Kuaishou Technology Announces Second Quarter and Interim 2025 Unaudited Financial Results and Declares a Special Dividend

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HONG KONG, Aug. 21, 2025 /PRNewswire/ -- Kuaishou Technology ("Kuaishou" or the "Company"; HKD Counter Stock Code: 01024 / RMB Counter Stock Code: 81024), a leading content community and social platform, today announced its unaudited consolidated results for the three months and six months ended June 30, 2025.

Second Quarter 2025 Key Highlights

- **Average DAUs on Kuaishou APP** were 408.9 million, representing an increase of 3.4% from 395.3 million for the same period of 2024.
- **Average MAUs on Kuaishou APP** were 714.8 million, representing an increase of 3.3% from 691.8 million for the same period of 2024.
- **Total e-commerce GMV**[(1)] was RMB358.9 billion, representing an increase of 17.6% from RMB305.3 billion for the same period of 2024.
- **Total revenue** increased by 13.1% to RMB35.0 billion from RMB31.0 billion for the same period of 2024. Online marketing services and live streaming contributed 56.4% and 28.7%, respectively, to the total revenue. The other 14.9% came from other services.
- **Gross profit** increased by 13.8% to RMB19.5 billion from RMB17.1 billion for the same period of 2024. Gross profit margin in the second quarter of 2025 was 55.7%, slightly increasing from 55.3% for the same period of 2024.
- **Profit for the period** was RMB4.9 billion, compared to RMB4.0 billion for the same period of 2024. **Adjusted net profit**[(2)] increased to RMB5.6 billion from RMB4.7 billion for the same period of 2024.
- **Operating profit from the domestic segment**[(3)] increased to RMB5.4 billion from RMB4.5 billion for the same period of 2024. **Operating profit from the overseas segment**[(3)] was RMB19 million, compared to operating loss of RMB277 million for the same period of 2024.

First Half 2025 Key Highlights

- **Average DAUs on Kuaishou APP** were 408.5 million, representing an increase of 3.5% from 394.6 million for the same period of 2024.
- **Average MAUs on Kuaishou APP** were 713.3 million, representing an increase of 2.7% from 694.6 million for the same period of 2024.
- **Total e-commerce GMV**[(1)] was RMB691.2 billion, representing an increase of 16.5% from RMB593.3 billion for the same period of 2024.
- **Total revenue** increased by 12.0% to RMB67.7 billion from RMB60.4 billion for the same period of 2024. Online marketing services and live streaming contributed 55.8% and 29.4%, respectively, to the total revenue. The other 14.8% came from other services.
- **Gross profit** increased by 12.2% to RMB37.3 billion from RMB33.3 billion for the same period of 2024. Gross profit margin in the first half of 2025 was 55.1%, remaining stable from the same period of 2024.
- **Profit for the period** was RMB8.9 billion, compared to RMB8.1 billion for the same period of 2024. **Adjusted net profit**[(2)] increased to RMB10.2 billion from RMB9.1 billion for the same period of 2024.
- **Operating profit from the domestic segment**[(3)] increased to RMB9.7 billion from RMB8.5 billion for the same period of 2024. **Operating profit from the overseas segment**[(3)] was RMB47 million, compared to operating loss of RMB545 million for the same period of 2024.
- During the six months ended June 30, 2025, the Company repurchased approximately 38.8 million shares on the Hong Kong Stock Exchange for a consideration of approximately HKD1.9 billion.

Mr. Cheng Yixiao, Co-founder, Chairman, and Chief Executive Officer of Kuaishou, commented, "Both our content and business ecosystems continued to benefit from deeper integration of innovative AI technology, driving record-setting operational and financial performances in the second quarter of 2025. These enhancements enabled us to deliver richer content and higher-quality services to users, with average DAUs reaching a historical high of 409 million. Our large AI model capabilities are now embedded across the majority of scenarios on our platform, empowering merchants and KOLs to operate more efficiently and providing creators with a more immersive experience. This helped accelerate revenue growth, with total revenue increasing 13.1% year-over-year to RMB35.0 billion. While remaining committed to making meaningful strategic investments in AI technology , adjusted net profit reached RMB5.6 billion, with adjusted net margin increasing to 16.0%, both setting new quarterly records. Additionally, we continued to iterate Kling AI, fortifying its global leadership, while offering creators differentiated video generation solutions and fueling the rapid growth of its commercialization. Looking ahead, we will continue to explore the transformative power of AI across our business scenarios to create meaningful growth for our Company and long-term value for our users, partners and shareholders."

Second Quarter 2025 Financial Review

Revenue from our online marketing services increased by 12.8% to RMB19.8 billion for the second quarter of 2025, from RMB17.5 billion for the same period of 2024, primarily attributable to the increased consumption from marketing clients driven by our optimized intelligent marketing product solutions with AI technology.

Revenue from our live streaming business increased by 8.0% to RMB10.0 billion for the second quarter of 2025 from RMB9.3 billion for the same period of 2024, as a result of our continuous efforts in building a healthy live streaming ecosystem and diversified high-quality content.

Revenue from our other services increased by 25.9% to RMB5.2 billion for the second quarter of 2025, from RMB4.2 billion for the same period of 2024, primarily due to the growth of our e-commerce business and Kling AI business. The growth of e-commerce business was mainly contribute to the growth in our e-commerce

GMV. The revenue growth of Kling AI business was primarily attributable to our advanced AI technology and product performance.

Other Key Financial Information for the Second Quarter of 2025

Operating profit was RMB5.3 billion, increasing from RMB3.9 billion for the same period of 2024.

Adjusted EBITDA[(4)] was RMB7.7 billion, increasing from RMB6.3 billion for the same period of 2024.

Total available funds[(5)] reached RMB101.9 billion as of June 30, 2025.

Notes:

(1) Placed on or directed to our partners through our platform.
(2) We define "adjusted net profit" as profit for the period adjusted by share-based compensation expenses and net fair value changes on investments.
(3) Unallocated items, which consist of share-based compensation expenses, other income, and other gains, net, are not included.
(4) We define "adjusted EBITDA" as adjusted net profit for the period adjusted by income tax expenses/(benefits), depreciation of property and equipment, depreciation of right-of-use assets, amortization of intangible assets, and finance expense/(income), net.
(5) Total available funds which we considered in cash management included but not limited to cash and cash equivalents, time deposits, financial assets and restricted cash. Financial assets mainly included wealth management products and others.

Business Review

In the second quarter of 2025, we continued our relentless pursuit of delivering compelling user experiences. Guided by this ambition and backed by our strong technological foundation, we empowered both our content and business ecosystems through the use of large artificial intelligence (AI) models technology. These efforts created meaningful value for our users and business partners, while achieving record-breaking performances across key operational and financial metrics. Notably, average DAUs on the Kuaishou App reached 409 million in the second quarter of 2025, showing steady year-over-year growth and hitting a record high. Total revenue for the second quarter of 2025 increased 13.1% year-over-year to RMB35.0 billion. The adjusted net profit reached RMB5.6 billion with a 16.0% adjusted net margin, marking the highest quarterly profitability in history. We achieved this strong growth while continuing to make meaningful strategic investments in AI amid ongoing macroeconomic uncertainties, underscoring our strategic resolve, the resilience of our content and business ecosystems, and efficient execution across our organization.

AI business

In the second quarter of 2025, for ***Kling AI (可靈AI)***, we maintained our steadfast dedication to delivering state-of-the-art (SOTA) large visual generation model technology and exceptional product performance. We launched the ***Kling AI (可靈AI)*** 2.1 model series in May 2025, which boasts comprehensive quality improvements, including better motion performance, more realistic physical simulation and more accurate semantic responsiveness. At the end of July 2025, ***Kling AI (可靈AI)*** released a new feature, Kling Lab, which integrates unlimited visualization space, intelligent creation assistance and real-time multi-user collaboration. This feature offers creators a seamless and efficient one-stop creation experience.

Kling AI (可靈AI) is committed to becoming a one-stop creative engine for creators, empowering everyone to craft compelling stories with AI. ***Kling AI (可靈AI)*** has assisted prosumers and corporate clients in exploring more application scenarios, including advertising and marketing, film and short plays, gaming interactions and smart hardware, among other areas. In the short play industry, ***Kling AI (可靈AI)*** and ***Kuaishou Astral Short Plays (快手星芒短劇)*** collaboratively produced the world's first AI-generated anthology series, ***New World Is Loading (新世界加載中)***. So far, it has racked up nearly 200 million cumulative views globally, setting a new benchmark for AI-generated film and television content. These in-depth explorations of ***Kling AI (可靈AI)***'s application scenarios also led to rapid commercialization growth. In the second quarter of 2025, revenue from ***Kling AI (可靈AI)*** surpassed RMB250 million.

In terms of leveraging large AI models to empower our content and business ecosystems, we launched ***OneRec***, an end-to-end generative recommendation large model. This new technological paradigm employs a generative approach to predict videos that match users' preferences from the entire videos corpus. Thanks to its architectural advantages, the new recommendation large model has improved the efficiency of training and inference computing power significantly. ***OneRec*** is currently being deployed for recommending short video content and has improved user time spent and retention rates. For online marketing services, we explored the correlation between users' omni-domain behaviors and marketing service conversion by leveraging world knowledge and the inference capabilities of large language models. These efforts enabled end-to-end generation of marketing materials that users are interested in increasing click-through and conversion rates and driving low single-digit growth in revenue from online marketing services. In e-commerce scenario, we applied multi-modal large models to enhance product information extraction. By leveraging knowledge reasoning capabilities of large language models, we generated structured descriptions of target users, application scenarios and user interests, thereby amplifying user-product matching efficiency.

User and content ecosystem

In the second quarter of 2025, average DAUs on the Kuaishou App reached 409 million and MAUs reached 715 million, increasing by 3.4% and 3.3% year-over-year, respectively. Average DAUs on the Kuaishou App reached a new record high. The average daily time spent per DAU on the Kuaishou App was 126.8 minutes, while total user time spent rose by 7.5% year-over-year in the second quarter of 2025. The steady growth in user traffic was attributable to our high-quality user growth strategy, optimized traffic allocation mechanism, a more engaging community atmosphere and our differentiated content operating strategy.

We remained firmly committed to executing our high quality user growth strategy, improving ROI while reducing user acquisition costs. We further optimized our traffic allocation mechanism to better align commercial content with user retention, which enhanced both user experience and stickiness. Meanwhile, we increased traffic exposure for high quality original content, fostering a virtuous cycle between content creation and consumption. We have continuously optimized the private messaging experience and expanded innovative social interaction features, resulting in a nearly 5-percentage-point year-on-year increase in the daily average penetration rate of private messages among users with mutual followers.

Through our differentiated vertical operation strategy, we continued to deliver standout content with distinctive Kuaishou characteristics, further strengthening our connection with users. In the ***Three Rural (三農)*** vertical, we launched the ***Happy Village Spring Farming Season (幸福鄉村春耕季)*** series of activities, featuring short videos on agricultural technology and knowledge, e-commerce live streaming to promote agricultural materials, tools and products, as well as the ***Spring Farming Grand Stage (春耕大舞台)*** pan-entertainment events. These activities boosted the interactions between ***Three Rural (三農)*** creators and interested users, with related short video content accumulating a total of 12.7 billion views. In the pan-knowledge vertical, as the national college entrance exam approached, we brought together renowned teachers from prestigious schools, education experts and other high-quality creators in this vertical, offering practical information and companionship through live streaming and short videos to students and their families before, during and after the exam.

Online marketing services

In the second quarter of 2025, revenue from online marketing services reached RMB19.8 billion, marking a 12.8% year-over-year increase, with the year-over-year growth rate higher than that of the first quarter of 2025. We secured additional budgets from our marketing clients across industries through proactive outreach and by optimizing our intelligent marketing product solutions with large AI models, which lowered the threshold for the clients to place marketing material and improved

marketing conversion efficiency. These improvements led to notable year-over-year increases in revenue from both external and closed-loop marketing services. In the second quarter of 2025, we also upgraded our AIGC marketing material solutions, moving beyond general capabilities to better align with clients' specific industry attributes and application scenarios. This newest iteration further improved conversion rates for AIGC materials.

In the second quarter of 2025, revenue from our external marketing services continued to rise, driven by strong demand from the content-consumption, local services and automobile industries. For the content-consumption industry, advertising spending in short plays maintained high double-digit year-over-year growth. Smart pricing for ***In-Apps Purchases (IAP, 應用內購買)*** and dynamic adjustments of ***In-Apps Ads (IAA, 應用內廣告)*** marketing node drove this momentum by improving users' willingness to pay and increasing their time spent, which in turn expanded revenue for our marketing clients. For the local services and automobile industries, where clients mainly operate on a lead-based model, our native private messaging products helped them reach users more effectively and improved conversion efficiency. In the second quarter of 2025, we leveraged large language models and model sequence modeling for native private messaging between clients and users, resulting in a higher lead conversion rate. In terms of intelligent product placement solutions, the penetration rate of our ***Universal Auto X (UAX, 全自動投放)*** placement solutions continued to rise, accounting for around 65.0% of total external marketing spending in the second quarter of 2025.

In the second quarter of 2025, for closed-loop marketing service, we supported e-commerce merchants to enhance their omni-domain intelligent operation efficiency through the iteration of product and traffic strategies. We continued to upgrade our omni-platform marketing solution, iterating multiple key tools such as intelligent bidding, supplementary material placement and omni-domain multi-product marketing to simplify the placement process and enhance ad placement stability for merchants. In the second quarter of 2025, our omni-platform marketing solutions accounted for an increasing share of total closed-loop marketing spending. Scenario-wise, revenue from online marketing services related to pan-shelf-based e-commerce has achieved rapid growth. In addition to continuously introducing high-quality content and merchandise, we focused on optimizing our traffic distribution strategy, strengthened the synergy with e-commerce business, and modeled specifically for the pan-shelf-based e-commerce. These efforts led to a simultaneous improvement in the sales conversion rate of e-commerce merchants and eCPM of our closed-loop marketing services.

E-commerce

In the second quarter of 2025, our e-commerce GMV rose by 17.6% year-over-year to RMB358.9 billion. We continued to deepen the efficient integration and connection of exceptional content and high-quality products, further meeting users' consumption needs and enhancing their experience. The number of e-commerce monthly average paying users reached 134 million in the second quarter of 2025, while e-commerce active users' repeat purchase frequency continued to increase.

Our pan-shelf-based e-commerce efforts helped merchants capture new business opportunities for omni-domain operations. In the second quarter of 2025, pan-shelf-based e-commerce GMV continued to outpace overall GMV growth, accounting for over 32.0% of total e-commerce GMV. During the 618 Shopping Festival, GMV from pan-shelf-based e-commerce product cards and search-induced e-commerce soared by over 50.0% and over 140.0% year-over-year, respectively. For new merchants in pan-shelf-based e-commerce, we further deepened the application of marketing host tools. We efficiently utilized materials and merchandise information from content-based scenarios, helping new merchants achieve basic operations for one-stop marketing. For existing merchants operating on a larger scale, we offered more diversified operational resources and features, including ***Big Brand, Big Subsidy (大牌大補)***, a marketing event for top-tier high-interest products, and ***Super Links (超級鏈接)***, the official channel of platform recommended products. In the second quarter of 2025, average daily active merchants in the shopping mall increased by 30.0% year-over-year. Moreover, short video e-commerce GMV grew by over 30.0% year-over-year in the second quarter of 2025, primarily due to the increasing supply in short videos with embedded shopping links. Growth in short video GMV also benefited from enhanced supply quality, driven by the short videos of blockbuster products from live streaming sessions, which improved the matching efficiency between target demographics and core merchandise.

In the second quarter of 2025, thanks to the expansion of new merchants and optimized scenario development, the number of active small-and medium-sized merchants continued to grow year-over-year. With our deep commitment to multiplying incentive and resource investments for new merchants, we helped them quickly adapt to our platform environment and achieve individual business growth through the ***Golden Bounty Initiative (斗金計劃)***, service provider empowerment and traffic support across scenarios. These efforts drove a 50.0% year-over-year increase in the number of newly onboarded merchants in the second quarter of 2025. In addition, we established a product sourcing center to screen high-quality merchandise supplies for merchants and reduce the operational threshold. We also developed a task and incentive system aligned with the growth stages of merchants, covering four core scenarios: live streaming, short video, pan-shelf-based e-commerce and KOL distribution, further optimizing the merchant ecosystem.

In the second quarter of 2025, we placed a strong emphasis on achieving long-term synergies with KOLs. We helped them enhance their content capabilities, including introducing new features that support follower growth and re-engagement, boosting the operating efficiency in the private domain. We also established stable distribution channels for merchants by building platform-endorsed product. The ***KOL Blockbuster Initiative (達人爆品計劃)*** efficiently connected KOLs with exceptional products, while the ***Treasure Brand Spotlight Initiative (寶藏品牌發光計劃)*** strengthened the diversity of their product distribution by introducing more branded merchandise. Moreover, we encouraged entertainment-oriented KOLs to transition into small-and medium-sized e-commerce KOLs. This enabled a large number of new and small KOLs to join leading KOL teams and organizations, while providing them with tailored incubation paths and commercialization models. These measures facilitated the rapid growth of new KOLs and, in the mid-to-long term, will position small-and medium-sized KOLs as a growth engine of our ecosystem.

In addition, we incorporated AI capabilities in merchants' end-to-end operations, particularly in AIGC content production, smart live streaming and intelligent customer service. This integration led to a significant reduction in merchants' operating costs on the content-based e-commerce. Our self-developed advanced AIGC capabilities are fully integrated across our e-commerce content ecosystem, directly improving product conversion efficiency in various scenarios, including product cards and short video, through the automated generation and optimization of high-quality materials. In the future, we aim to utilize large models to reconstruct the connection between customers and merchandise, marking a substantial upgrade from meeting immediate demand to predicting potential demand.

Live streaming

In the second quarter of 2025, live-streaming revenue grew by 8.0% year-over-year to RMB10.0 billion, as we continued to develop a rich ecosystem and high-quality live streaming content to meet users' diverse needs. We increased our efforts to boost revenue efficiency of our core categories, including group and multi-host live streaming, by refining operations and leveraging regional attributes, with a greater emphasis on combining short videos with live streaming. We also explored AIGC innovation and application in live streaming, voice chat and other real-time interactive scenarios. By the end of the second quarter of 2025, the number of our partnered talent agencies had risen by more than 20.0% and talent agency-managed streamers increased by over 30.0%, both year-over-year. Furthermore, we enhanced online-offline live streaming scenarios, providing a broader stage for high-quality live streaming contents such as ***An Wan Opera Troupe (安萬劇團)*** and ***Tangshan Bubble Dragon (唐山泡泡龍)***. Our ***Grand Stage (直播大舞台)*** expanded its reach nationwide, establishing a presence in 57 cities across Hebei, Guangdong, Anhui, Shandong and Jiangsu provinces, among others.

Our live streaming business also deepened its cooperation with game developers by hosting e-sports events, such as the ***CrossFire Mobile Champions Cup (穿越火線冠軍杯)*** finals. By combining content ecosystems, event resources and user consumption, we provided game developers with end-to-end support, from exposure to conversion, based on their specific needs and life-cycle stages. Our "live streaming+" strategy continued to empower traditional industries. In the second quarter of 2025, the average daily number of users submitting resumes on ***Kwai Hire (快聘)*** increased by over 40.0% year-over-year, and the number of matches grew by over 150.0% year-over-year. In ***Ideal Housing (理想家)***, daily lead generation surged by over 60.0% compared with the same period last year.

Overseas

In the second quarter of 2025, we maintained a steady pace of development in our overseas business. Our revenue from the overseas business grew 20.5% year-over-year to RMB1.3 billion. We continued to expand our new user base through innovative channels and improved customer acquisition efficiency with refined operations, strengthening the core user base. As a result, DAUs in Brazil, one of our core international markets, remained stable, with average daily time spent per DAU increasing year-over-year. On the monetization front, we actively expanded the industry coverage of advertisers and continually enhanced product capabilities, maintaining solid year-over-year growth in online marketing services revenue. In the second quarter of 2025, for our e-commerce business in Brazil, our end-to-end digital empowerment of local merchant operations enabled content-driven immersive consumption, real-time interaction and rapid conversion, driving consistent, solid year-over-year and quarter-over-quarter growth in transaction scale and order volume.

Local services

In the second quarter of 2025, GMV for local services increased steadily year-over-year. Category-wise, we strengthened cost controls in our in-store dining services and strategically avoided subsidy competition, while supporting the growth of high-ROI products in our in-store business. On the supply side, we continued to improve core categories and price comparison capabilities, promoting a healthy growth of competitive products and low-priced supplies. In the second quarter of 2025, the number of daily average available merchandise leaped by over 55.0% year-over-year. On the demand side, our city-specific refined operations and optimized user experience, coupled with the improved smart subsidy model, drove the overall healthy growth of the business. In terms of content, we remain committed to supporting the distribution of high-quality traffic on our platform. Furthermore, recommendation funnels aided by large models also propelled video view increases and efficiency enhancements in the local services short video scenario. For monetization, we met customers' diverse placement needs by expanding and optimizing advertising products, resulting in an approximately 120% year-over-year revenue increase. In addition, stricter ROI discipline improved both subsidy and operating efficiency, further narrowing the operating loss in our local services business both quarter-over-quarter and year-over-year.

Declaration of Special Dividend

In view of the Company’s business performance, the Board is delighted to declare the payment of a special dividend of HK$0.46 per Share for the first time since the Listing, amounting to approximately HK$2.0 billion in total. The declaration and payment of special dividends reflects our confidence in the Company’s long-term growth prospects and solid financial position, fulfilling our continuous commitment to enhancing shareholders returns. Backed by a strong balance sheet, the Company is well positioned to reward our Shareholders while maintaining the financial and operational flexibility required to drive long-term business developments. In future, the Company will consider measures including share repurchase and dividend payment as appropriate to give back to our Shareholders.

Business Outlook

In the first half of 2025, we made steady progress in advancing our AI strategy, consistently achieving technological breakthroughs while accelerating commercialization. Looking ahead to the second half of 2025, we will maintain our strong investment in AI and continue to explore the potential of AI technology in empowering creators, marketing clients and merchants, identifying and unlocking new, high-potential monetization opportunities. While maintaining high-quality growth across our existing businesses, we will actively cultivate diverse channels for future growth to foster the shared development of our content and business ecosystems. We remain dedicated to meeting user needs and enhancing operational efficiency for our merchants and marketing clients, creating sustainable, long-term value for our users, creators and partners.

About Kuaishou

Kuaishou is a leading content community and social platform in China and globally, committed to becoming the most customer-obsessed company in the world. Kuaishou uses its technological backbone, powered by cutting-edge AI technology, to continuously drive innovation and product enhancements that enrich its service offerings and application scenarios, creating exceptional customer value. Through short videos and live streams on Kuaishou's platform, users can share their lives, discover goods and services they need and showcase their talent. By partnering closely with content creators and businesses, Kuaishou provides technologies, products, and services that cater to diverse user needs across a broad spectrum of entertainment, online marketing services, e-commerce, local services, gaming, and much more.

Forward-Looking Statements

Certain statements included in this press release, other than statements of historical fact, are forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may", "might", "can", "could", "will", "would", "anticipate", "believe", "continue", "estimate", "expect", "forecast", "intend", "plan", "seek", or "timetable". These forward-looking statements, which are subject to risks, uncertainties, and assumptions, may include our business outlook, estimates of financial performance, forecast business plans, growth strategies and projections of anticipated trends in our industry. These forward-looking statements are based on information currently available to the Group and are stated herein on the basis of the outlook at the time of this press release. They are based on certain expectations, assumptions and premises, many of which are subjective or beyond our control. These forward-looking statements may prove to be incorrect and may not be realized in the future. Underlying these forward-looking statements are a large number of risks and uncertainties. In light of the risks and uncertainties, the inclusion of forward-looking statements in this press release should not be regarded as representations by the Board or the Company that the plans and objectives will be achieved, and investors should not place undue reliance on such statements. Except as required by law, we are not obligated, and we undertake no obligation, to release publicly any revisions to these forward-looking statements that might reflect events or circumstances occurring after the date of this press release or those that might reflect the occurrence of unanticipated events.

For investor and media inquiries, please contact

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CONDENSED CONSOLIDATED INCOME STATEMENT

	Unaudited Three Months Ended			Unaudited Six Months Ended	
	June 30, 2025	March 31, 2025	June 30, 2024	**June 30, 2025**	June 30, 2024
	RMB'Million	*RMB'Million*	*RMB'Million*	***RMB'Million***	*RMB'Million*

Revenues	**35,046**	32,608	30,975	**67,654**	60,383
Cost of revenues	**(15,542)**	(14,816)	(13,840)	**(30,358)**	(27,128)
Gross profit	**19,504**	17,792	17,135	**37,296**	33,255
Selling and marketing expenses	**(10,503)**	(9,897)	(10,040)	**(20,400)**	(19,424)
Administrative expenses	**(897)**	(828)	(792)	**(1,725)**	(1,254)
Research and development expenses	**(3,400)**	(3,298)	(2,805)	**(6,698)**	(5,648)
Other income	**16**	53	34	**69**	152
Other gains, net	**569**	437	374	**1,006**	819
Operating profit	**5,289**	4,259	3,906	**9,548**	7,900
Finance (expense)/income, net	**(54)**	(24)	66	**(78)**	180
Share of (losses)/profits of investments accounted for using the equity method	**(12)**	2	(19)	**(10)**	(22)
Profit before income tax	**5,223**	4,237	3,953	**9,460**	8,058
Income tax (expenses)/benefits	**(301)**	(258)	27	**(559)**	42
Profit for the period	**4,922**	3,979	3,980	**8,901**	8,100
Attributable to:					
— Equity holders of the Company	**4,922**	3,978	3,979	**8,900**	8,098
— Non-controlling interests	**-**	1	1	**1**	2
	4,922	3,979	3,980	**8,901**	8,100

CONDENSED CONSOLIDATED BALANCE SHEET

	Unaudited **As of June 30, 2025** ***RMB'Million***	Audited As of December 31, 2024 *RMB'Million*
ASSETS		
Non-current assets		
Property and equipment	**17,637**	14,831
Right-of-use assets	**9,089**	8,891
Intangible assets	**1,019**	1,059
Investments accounted for using the equity method	**157**	166
Financial assets at fair value through profit or loss	**24,989**	24,430
Other financial assets at amortized cost	**41**	62
Deferred tax assets	**6,521**	6,604
Long-term time deposits	**22,812**	19,856
Other non-current assets	**2,728**	1,105
	84,993	77,004
Current assets		
Trade receivables	**7,775**	6,674
Prepayments, other receivables and other current assets	**5,543**	4,646
Financial assets at fair value through profit or loss	**38,119**	27,050
Other financial assets at amortized cost	**107**	233
Short-term time deposits	**6,615**	11,522
Restricted cash	**77**	47
Cash and cash equivalents	**12,310**	12,697
	70,546	62,869
Total assets	**155,539**	139,873

CONDENSED CONSOLIDATED BALANCE SHEET

	Unaudited **As of June 30, 2025** ***RMB'Million***	Audited As of December 31, 2024 *RMB'Million*

EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	**-**	-
Share premium	**266,924**	268,733
Treasury shares	**-**	(341)
Other reserves	**37,036**	35,776
Accumulated losses	**(233,264)**	(242,164)
	70,696	62,004
Non-controlling interests	**20**	20
Total equity	**70,716**	62,024
LIABILITIES		
Non-current liabilities		
Borrowings	**11,098**	11,100
Financial liabilities at fair value through profit or loss	**65**	124
Lease liabilities	**6,699**	6,765
Deferred tax liabilities	**54**	13
Other non-current liabilities	**24**	19
	17,940	18,021
Current liabilities		
Accounts payables	**28,158**	27,470
Other payables and accruals	**28,439**	23,113
Advances from customers	**4,753**	4,696
Borrowings	**1,074**	-
Financial liabilities at fair value through profit or loss	**5**	5
Income tax liabilities	**448**	873
Lease liabilities	**4,006**	3,671
	66,883	59,828
Total liabilities	**84,823**	77,849
Total equity and liabilities	**155,539**	139,873

Financial Information by Segment

	Unaudited Three Months Ended											
	June 30, 2025				March 31, 2025				June 30, 2024			
	Domestic	**Overseas**	**Unallocated items**	**Total**	Domestic	Overseas	Unallocated items	Total	Domestic	Overseas	Unallocated items	Total
	RMB'Million				*RMB'Million*				*RMB'Million*			
Revenues	**33,746**	**1,300**	**-**	**35,046**	31,293	1,315	-	32,608	29,896	1,079	-	30,975
Operating profit/(loss)	**5,401**	**19**	**(131)**	**5,289**	4,345	28	(114)	4,259	4,498	(277)	(315)	3,906

	Unaudited Six Months Ended							
	June 30, 2025				June 30, 2024			
	Domestic	**Overseas**	**Unallocated items**	**Total**	Domestic	Overseas	Unallocated items	Total
	RMB'Million				*RMB'Million*			
Revenues	**65,039**	**2,615**	**-**	**67,654**	58,313	2,070	-	60,383
Operating profit/(loss)	**9,746**	**47**	**(245)**	**9,548**	8,489	(545)	(44)	7,900

Reconciliation of Non-IFRS Accounting Standards Measures to the Nearest IFRS Accounting Standards Measures

	Unaudited Three Months Ended			Unaudited Six Months Ended	
	June 30, 2025	March 31, 2025	June 30, 2024	**June 30, 2025**	June 30, 2024
	RMB'Million	*RMB'Million*	*RMB'Million*	***RMB'Million***	*RMB'Million*
Profit for the period	**4,922**	3,979	3,980	**8,901**	8,100
Adjusted for:					
Share-based compensation expenses	**716**	604	723	**1,320**	1,015
Net fair value changes on investments[(1)]	**(20)**	(3)	(24)	**(23)**	(48)
Adjusted net profit	**5,618**	4,580	4,679	**10,198**	9,067
Adjusted net profit	**5,618**	4,580	4,679	**10,198**	9,067
Adjusted for:					
Income tax expenses/(benefits)	**301**	258	(27)	**559**	(42)
Depreciation of property and equipment	**885**	782	997	**1,667**	1,974
Depreciation of right-of-use assets	**831**	768	735	**1,599**	1,451
Amortization of intangible assets	**26**	22	26	**48**	53
Finance expense/(income), net	**54**	24	(66)	**78**	(180)
Adjusted EBITDA	**7,715**	6,434	6,344	**14,149**	12,323

Note:

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