,936)	(55,889)	816,314	747,489	382,654	1,130,143
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	(252,826)	(252,826)
Final 2024 dividend declared	—	(190,472)	—	—	—	—	—	—	—	—	(190,472)	—	(190,472)
Share-based compensation costs	—	—	—	—	—	70,180	—	—	—	—	70,180	54,724	124,904
Vesting and settlement of share-based awards	—	13,845	1,555	—	—	(15,400)	—	—	—	—	—	—	—
Exercise and vesting of share-based awards issued by subsidiaries	—	—	—	—	—	(148,317)	177,667	—	—	—	29,350	28,904	58,254
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)	—	—	—	—
Shares repurchased for share award scheme	—	—	(75,211)	—	—	—	—	—	—	—	(75,211)	—	(75,211)
Shares repurchased for cancellation	—	—	(48,014)	—	—	—	—	—	—	—	(48,014)	—	(48,014)
Shares cancelled	(4)	(20,148)	20,152	—	—	—	—	—	—	—	—	—	—
Changes in the ownership of interests in subsidiaries	—	—	—	—	—	—	(109,623)	—	—	—	(109,623)	(104,543)	(214,166)
Share of reserves of an associate	—	—	—	—	—	—	(1,937)	—	—	—	(1,937)	—	(1,937)
Disposal of a subsidiary	—	—	—	—	(1,115)	—	—	—	—	1,115	—	—	—
At 30 June 2025	5,420	3,832,719	(238,860)	—	1,366,290	702,982	6,166,390	(2,502)	318,628	12,972,903	25,123,970	6,065,039	31,189,009

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Net cash flows from operating activities	**709,645**	664,862
Net cash flows from investing activities	**744,373**	1,917,486
Net cash flows used in financing activities	**(623,317)**	(1,676,506)
Net increase in cash and cash equivalents	**830,701**	905,842
Cash and cash equivalents at beginning of the period	**3,121,180**	3,703,586
Effect of foreign exchange rate changes, net	**(125,312)**	(16,731)
Cash and cash equivalents at end of the period	**3,826,569**	4,592,697
Non-pledged time deposits with original maturity of over three months when acquired	**20,667,523**	18,001,319
Cash and bank deposits as stated in the condensed consolidated statement of financial position	**24,494,092**	22,594,016

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED 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 Lingxi, WPS Comate and other office products and services; and

- research and development of games, and provision of PC games, mobile games services, etc.

The interim condensed consolidated financial statements for the three months and six months ended 30 June 2026 were approved and authorized for issue in accordance with a resolution of the Board on 19 August 2026.

2. Basis of preparation and changes in material accounting policies

Basis of preparation

The interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("**IAS**") 34 *Interim Financial Reporting*, issued by International Accounting Standards Board.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2025.

2. Basis of preparation and changes in material accounting policies (continued)

Changes in material accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with IFRS Accounting Standards, except for the adoption of the following revised IFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Annual Improvements to IFRS Accounting Standards—Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

None of the above amendments to IFRS Accounting Standards has had a significant financial effect on the Group.

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

3. Operating segments

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 Lingxi, WPS Comate 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, 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.

	Office software and services *RMB'000* *(Unaudited)*	**Entertainment software and others** *RMB'000* *(Unaudited)*	**Total** *RMB'000* *(Unaudited)*
For the six months ended 30 June 2026			
Segment revenue:			
Sales	**3,313,262**	**1,613,870**	**4,927,132**
Segment results	**872,926**	**(63,697)**	**809,229**
Reconciliation:			
Other gains, net			**124,353**
Finance income			**295,272**
Finance costs (other than interest on lease liabilities)			**(102)**
Share of profits and losses of:			
Joint ventures			**2,110,255**
Associates			**152,717**
Profit before tax			**3,491,724**

3. Operating segments (continued)

	Office software and services *RMB'000* *(Unaudited)*	Entertainment software and others *RMB'000* *(Unaudited)*	Total *RMB'000* *(Unaudited)*
For the six months ended 30 June 2025			
Segment revenue:			
Sales	2,657,122	1,988,285	4,645,407
Segment results	656,834	326,435	983,269
Reconciliation:			
Other gains, net			420,561
Finance income			353,182
Finance costs (other than interest on lease liabilities)			(53,503)
Share of losses of:			
Joint ventures			(19,966)
Associates			(322,833)
Profit before tax			1,360,710

4. Profit before tax

The Group's profit before tax is arrived at after charging:

	For the six months ended 30 June	
	2026 ***RMB'000*** ***(Unaudited)***	2025 *RMB'000* *(Unaudited)*
Employee benefit expenses	**2,385,441**	2,160,535
Depreciation of property, plant and equipment	**104,268**	80,507
Depreciation of investment properties	**766**	3,017
Depreciation of right-of-use assets	**29,741**	18,812
Amortisation of other intangible assets	**13,812**	13,200
Interest on lease liabilities, convertible bonds and other liabilities	**4,845**	54,345
Impairment of trade and other receivables	**3,177**	3,199

5. Income tax expense

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Current income tax	**103,996**	109,536
Deferred income tax	**232,254**	43,048
Income tax expense	**336,250**	152,584

6. Dividends

A final dividend of HK$0.13 per ordinary share for 2025 proposed by the Board was approved by the shareholders of the Company (the "**Shareholders**") on 28 May 2026. The actual payment of 2025 final dividend was HK$178.0 million (equivalent to RMB154.6 million) in June 2026.

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

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

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,373,220,349 (six months ended 30 June 2025: 1,355,942,458) in issue during the period.

The calculation of diluted earnings per share amounts is based on the profit for the period 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 period, 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.

7. Earnings per share attributable to ordinary equity holders of the parent (continued)

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

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Earnings		
Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation:	**1,639,276**	816,314
Decrease in earnings adjusted for the share option schemes and the share award schemes adopted by the Group's subsidiaries	**(3,072)**	(7,850)
	1,636,204	808,464

	Number of shares For the six months ended 30 June	
	2026	2025
	(Unaudited)	*(Unaudited)*
Shares		
Weighted average number of ordinary shares in issue less shares held for the share award schemes during the period used in the basic earnings per share calculation	**1,373,220,349**	1,355,942,458
Effect of dilution — weighted average number of ordinary shares:		
Share options	**483,563**	1,842,835
Awarded shares	**2,860,052**	3,155,784
	1,376,563,964	1,360,941,077

8. Trade receivables

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

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
0–30 days	**282,231**	311,857
31–60 days	**91,272**	59,533
61–90 days	**39,072**	40,721
91–365 days	**367,167**	249,871
1 to 2 years	**119,609**	75,822
Over 2 years	**67,071**	50,341
	966,422	788,145

9. Trade payables

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
0–30 days	**167,656**	233,603
31–60 days	**72,446**	50,938
61–90 days	**58,061**	30,170
91–365 days	**186,184**	131,875
Over one year	**158,889**	96,421
	643,236	543,007

10. 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 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 HKD34.77 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.

OTHER INFORMATION

Employee and Remuneration Policies

As at 30 June 2026, the Group had 9,067 full-time employees (30 June 2025: 8,471), inclusive of all its staff in China and overseas offices, most of whom are based in Beijing, Zhuhai and Wuhan, the PRC. The number of employees employed by the Group varies from time to time depending on business needs. Employee remuneration is determined in accordance with prevailing industry practice and employees' educational backgrounds, experiences and performance. The remuneration policy and package of the Group's employees are periodically reviewed. Apart from pension funds, in-house training programs, discretionary bonuses, medical insurance and mandatory provident fund, share awards and share options may be granted to employees according to the assessment of individual performance.

The total remuneration cost incurred by the Group for the six months ended 30 June 2026 was RMB2,385.4 million (for the six months ended 30 June 2025: RMB2,160.5 million).

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

In February 2026, the Company repurchased 6,899,600 of its ordinary shares on the Stock Exchange at a price range from HK$26.8 to HK$29.34. In March 2026, the Company repurchased 2,214,800 of its ordinary shares on the Stock Exchange at a price range from HK$22.26 to HK$22.88. In April 2026, the Company repurchased 5,159,400 of its ordinary shares on the Stock Exchange at a price range from HK$22.2 to HK$24.3. During the six months ended 30 June 2026, the Company repurchased a total of 14,273,800 of its own ordinary shares on the Stock Exchange at a total cost of approximately HK$359.94 million. The Company considered that it is in the best interest of the shareholders of the Company 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 six months ended 30 June 2026.

Review by Audit Committee

The Audit Committee has been established since year 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 accounting principles and practices adopted by the Group and internal control and financial reporting matters. The Audit Committee is comprised of independent non-executive Directors, namely Ms. Wenjie WU (chairman), Mr. Zuotao CHEN, and Mr. Bo DU.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters. The Audit Committee has reviewed the Group's unaudited interim financial information for the six months ended 30 June 2026.

Compliance with Model Code for Securities Transactions

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 as its own code of conduct regarding securities transactions by Directors. Having made specific enquiry to all Directors, all Directors confirmed that they had complied with the required standards set out in the Model Code throughout the six months ended 30 June 2026.

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 "**CG Code**") contained in Appendix C1 to the Listing Rules except for the code provision D.1.2 of the CG Code.

The code provision D.1.2 of the CG 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 among 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.

Appreciation

On behalf of the Board, I would like to express our sincere thanks to our shareholders and investors for their continuous support and confidence in us. I would like to thank our employees for their hard work and valuable contributions which are the core elements of the Company's success.

By Order of the Board
Kingsoft Corporation Limited
Jun Lei
Chairman

Hong Kong, 19 August 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 Ms. Wenjie WU, Messrs. Zuotao CHEN and Bo DU.