Kuaishou Technology Announces Third Quarter 2026 Unaudited Financial Results

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HONG KONG, Nov. 19, 2026 /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 nine months ended September 30, 2026.

Third Quarter 2026 Key Highlights

- **Average DAUs on Kuaishou APP** were 417.3 million, representing an increase of 0.3% from 416.2 million for the same period of 2025.
- **Average MAUs on Kuaishou APP** were 818.5 million, representing an increase of 12.0% from 731.1 million for the same period of 2025.
- **Total revenue** was RMB31.6 billion, compared to RMB35.6 billion for the same period of 2025. Online marketing services and live streaming contributed 56.6% and 24.5%, respectively, to the total revenue. The other 18.9% came from other services.
- **Gross profit** was RMB15.2 billion, compared to RMB19.4 billion for the same period of 2025. Gross profit margin in the third quarter of 2026 was 48.2%, compared to 54.7% for the same period of 2025.
- **Loss for the period** was RMB959 million, compared to a profit of RMB4.5 billion for the same period of 2025. **Adjusted net profit**(1) was RMB790 million, compared to RMB5.0 billion for the same period of 2025.
- **Operating profit from the domestic segment**(2) was RMB420 million, compared to RMB5.4 billion for the same period of 2025. **Operating loss from the overseas segment**(2) was RMB23 million, compared to RMB64 million for the same period of 2025.
- During the three months ended September 30, 2026, the Company repurchased 39,132,200 shares on the Hong Kong Stock Exchange for a consideration of approximately HKD1.41 billion.

Mr. Cheng Yixiao, Co-founder, Chairman, and Chief Executive Officer of Kuaishou, commented, "In the third quarter of 2026, amid a complex and evolving external environment and facing short-term pressure on our business, we stayed committed to our long-term vision. We firmly invested in AI, maintained prudent financial discipline to improve operational quality and efficiency, and continued to strengthen the foundations of our businesses. During the third quarter of 2026, average DAUs on the Kuaishou App reached 417 million. Total revenues were RMB31.6 billion, adjusted net profit was RMB790 million and adjusted EBITDA(3) was RMB3.9 billion. On the AI innovation front, we unveiled Kling 4.0, our next-generation video generation model, enhanced our professional film and television production capabilities, and expanded our global creator ecosystem. These advances further consolidated Kling AI's global leadership in multimodal large video generation models. Meanwhile, we deepened the application of AI across content recommendation, online marketing, e-commerce operations and organizational infrastructure, enhancing user experience and merchants' operating efficiency. We continued to deliver on our commitment to shareholder returns. For the first three quarters of 2026, total shareholder returns, including dividends and share repurchases, amounted to over HK$5.8 billion. Looking ahead, we will focus on strengthening our community ecosystem, while continuing to drive AI technology and product innovation, striving to maintain a balance between shareholder returns and the cash reserves needed to support the Company's long-term development."

Third Quarter 2026 Financial Review

Revenue from our online marketing services decreased by 11.1% to RMB17.9 billion for the third quarter of 2026, from RMB20.1 billion for the same period of 2025, primarily attributable to the decline in e-commerce marketing spending due to the dynamic consumer environment and intensifying competition across the e-commerce sector.

Revenue from our live streaming business decreased by 19.0% to RMB7.8 billion for the third quarter of 2026, from RMB9.6 billion for the same period of 2025, as a result of our continuous efforts to develop a rich and healthy live streaming ecosystem.

Revenue from our other services increased by 1.5% to RMB6.0 billion for the third quarter of 2026, from RMB5.9 billion for the same period of 2025, primarily attributable to the increase in games and Kling AI revenue, partially offset by the decrease in e-commerce revenue.

Other Key Financial Information for the Third Quarter of 2026

Operating loss was RMB635 million, compared to operating profit of RMB5.3 billion for the same period of 2025.

Adjusted EBITDA was RMB3.9 billion, compared to RMB7.7 billion for the same period of 2025.

Total available funds(4) reached RMB127.2 billion as of September 30, 2026.

Notes:

(1) We define "adjusted net profit" as (loss)/profit for the period adjusted by share-based compensation expenses, net fair value changes on investments and finance costs on redemption financial liabilities.
(2) Unallocated items, which consist of share-based compensation expenses, other income, and other gains, net, are not included.
(3) We define "adjusted EBITDA" as (loss)/profit for the period adjusted by share-based compensation expenses, net fair value changes on investments, income tax expenses, depreciation of property and equipment, depreciation of right-of-use assets, amortization of intangible assets and finance expenses, net.
(4) 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 third quarter of 2026, the average DAUs on the Kuaishou App reached 417.3 million, representing a slight year-over-year increase. Due to market competition, the average daily time spent per DAU on the Kuaishou App in the same quarter declined year-over-year. In the third quarter of 2026, total revenues were RMB31.6 billion, adjusted net profit was RMB790 million and adjusted EBITDA was RMB3.9 billion, each of which experienced a year-over-year decrease.

Dynamic consumer environment and intensifying external competition exerted short-term pressure on our business during the period. Despite increased investment

in our AI strategy this year, particularly in ***Kling AI (可靈AI)***, we maintained prudent financial discipline to improve operational quality and efficiency. We also continued to honor our commitment to shareholder returns. In the third quarter of 2026, the Company repurchased a total of over 39 million shares for an aggregate consideration of over HK$1.4 billion. In the first three quarters of 2026, total shareholder returns, including dividends[(1)] and share repurchases, amounted to over HK$5.8 billion, reflecting Kuaishou's long-term confidence in its business and its endeavor to return value to the Shareholders.

AI business

In the third quarter of 2026, Kling AI continued to pursue its vision of "empowering everyone to craft captivating stories with AI". Through technological breakthroughs in its next-generation video generation models, enhanced professional filmmaking capabilities and the continued expansion of its global creator ecosystem, Kling AI further strengthened its global leadership among multimodal large video generation models. These advancements supported the evolution of AI video generation towards higher-quality outputs, greater controllability, and increasingly sophisticated professional creative applications.

At the model and product level, Kling AI announced its next-generation video generation model, Kling 4.0, in September 2026 and began rolling out Kling 4.0 Flash to a limited set of users. The new model delivers comprehensive upgrades in audiovisual performance, creative control and narrative completeness, with enhanced stability in complex dynamic motion and camera movements. It supports native video generation of up to 30 seconds, multi-keyframe control and multimodal reference inputs, thereby significantly enhancing the expressiveness and controllability of professional content creation. Meanwhile, Kling AI continued to refine its integrated creative platform, upgrading features including high-precision video editing, timeline-based creation and agent-assisted creation to further improve the efficiency of professional content creation.

In professional filmmaking and global creative ecosystem development, Kling AI continued to strengthen its partnerships with professional film and television production teams and creators worldwide, extending the use of AI video generation into professional film and television production pipelines. In the third quarter of 2026, Kling AI participated in the inaugural edition of TIFF: The Market, a marketplace officially launched by the Toronto International Film Festival, showcasing practical applications of AI in feature-length animation, film and television previsualization and hybrid production. One such example is the international animated feature MINIBOTS, which integrated Kling AI into its professional production workflow, exploring the application of generative AI in cinema-grade 4K animation production. In July 2026, Kling AI also hosted the Kling AI NEXTGEN Awards Ceremony in Seoul, South Korea. The competition attracted more than 10,000 submissions, further expanding Kling AI's presence and influence within the global professional filmmaking community.

In the third quarter of 2026, beyond Kling AI, we continued to deepen AI applications across our content ecosystem, commercial ecosystem and organizational infrastructure. We advanced the application of GoalRank, our next-generation, large-scale generative re-ranking architecture, in short-video recommendation scenarios. ***GoalRank*** is designed to optimize the overall user viewing experience across multiple short videos. Through model engineering optimizations, it increases user time spent on short-video content without requiring additional inference computing resources. In the third quarter of 2026, AI adoption across online marketing services and e-commerce business shifted from single-model efficiency gains to large-scale, system-level deployment. Generative recommendation, AIGC, smart bidding, and recommendation-model agents now work together, reshaping commercial content production, the marketing materials replacement, and the way of algorithms iterations. In the third quarter of 2026, we rolled out AI-native ways of working across the Group organization and launched MyFlicker 2.0. MyFlicker 2.0 consolidated AI assets such as team skills and knowledge, building team-level agents. At the end of September 2026, we established an enterprise AI productivity organization, ***iWork (企業AI生產力)***, that coordinates and integrates general-purpose agents, including MyFlicker, enterprise information systems and enterprise context. This initiative advances our AI-empowered organizational transformation across the Group. Meanwhile, ***Kuaishou Vanchin (快手萬擎)***, our one-stop AI infrastructure platform, optimized its model inference engine. The platform empowers internal and external clients with more efficient end-to-end services for model customization, deployment and inference. These capabilities have supported rapid revenue growth of Kuaishou Vanchin. In the third quarter of 2026, revenue from Kuaishou Vanchin increased by nearly 90.0% quarter-over-quarter.

User and content ecosystem

In the third quarter of 2026, average DAUs on the Kuaishou App reached 417.3 million, and average MAUs reached 818.5 million, representing year-over-year growth of 0.3% and 12.0%, respectively. We continued to cultivate our content community with distinctive Kuaishou characteristics, while reinforcing the community core that is inclusive, trustworthy, and diverse. We iterated on our user retention mechanisms and leveraged refined operations to strengthen users' content consumption mindset, thereby enhancing user retention and stickiness. We also optimized the private messaging experience, introduced more social interaction features, and strengthened users' mutual connections. The average daily number of users with mutual followers engaging in private messaging increased by more than 7.0% year-over-year in the third quarter of 2026. Among them, the average daily number of users interacting through the social pet-raising feature ***Huozaizai (火崽崽)*** exceeded 46 million.

In the third quarter of 2026, we continued to enrich our high-quality content, with a focus on strengthening Kuaishou's distinctive community. We provided users with differentiated and heartwarming content. We once again partnered with Beijing Radio and Television Station (北京衛視) to present the 2026 ***Kuaishou Super Summer Gala (2026快手超級夏晚)***, staying true to Kuaishou's unique community culture. Featuring celebrities performing alongside Kuaishou creators, the gala offered users a summer party full of everyday warmth. The gala's livestream attracted more than 200 million cumulative views. In the third quarter of 2026, in sports content, we capitalized on the Asian Games, bringing together renowned athletes and everyday Kuaishou creators to develop a series of diverse sports IPs with distinctive Kuaishou characteristics, including the ***X.Y. Style Harvest Sports Meet (象牙山豐收運動會)***, ***Table Tennis Dream Showdown (乒乓夢之戰)*** and ***Kuaishou 100-Meter Dash (快手百米大戰)***. Together, these initiatives generated more than 19.5 billion cumulative short-video views.

Moreover, ***Lord of the Mysteries (詭秘之主)***, an MMORPG developed by our in-house gaming brand, ***SPARK NEXA (彈指宇宙)***, was launched in the third quarter of 2026. Adapted from the highly acclaimed online novel IP of the same name, the game was built using Unreal Engine 5. In the first hour following its launch, the game attracted more than 1 million users, with peak concurrent users reaching 700,000. It topped the free games chart of the Mainland China's App Store for a number of consecutive days. The game also delivered strong paying user conversion, marking a breakthrough in our in-house development capabilities in hardcore games.

Online marketing services

In the third quarter of 2026, revenue from online marketing services was RMB17.9 billion, representing a decrease of 11.1% year-over-year. Supported by year-over-year growth in marketing budgets in the content consumption sector, particularly in the AI-generated short plays vertical, our non-e-commerce marketing services revenue outperformed our overall revenue from online marketing services. Amid intensifying competition across the e-commerce sector, our e-commerce marketing services focused on improving merchant ROI by enhancing the synergy between our e-commerce and online marketing businesses, and through more granular merchant segmentation.

In the third quarter of 2026, within our non-e-commerce marketing services business, the content consumption sector performed strongly, and the lifestyle services sector remained solid. In the content consumption sector, we continued to expand the supply of AI-generated and live-action short plays with distinctive Kuaishou characteristics, driving sustained growth in high-quality short-play content. As of September 2026, the average daily number of active short plays increased by more than 350.0% compared with January 2026, further demonstrating the value of short plays within our content ecosystem. Underpinned by an abundant supply of short plays and rising user demand for such content, total spending on online marketing services in the content consumption sector increased by more than 100.0% year-over-year in the third quarter of 2026. In the lifestyle services sector, we continued to advance industry-specific refined operations, thereby capturing incremental growth opportunities in sub-verticals such as comprehensive services and local services. Meanwhile, across sectors including home renovation, travel and automotive, we cultivated high-quality vertical content to help our clients more effectively guide users from initial interest generation to marketing conversion, fostering a healthier and more sustainable marketing ecosystem.

In the third quarter of 2026, for e-commerce marketing services, we continued to enhance synergies and efficiencies between our e-commerce and online marketing businesses. Amid dynamic consumer environment and intensifying competition across the e-commerce sector, we realigned our organization around merchant segmentation, allocating more resources to merchant services and strengthening customer support. These initiatives began to yield initial results during the third quarter of 2026. Meanwhile, our operational initiatives helped boost merchant engagement, driving quarter-over-quarter improvements in merchants' marketing spend in the lifestyle consumption and daily necessities categories. During the third quarter of 2026, we continuously optimize our business ecosystem. We directed more traffic towards high-quality content and introduced a post-purchase traffic coordination strategy to reduce repetitive exposure to similar products after transactions. These measures improved marketing clients' ROI while safeguarding user experiences. In the third quarter of 2026, brand merchants' marketing spend continued to increase, supported by initiatives including supports for new branded stores in their early growth stage, targeted user management and long-term signal modeling for product recommendations. At the product level of e-commerce marketing services, our ***Net Transaction ROI (淨成交ROI)*** product continued to evolve. Through improvements to bidding adjustments, the introduction of mid-campaign switching capabilities, client incentive programs and refinements to the model's order cancellation and return features, the product's penetration rate in e-commerce marketing spending increased from 28.0% in the second quarter of 2026 to 34.7% in the third quarter of 2026. These enhancements further improved the certainty of transaction outcomes that e-commerce merchants derive from marketing placements.

In the third quarter of 2026, we continued to enhance the applications of AI across our online marketing services. Our ***Universal Auto X (UAX, 全自動投放)*** placement solutions evolved from a single-point strategy into a multi-agent collaborative framework. The upgraded framework automatically diagnoses marketing placement performance issues within accounts and coordinates multiple placement capabilities to improve clients' marketing placement efficiency. We also enhanced our AIGC marketing materials solutions by incorporating user interest signals. When the existing library of marketing materials does not sufficiently cover user interests, our product will generate additional marketing materials better tailored to target audiences, thereby further improving the matching efficiency between marketing materials and user needs.

E-commerce

In the third quarter of 2026, our e-commerce business faced pressure from dynamic consumer environment and intensifying competition across the e-commerce sector, coupled with rising operating costs for merchants. We optimized our organizational structure around more granular merchant segmentation with more targeted merchant policies and resource allocation to support merchants in building sustainable businesses on our platform. During the third quarter of 2026, on the demand side, we focused on building a high-quality paying user base by improving how we identify and serve such users. We increased their engagement by broadening the range of product offerings and expanding the consumption scenarios. We also increased traffic allocation and subsidies for branded products to capture and serve high-value users effectively.

In the third quarter of 2026, on the supply side, we remained committed to onboarding new merchants, strengthening our systematic capabilities in brand merchant acquisition, and expanding merchant support initiatives to scale their businesses and improve merchant retention. In the third quarter of 2026, both the new merchant retention rate and the scaled growth rate of existing merchants improved steadily quarter-over-quarter. In the third quarter of 2026, for brand merchants, we continued to optimize the coordination between traffic strategies and supply structure to enhance brand operations and growth. On the brand supply front, brand matrix accounts expanded rapidly, with the number of newly opened brand stores increasing by more than 50.0% year-over-year. On the traffic front, we leveraged broader interest-based recommendations, targeted reach to high-value users and optimized omni-domain recommendation pathways to help brands engage high-value users more effectively on our platform. Together, improvements in brand supply and traffic strategies drove greater exposure for branded products and more effective conversion of high-value users. This, in turn, drove growth in both MAC and GMV among high-value users for brand merchants. Meanwhile, in the fourth quarter of last year, we launched T2000 Initiative, a dedicated program for top-tier brands, under which we implemented more granular, tiered operations tailored to the varying operational capabilities of participating brands. We also launched brand-week campaigns to boost in brands' self-operated live streaming activity, building stronger and more consistent brand awareness among users.

In the third quarter of 2026, in e-commerce content development and KOL operations, we focused on follower growth and live streaming frequency among human KOLs, continuously optimizing the KOL ecosystem and prioritizing the quality of content supply. During the third quarter of 2026, we optimized our traffic strategies and implemented targeted governance initiatives. Under our traffic distribution mechanism, we directed more traffic towards high-quality creators, thereby fostering healthier content fundamentals for e-commerce. We also continued to deepen our partnerships with top-tier KOLs. Through initiatives such as VIP services for top-tier KOLs and collaborative content development for major live streaming events, we maintained a stable supply of livestreams from our core KOLs. We also increased incentives for core KOLs, thereby driving a notable quarter-over-quarter increase in their streaming frequency in the third quarter of 2026. In addition, we continued to collaborate with external service providers to diversify the pool of e-commerce content creators and enrich the supply of our e-commerce content.

We continued to leverage AI tools across the e-commerce operational workflow to help merchants improve operational efficiency. During the third quarter of 2026, we launched a fully managed AI operations solution tailored to small and medium-sized e-commerce merchants. By integrating our end-to-end AI tools, the solution enables one-stop content creation and distribution, with intelligent support adapted to different consumption scenarios to help small and medium-sized e-commerce merchants improve their operational performance. The solution delivered initial business gains during the third quarter of 2026.

Live streaming

In the third quarter of 2026, live streaming revenue was RMB7.8 billion, representing a decrease of 19.0% year-over-year. We focused on strengthening refined operations on the supply side, fostering deeper relationships between streamers and users, and leveraging AI to drive innovation across content and user interaction, while remaining firmly committed to the long-term and healthy development of the live streaming ecosystem. On the supply side, we continued to advance the ***Confluence Initiative (百川計划)***. Through acquisition incentives and operational support, we facilitated the recruitment and nurturing of talent agencies, reinforcing the fundamentals of our content supply. For independent streamers, we refined operations to enhance streamer services, and boost the activity of top-tier independent streamers. In terms of content ecosystem, we launched Kuaishou's first music-themed social reality show featuring streamers, ***Singing in the Mountains (向山而唱)***. The show brought together top-tier Kuaishou-native streamers and celebrities for musical performances in outdoor mountain settings, exploring a new variety show format centered on streamers. By the finale, the live streams garnered 270 million views.

In the third quarter of 2026, we advanced the cultivation of streamer-user relationships by taking a coordinated approach across content supply, product and traffic. We encouraged streamers to foster long-term user engagement. Through innovative features such as ***Fan Farm (粉絲農場)***, we drove conversion to paying users. We also refined our recommendation strategies to strengthen long-term matching between streamers and users, supporting the sustainable development of our live streaming ecosystem. On the product and technology front, we upgraded ***AI Universe (AI萬象)*** and launched AI-generated interactive features, bringing lightweight, variety-show-style interactive games into live streaming scenarios. These features offered users enjoyable and engaging interactive experiences, effectively expanding the range of interactions between viewers and streamers.

Overseas

In the third quarter of 2026, we continued to deepen our high-value user operations and strengthen localized ecosystems, balancing growth quality and profitability across our overseas business to lay a solid foundation for sustainable growth. In terms of traffic growth and the content ecosystem, we further improved user acquisition efficiency and our user growth structure. Centered on the needs of core users, we enriched locally relevant content, deepened content consumption and community engagement, and reinforced our high-value user base. For overseas online marketing services, we strengthened our AI-driven marketing product capabilities, exploring AI-assisted creation and localization of marketing materials. Through refined traffic operations and optimized placement strategies, we improved marketing placement efficiency and performance consistency. We remained focused on unlocking the monetization potential of short plays and other

creative content formats, fostering synergies between our content ecosystem and monetization capabilities. Regarding overseas e-commerce, we maintained solid year-over- year growth in GMV and order volume in the third quarter of 2026. We leveraged our short video KOL ecosystem to drive transaction growth, optimizing merchant and product mix to meet local consumer demand better. High-quality supply also supported growth in average order value. While steadily scaling our overseas e-commerce business, we maintained operating efficiency and profitability.

Business Outlook

Looking ahead to the fourth quarter of 2026, the near-term operating environment remains challenging, with relatively conservative consumers' and marketers' spending sentiments and intense competition. In addition, we have experienced softness in our traffic trajectory, which will put further pressure on our monetization capabilities. Our ongoing strategic investments in Kling AI and our broader AI strategy will continue to carry cost implications and weigh on profitability in the near term. Therefore, our revenue and profitability may continue to be under pressure in the fourth quarter of 2026.

To cope with the challenges above, we are committed to a more disciplined approach to cost control and efficiency improvement in our core businesses. With confidence in our business model and long-term prospects, we will continue to return value to the Shareholders with our capital return initiatives in place. We believe that our financial discipline and strengthened AI capabilities will position us well to capture long-term growth opportunities and deliver sustainable values to the Shareholders.

Note:

(1) 2025 final dividend declared and paid in 2026.

Conference Call Information

Kuaishou's management will host a conference call (the "**Conference Call**") on Thursday, November 19, 2026, at 7:00 PM Beijing Time (6:00 AM U.S. Eastern Time) to discuss the quarterly results contained in the earnings announcement.

Participants are required to pre-register for the conference call at:

Chinese Line (Mandarin):
https://s1.c-conf.com/diamondpass/10057371-gn4am1.html

English Simultaneous Interpretation Line (listen-only mode):
https://s1.c-conf.com/diamondpass/10057372-q7fqdts.html

Participants can choose between the Chinese and English simultaneous interpretation options for pre-registration above. Please note that the English simultaneous interpretation option will be in listen-only mode. Upon registration, participants will receive an email containing the Conference Call dial-in details, passcode, and a unique access PIN. Such information will allow the participants to gain access to the Conference Call. Participants may register at any time before the conclusion of the Conference Call.

Details of the presentation materials of the Conference Call are available to view and download on the Company's investor relations website at https://ir.kuaishou.com/news-events/events-presentations (the "**IR Website**") before the Conference Call. Furthermore, live and archived webcasts of the Conference Call, for both Chinese and English simultaneous interpretation, will be available on the IR Website after the Conference Call.

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 circumstance 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

Kuaishou Technology
Investor Relations
Email: ir@kuaishou.com

CONDENSED CONSOLIDATED INCOME STATEMENT

	Unaudited			**Unaudited**	
	Three Months Ended			**Nine Months Ended**	
September 30, 2026	June 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
RMB'Million	*RMB'Million*	*RMB'Million*	***RMB'Million***	*RMB'Million*

Revenues	**31,592**	35,535	35,554	**100,843**	103,208
Cost of revenues	**(16,376)**	(17,207)	(16,120)	**(50,050)**	(46,478)
Gross profit	**15,216**	18,328	19,434	**50,793**	56,730
Selling and marketing expenses	**(9,483)**	(9,922)	(10,420)	**(29,738)**	(30,820)
Administrative expenses	**(1,566)**	(895)	(688)	**(3,227)**	(2,413)
Research and development expenses	**(5,178)**	(4,581)	(3,650)	**(13,380)**	(10,348)
Other income	**85**	33	27	**363**	96
Other gains, net	**291**	794	596	**1,906**	1,602
Operating (loss)/profit	**(635)**	3,757	5,299	**6,717**	14,847
Finance expenses, net	**(288)**	(258)	(40)	**(719)**	(118)
Share of (losses)/profits of investments accounted for using the equity method	**(5)**	(2)	3	**(20)**	(7)
(Loss)/profit before income tax	**(928)**	3,497	5,262	**5,978**	14,722
Income tax expenses	**(31)**	(345)	(773)	**(880)**	(1,332)
(Loss)/profit for the period	**(959)**	3,152	4,489	**5,098**	13,390
Attributable to:					
— Equity holders of the Company	**(961)**	3,146	4,488	**5,088**	13,388
— Non-controlling interests	**2**	6	1	**10**	2
	(959)	3,152	4,489	**5,098**	13,390

CONDENSED CONSOLIDATED BALANCE SHEET

	Unaudited	Audited
	As of September 30, 2026	As of December 31, 2025
	RMB'Million	*RMB'Million*
ASSETS		
Non-current assets		
Property and equipment	**34,424**	22,869
Right-of-use assets	**9,807**	8,545
Intangible assets	**956**	986
Investments accounted for using the equity method	**122**	149
Financial assets at fair value through profit or loss	**28,893**	23,747
Derivative financial instruments	**-**	353
Other financial assets at amortized cost	**-**	35
Deferred tax assets	**6,660**	5,585
Long-term time deposits	**7,918**	22,015
Other non-current assets	**5,406**	2,671
	94,186	86,955
Current assets		
Trade receivables	**6,835**	8,127
Prepayments, other receivables and other current assets	**10,831**	7,028
Financial assets at fair value through profit or loss	**47,137**	42,323
Derivative financial instruments	**668**	1
Other financial assets at amortized cost	**-**	9
Short-term time deposits	**17,438**	8,630
Restricted cash	**178**	251
Cash and cash equivalents	**27,591**	11,180
	110,678	77,549
Total assets	**204,864**	164,504

CONDENSED CONSOLIDATED BALANCE SHEET

	Unaudited	Audited
	As of September 30, 2026	As of December 31, 2025
	RMB'Million	*RMB'Million*
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	**-**	-
Share premium	**260,331**	265,628
Treasury shares	**(103)**	(602)

Other reserves	**39,894**	38,873
Accumulated losses	**(219,253)**	(224,341)
	80,869	79,558
Non-controlling interests	**36**	26
Total equity	**80,905**	79,584
Non-current liabilities		
Borrowings	**14,673**	11,098
Derivative financial instruments	**1,025**	30
Lease liabilities	**8,492**	5,977
Deferred tax liabilities	**167**	241
Redemption financial liabilities	**15,359**	-
Other non-current liabilities	**146**	39
	39,862	17,385
Current liabilities		
Accounts payables	**24,870**	27,209
Other payables and accruals	**37,124**	29,160
Advances from customers	**5,403**	4,848
Borrowings	**12,638**	1,968
Income tax liabilities	**494**	388
Lease liabilities	**3,568**	3,962
	84,097	67,535
Total liabilities	**123,959**	84,920
Total equity and liabilities	**204,864**	164,504

Financial Information by Segment

	Unaudited Three Months Ended											
	September 30, 2026				June 30, 2026				September 30, 2025			
	Domestic	**Overseas**	**Unallocated items**	**Total**	Domestic	Overseas	Unallocated items	Total	Domestic	Overseas	Unallocated items	Total
	RMB'Million				*RMB'Million*				*RMB'Million*			
Revenues	**30,327**	**1,265**	**-**	**31,592**	34,356	1,179	-	35,535	34,400	1,154	-	35,554
Operating profit/(loss)	**420**	**(23)**	**(1,032)**	**(635)**	3,733	(25)	49	3,757	5,391	(64)	(28)	5,299

	Unaudited Nine Months Ended							
	September 30, 2026				September 30, 2025			
	Domestic	**Overseas**	**Unallocated items**	**Total**	Domestic	Overseas	Unallocated items	Total
	RMB'Million					*RMB'Million*		
Revenues	**97,237**	**3,606**	**-**	**100,843**	99,439	3,769	-	103,208
Operating profit/(loss)	**7,246**	**(79)**	**(450)**	**6,717**	15,137	(17)	(273)	14,847

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

	Unaudited Three Months Ended			**Unaudited Nine Months Ended**	
	September 30, 2026	June 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
	RMB'Million	*RMB'Million*	*RMB'Million*	***RMB'Million***	*RMB'Million*
(Loss)/Profit for the period	**(959)**	3,152	4,489	**5,098**	13,390
Adjusted for:					
Share-based compensation expenses	**1,408**	778	651	**2,719**	1,971
Net fair value changes on investments[(1)]	**293**	(17)	(154)	**212**	(177)
Finance costs on redemption financial liabilities[(2)]	**48**	-	-	**48**	-

Adjusted net profit	**790**	3,913	4,986	**8,077**	15,184
(Loss)/Profit for the period	**(959)**	3,152	4,489	**5,098**	13,390
Adjusted for:					
Share-based compensation expenses	**1,408**	778	651	**2,719**	1,971
Net fair value changes on investments[(1)]	**293**	(17)	(154)	**212**	(177)
Income tax expenses	**31**	345	773	**880**	1,332
Depreciation of property and equipment	**1,946**	1,745	1,031	**5,055**	2,698
Depreciation of right-of-use assets	**872**	845	802	**2,516**	2,401
Amortization of intangible assets	**15**	16	21	**47**	69
Finance expenses, net	**288**	258	40	**719**	118
Adjusted EBITDA	**3,894**	7,122	7,653	**17,246**	21,802

Notes:
(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.
(2) Finance costs on redemption financial liabilities represent the non-cash interest expense accrued, reflecting the annual return attached to Beijing Kling's conditional obligation to repurchase equity interests under the redemption rights granted to its investors in connection with its capital increase.