



KINGSOFT ANNOUNCES 2024 THIRD QUARTER RESULTS

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**Kingsoft Office Group Achieves Steady Growth
Fueled by Technological Innovation, Empowering Customers
Online Games Business Iterates Classic IP and Actively Expands New Game Genres**

FINANCIAL HIGHLIGHTS

<i>RMB'000 (Unaudited)</i>	For the three months ended		
	30 September 2024	30 September 2023	30 June 2024
Revenue	2,914,785	2,059,679	2,473,766
- Office Software and Services	1,206,815	1,098,325	1,187,730
- Online Games and Others	1,707,970	961,354	1,286,036
Gross Profit	2,454,444	1,676,854	2,042,035
Operating Profit	1,144,118	376,073	794,037
Profit Attributable to Owners of the Parent	413,449	28,492	393,353
Basic Earnings per Share (RMB)	0.31	0.02	0.29

(November 19, 2024 – Hong Kong) **Kingsoft Corporation Limited** (“Kingsoft” or the “Company”; Stock Code: 03888.HK), a leading software and internet services company in China, has announced its unaudited quarterly results for the three months ended September 30, 2024 (“period under review”).

During the period under review, the revenue of Kingsoft increased by 42% year-on-year and 18% quarter-on-quarter to RMB2,914.8 million. Revenue from the office software and services represented 41% and online games and others represented 59% of total revenue. Gross profit increased 46% year-on-year to RMB2,454.4 million. Operating profit before share-based compensation costs surged by 168% year-on-year and increased by 37% quarter-on-quarter to RMB1,202.4 million.

Mr. Jun LEI, Chairman of Kingsoft, commented, “In the third quarter, our core businesses made steady progress, further solidifying our market presence. Kingsoft Office Group remains dedicated to R&D of AI and collaboration, empowering individual and institutional customers with technological innovation, bringing users a one-stop AI-empowered office experience, and promoting the application of new productive forces within the office services sector. With respect to online games business, we continue to refine our classic JX online series and actively expand into new game genres.”

Mr. Tao ZOU, Chief Executive Officer of Kingsoft, added, “In the third quarter, fueled by the robust performance of our game products, the Group achieved significant growth in both total revenue and operating profit, both reaching a record high. Total revenue amounted to RMB2,914.8 million,

representing year-on-year and quarter-on-quarter increases of 42% and 18% respectively. Revenue from online games and others business reached RMB1,708.0 million, representing a notable year-on-year increase of 78% and a quarter-on-quarter increase of 33%. Revenue from the office software and services business amounted to RMB1,206.8 million, representing a year-on-year increase of 10% and quarter-on-quarter growth of 2%. The operating profit of the Group surged to RMB1,144.1 million, demonstrating a substantial 204% year-on-year and a 44% quarter-on-quarter growth.”

BUSINESS REVIEW

Office Software and Services

For the third quarter of 2024, revenue from the office software and services business increased by 10% year-on-year and 2% quarter-on-quarter to RMB1,206.8million. The year-on-year increase was mainly due to the growth of Kingsoft Office Group’s domestic individual office subscription business.

In the domestic individual office subscription business, Kingsoft Office Group continued to optimize the features of WPS AI, providing users with a more convenient and efficient creative experience, further enhancing user stickiness and conversion rates. Our domestic institutional subscription business, leveraging the continuous improvement of the WPS 365, steadily advanced its SaaS transformation, and expanded its customer base among large and medium-sized private enterprises and local state-owned enterprises. Overseas business also maintained healthy growth. With respect to AI application innovation, the Group launched a series of core capabilities and solutions, including AI Co-writing, AI Docs (intelligent document library), Kingsoft Government Office Model, and the AI assistant – WPS Lingxi. The Group also released the WPS HarmonyOS NEXT, further promoting the development of the AI office ecosystem.

Online Games and Others

For the third quarter of 2024, revenue from online games and others business for the third quarter of 2024 increased by 78% year-on-year significantly and 33% quarter-on-quarter to RMB1,708.0 million. The year-on-year and quarter-on-quarter increases were mainly attributed to the outstanding performance of JX3 Online and the successful launch of JX3 Ultimate (劍網3 無界) further boosting the game popularity, and the active operation and enhanced experience of other games.

JX3 Online continues to demonstrate remarkable resilience. JX3 Ultimate has performed outstandingly since its launch, and the number of returning players has exceeded expectations. In October, JX3 Online released its annual expansion pack, featuring a new class, increased level cap, and innovative gameplay, further enhancing players’ emotional engagement and activity. The sci-fi mecha game Mecha BREAK (解限機) completed its first public beta test in August, with player enthusiasm exceeding expectations, sparking widespread attention globally. The game has garnered nearly 3 million global pre-registrations and peaked at 17th on the Steam Global Wishlist. Furthermore, the mobile game The Fate of Sword: Zero (劍俠情緣•零) has received license approval and is scheduled to launch next year.

Mr. Jun LEI concluded, “In the third quarter, we focused on refining and optimizing our core products and services to lay a solid foundation for future development. Kingsoft Office Group will continue its long-term investment in AI and collaboration and address users’ office needs across various scenarios and deliver more intelligent and efficient office experience. Meanwhile, our online games business will remain dedicated to ongoing innovation and quality enhancement, offering exceptional gaming experience and rich content to global players.”

About Kingsoft Corporation Limited

Kingsoft (3888.HK) is a leading Chinese software and internet service company listed on the Hong Kong Stock Exchange. It has three main subsidiaries: Kingsoft Office, Seasun Holdings and Kingsoft Shiyou. With the implementation of the “transformation toward mobile internet” strategy, Kingsoft has completed a comprehensive transformation in its overall business and management model. The Company has established a strategic layout with office software and interactive entertainment as its pillars, and cloud services and artificial intelligence as its new starting points. Kingsoft has nearly 8,000 employees worldwide and holds a significant market share domestically. For more details, please refer to <http://www.kingsoft.com>.

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