

Kingsoft Cloud Announces Unaudited Third Quarter 2024 Financial Results with Accelerated Revenue Growth and Robust Expansion of Gross and EBITDA profit

11/19/2024

BEIJING, Nov. 19, 2024 (GLOBE NEWSWIRE) -- Kingsoft Cloud Holdings Limited ("Kingsoft Cloud" or the "Company") (NASDAQ: KC and HKEX: 3896), a leading cloud service provider in China, today announced its unaudited financial results for the third quarter ended September 30, 2024.

Financial Highlights

- Total Revenues reached RMB1,885.6 million (US\$268.7¹ million), increased by 16.0% year-over-year from RMB1,625.2 million in the same quarter of 2023. The accelerated growth of high-quality business, such as AI, has offset the decline in the low-margin CDN business due to strategic proactive adjustments.
- **Gross profit** was RMB303.4 million (US\$43.2 million), representing a significant increase of 54.6% from RMB196.2 million in the same quarter of 2023. Our profitability has been fundamentally improved.
- Non-GAAP EBITDA² was RMB185.4 million (US\$26.4 million), compared with RMB-45.4 million in the same quarter of 2023. Non-GAAP EBITDA margin was 9.8%, compared with -2.8% in the same quarter of 2023.

Mr. Tao Zou, Chief Executive Officer of Kingsoft Cloud, commented, "This quarter, our steadfast belief in, and unwavering execution of the 'High-quality and Sustainable Development Strategy' continued to deliver strong results. We are excited to announce further accelerated topline growth of 16%, with fast-increasing Non-GAAP EBITDA margin reaching 9.8% in the third quarter of 2024. In particular, Al business continued to expand to RMB362 million, accounting for approximately 31% of public cloud revenue. Meanwhile, as we wholeheartedly embrace the Xiaomi and Kingsoft Ecosystem and tap into the vast tangible opportunities from EV car, LLM to WPS AI, to name a few, we grew our revenues from the Ecosystem by a significant year-over-year increase of 36%. We are confident that we are on the right track and momentum to building more success in the future."

Mr. Henry He, Chief Financial Officer of Kingsoft Cloud, added, "We recorded another strong quarter with growth in both revenue and profits. The Company achieved a double-digit year-on-year growth in total revenue, reaching RMB1,885.6 million, restoring the high-speed growth of revenue. Meanwhile, the growth rates of our gross profit and EBITDA profit far exceed the industry average level. Compared with the adjusted gross profit margin of 3.6% in the second quarter of 2022, which was before the Company carried out business structure adjustment and AI transformation, a 4.5-fold growth to 16.3% was achieved in this quarter; and the adjusted EBITDA margin has been significantly improved from a loss of 8.6% in the second quarter of 2022 to a profit of 9.8%, with an increase of 18.4 percentage points. The Company's revenue structure adjustment and AI strategic transformation have achieved remarkable results."

Third Quarter 2024 Financial Results

Total Revenues reached RMB1,885.6 million (US\$268.7³ million), increased by 16.0% year-over-year from RMB1,625.2 million in the same quarter of 2023 and remained flat quarter-over-quarter from RMB1,891.8 million in the second quarter of 2024. The year-over-year increase was mainly due to the expanded revenue from Xiaomi and Kingsoft Ecosystem and AI related customers, incremental demands from enterprise cloud and partially offset by our proactive scale-down of low-margin content delivery network (CDN) services.

Revenues from public cloud services were RMB1,175.5 million (US\$167.5 million), increased by 15.6% from RMB1,016.6 million in the same quarter of 2023 and decreased by 4.8% from RMB1,234.5 million last quarter. The year-over-year increase was mainly due to the growth of AI demands and partially offset by the proactive scale-down of our CDN services.

Revenues from enterprise cloud services were RMB710.0 million (US\$101.2 million), representing an increase of 16.7% from RMB608.5 million in the same quarter of 2023 and an increase of 8.0% from RMB657.2 million last quarter. We keep focus on selected verticals such as public services cloud, state-owned assets cloud, healthcare and financial services, leverage Camelot's capability to cater for the IT development, enhance our solutions with AI capabilities and take profitability and sustainability of the enterprise cloud projects as our priorities.

Other revenues were nil this quarter.

Cost of revenues was RMB1,582.2 million (US\$225.5 million), representing an increase of 10.7% from RMB1,429.0 million in the same quarter of 2023. IDC costs decreased significantly by 8.7% year-over-year from RMB737.7 million to RMB673.8 million (US\$96.0 million) this quarter. The decrease was in line with the scale-down of our CDN services and our strict control over procurement costs. Depreciation and amortization costs increased by 48.5% from RMB200.4 million in the same quarter of 2023 to RMB297.5 million (US\$42.4 million) this quarter. The increase was mainly due to the depreciation of newly acquired electronic equipments which were related to AI business. Solution development and services costs increased by 17.3% year-over-year from RMB425.3 million in the same quarter of 2023 to RMB499.0 million (US\$71.1 million) this quarter. The increase was mainly due to the solution personnel expansion of Camelot. Fulfillment costs and other costs were RMB59.5 million (US\$8.5 million) and

¹ This announcement contains translations of certain Renminbi (RMB) amounts into U.S. dollars (US\$) at a specified rate solely for the convenience of the reader. Unless otherwise noted, the translation of RMB into US\$ has been made at RMB7.0176 to US\$1.00, the noon buying rate in effect on September 30, 2024 as certified for customs purposes by the Federal Reserve Bank of New York.

² Non-GAAP EBITDA is defined as Non-GAAP net loss excluding interest income, interest expense, income tax expense (benefit) and depreciation and amortization, and we define Non-GAAP EBITDA margin as Non-GAAP EBITDA as a percentage of revenues. See "Use of Non-GAAP Financial Measures" set forth at the end of this press release.

RMB52.3 million (US\$7.5 million) this quarter.

Gross profit was RMB303.4 million (US\$43.2 million), representing a significant increase of 54.6% from RMB196.2 million in the same quarter of 2023, demonstrating our improvements in revenue quality and structure. Gross margin was 16.1%, compared with 12.1% in the same period in 2023. Non-GAAP gross profit⁴ was RMB307.6 million (US\$43.8 million), compared with RMB196.3 million in the same period in 2023. Non-GAAP gross margin⁴ was 16.3%, compared with 12.1% in the same period in 2023. The significant improvements of our gross profit and margin were mainly due to our strategic adjustment of revenue mix, expansion of AI revenues, optimized enterprise cloud project selection and efficient cost control measures, while partially offset under pressure of bandwidth costs increase and price fluctuation of certain customer.

Total operating expenses were RMB1,447.1 million (US\$206.2 million), including impairment of long-lived assets of RMB919.7 million (US\$131.1 million), increased by 44.6% from RMB1,001.1 million in the same period in 2023. Excluding impairment of long-lived assets, operating expenses were RMB527.4 million (US\$75.2 million), decreased by 1.0% from RMB532.5 million in the same quarter last year. Among which:

Selling and marketing expenses were RMB121.1 million (US\$17.3 million), increased by 4.0% from RMB116.4 million in the same period in 2023 and decreased by 3.7% from RMB125.7 million last quarter, the slightly sequential decrease was due to the decrease of marketing campaigns.

General and administrative expenses were RMB170.4 million (US\$24.3 million), decreased by 21.0% from RMB215.7 million in the same period in 2023 and decreased by 36.0% from RMB266.2 million last quarter. The decrease was mainly due to the decrease of credit loss expense.

Research and development expenses were RMB235.9 million (US\$33.6 million), increased by 17.7% from RMB200.4 million in the same period in 2023 and 15.7% from RMB204.0 million last quarter. The increase was mainly due to the increase in personnel costs.

Impairment of long-lived assets was RMB919.7 million (US\$131.1 million), compared with RMB468.5 million in the same quarter last year. The impairment of long-lived assets was dedicated to assets of low-margin services.

Operating loss was RMB1,143.8 million (US\$163.0 million), compared with operating loss of RMB804.8 million in the same quarter of 2023 and RMB277.6 million last quarter. The increase was mainly due to impairment of long-lived assets. **Non-GAAP operating loss**⁵ was RMB140.2 million (US\$20.0 million), decreased by 46.7% from RMB262.9 million in the same quarter last year and 25.6% from RMB188.5 million last quarter. The decrease was mainly due to the gross profit increase and the expenses decrease explained above.

Net loss was RMB1,061.1 million (US\$151.2 million), compared with net loss of RMB789.7 million in the same quarter of 2023 and RMB353.7 million last quarter. The increase was mainly due to the impairment of long-lived assets of RMB919.7 million (US\$131.1 million).

Non-GAAP net loss⁶ was RMB236.7 million (US\$33.7 million), narrowed down compared with RMB313.3 million in the same quarter of 2023 and RMB301.1 million last quarter. The improvement was mainly due to the revenue quality increase, revenue mix adjustment, strict costs control and expenses control.

Non-GAAP EBITDA⁷ was RMB185.4 million (US\$26.4 million), compared with RMB-45.4 million in the same quarter of 2023 and RMB60.6 million last quarter. **Non-GAAP EBITDA margin** was 9.8%, compared with -2.8% in the same quarter of 2023 and 3.2% last quarter. The increase was mainly due to the expansion in gross profit and our strict control over costs and expenses.

Basic and diluted net loss per share was RMB0.29 (US\$0.04), compared with RMB0.22 in the same quarter of 2023 and RMB0.10 last quarter.

Cash and cash equivalents were RMB1,617.9 million (US\$230.6 million) as of September 30, 2024, compared with RMB1,837.8 million as of June 30, 2024. The decrease was mainly due to the investment into the procurement of high performance electronic equipments, the payment to daily operation and the repayment of borrowings.

Outstanding ordinary shares were 3,621,895,582 as of September 30, 2024, equivalent to about 241,459,705 ADSs.

Business Outlook

For the fourth quarter of 2024, thanks to the parallel two drivers of both public cloud and enterprise cloud, we will continue to deliver healthy growth during such quarter. We expect to achieve accelerated growth rate for the total revenues in the fourth quarter of 2024. We expect our profitability will

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⁴ Non-GAAP gross profit is defined as gross profit excluding share-based compensation allocated in the cost of revenues and we define Non-GAAP gross margin as Non-GAAP gross profit as a percentage of revenues. See "Use of Non-GAAP Financial Measures" set forth at the end of this press release.

⁵ Non-GAAP operating loss is defined as operating loss excluding share-based compensation, impairment of long-lived assets and amortization of intangible assets and we define Non-GAAP operating loss as Non-GAAP operating loss margin as a percentage of revenues. See "Use of Non-GAAP Financial Measures" set forth at the end of this press release.

⁶ Non-GAAP net loss is defined as net loss excluding share-based compensation, impairment of long-lived assets and foreign exchange (gain) loss, and we define Non-GAAP net loss margin as adjusted net loss as a percentage of revenues. See "Use of Non-GAAP Financial Measures" set forth at the end of this press release.

⁷ Non-GAAP EBITDA is defined as Non-GAAP net loss excluding interest income, interest expense, income tax expense (benefit) and depreciation and amortization, and we define Non-GAAP EBITDA margin as Non-GAAP EBITDA as a percentage of revenues. See "Use of Non-GAAP Financial Measures" set forth at the end of this press release.

continue to improve. For the operating profit and adjusted operating profit, we expect to deliver accelerated improvement in the fourth quarter. This forecast reflects the Company's current and preliminary views on the market and operational conditions, which are subject to change.

Conference Call Information

Kingsoft Cloud's management will host an earnings conference call on Tuesday, November 19, 2024 at 7:15 A.M., U.S. Eastern Time (8:15 P.M., Beijing/Hong Kong Time on the same day).

Participants can register for the conference call by navigating to https://register.vevent.com/register/BI9c3a629d6e164637ab8af374255609ee. Once preregistration has been completed, participants will receive dial-in numbers, direct event passcode, and a unique access PIN.

To join the conference, simply dial the number in the calendar invite you receive after preregistering, enter the passcode followed by your PIN, and you will join the conference instantly.

Additionally, a live and archived webcast of the conference call will also be available on the Company's investor relations website at http://ir.ksyun.com.

Use of Non-GAAP Financial Measures

The unaudited condensed consolidated financial information is prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). In evaluating our business, we consider and use certain non-GAAP measures, Non-GAAP gross profit, Non-GAAP gross margin, Non-GAAP operating loss, Non-GAAP operating loss margin, Non-GAAP EBITDA margin, Non-GAAP net loss and Non-GAAP net loss margin, as supplemental measures to review and assess our operating performance. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with U.S. GAAP. We define Non-GAAP gross profit as gross profit excluding share-based compensation allocated in the cost of revenues, and we define Non-GAAP gross margin as Non-GAAP gross profit as a percentage of revenues. We define Non-GAAP operating loss as operating loss excluding share-based compensation, impairment of long-lived assets and amortization of intangible assets and we define Non-GAAP operating loss margin as Non-GAAP operating loss as a percentage of revenues. We define Non-GAAP net loss as net loss excluding share-based compensation, foreign exchange (gain) loss and impairment of long-lived assets, and we define Non-GAAP net loss margin as Non-GAAP net loss as a percentage of revenues. We define Non-GAAP net loss as a percentage of revenues. We define Non-GAAP net loss as a percentage of revenues. We define Non-GAAP net loss as a percentage of revenues. We persent these non-GAAP financial measures because they are used by our management to evaluate our operating performance and formulate business plans. We also believe that the use of these non-GAAP measures facilitates investors' assessment of our operating performance.

These non-GAAP financial measures are not defined under U.S. GAAP and are not presented in accordance with U.S. GAAP. These non-GAAP financial measures have limitations as analytical tools. One of the key limitations of using these non-GAAP financial measures is that they do not reflect all items of income and expense that affect our operations. Further, these non-GAAP measures may differ from the non-GAAP information used by other companies, including peer companies, and therefore their comparability may be limited.

We compensate for these limitations by reconciling these non-GAAP financial measures to the nearest U.S. GAAP performance measure, all of which should be considered when evaluating our performance. We encourage you to review our financial information in its entirety and not rely on a single financial measure.

Exchange Rate Information

This press release contains translations of certain RMB amounts into U.S. dollars at specified rates solely for the convenience of readers. Unless otherwise noted, all translations from RMB to U.S. dollars, in this press release, were made at a rate of RMB7.0176 to US\$1.00, the noon buying rate in effect on September 30, 2024 as certified for customs purposes by the Federal Reserve Bank of New York.

Safe Harbor Statement

This announcement contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar statements. Among other things, the Business Outlook, and quotations from management in this announcement, as well as Kingsoft Cloud's strategic and operational plans, contain forward-looking statements. Kingsoft Cloud may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission ("SEC"), in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including but not limited to statements about Kingsoft Cloud's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: Kingsoft Cloud's goals and strategies; Kingsoft Cloud's future business development, results of operations and financial condition; relevant government policies and regulations relating to Kingsoft Cloud's business and industry; the expected growth of the cloud service market in China; the expectation regarding the rate at which to gain customers, especially Premium Customers; Kingsoft Cloud's ability to monetize the customer base; fluctuations in general economic and business conditions in China; and the economy in China and elsewhere generally; China's political or social conditions and assumptions underlying or related to any of the foregoing. Further information regarding these and other risks is included in Kingsoft Cloud's filings with the SEC. All information provided in this press release and in the attachments is as of the date of this press release, and Kingsoft Cloud does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

About Kingsoft Cloud Holdings Limited

Kingsoft Cloud Holdings Limited (NASDAQ: KC and HKEX:3896) is a leading cloud service provider in China. With extensive cloud infrastructure, cutting-edge cloud-native products based on vigorous cloud technology research and development capabilities, well-architected industry-specific solutions and end-to-end fulfillment and deployment, Kingsoft Cloud offers comprehensive, reliable and trusted cloud service to customers in strategically selected verticals.

For more information, please visit: http://ir.ksyun.com.

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KINGSOFT CLOUD HOLDINGS LIMITED UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS (All amounts in thousands)

Name		Dec 31, 2023	Sep 30, 2024	Sep 30, 2024
Current asserts: Cash and cash equivalents 2,255,287 1,617,935 2,34,54 1,31,75 Accounts receivable, net 1,29,115 1,731,862 246,789 246		RMB	RMB	US\$
Cash and cash equivalents 2.255,287 1.617,335 230,544 Restricted cash 234,141 92,45 13,175 Prepayments and other assets 1.812,692 2.314,827 329,860 Arounts due from related parties 266,036 29,1385 41,522 Tota current assets 6,089,124 6,048,464 861,900 Mon-current assets 834,478 706,344 100,653 Coodwill 4,605,724 460,5724 666,310 Coodwill 4,605,724 460,5724 666,310 Coodwill 4,605,724 450,6724 666,310 Coodwill 4,605,724 44,666,324 62,367 Prepayments and other assets 870,781 43,766 62,379 Coult from related parties 56,824 4,486 63,93 Operating lease right-of-use assets 8,972,184 1,681,222 1,517,44 Total non-current assets 8,972,184 1,681,222 2,538,36 3,681,222 Total converties properties and other current liabilities 8,972,184 1,686,36				
Restricted cash 234,149 92,454 13,176 Accounts receivable, net 15,29,915 1,78,863 246,769 Prepayments and other assets 1,812,602 2,91,867 329,860 Cotal current assets 6,98,124 6,948,644 88,109 Property and equipment, net 2,186,145 4,496,438 60,737 Inangible assets, net 834,47 70,644 100,653 Equipments and other assets 870,781 4,496,724 466,737 Equipments and other assets 670,781 4,605,724 4,605,724 666,316 Equipments and other assets 68,000 5,000 6,000 5,000 6,000 7,000 7,000 7,000 7,000 7,000 7,000 7,000 7,000 7,000 7,000 7,000				
Accounts receivable, net 1,52,915 1,731,863 246,788 Prepayments and other assets 2,800,801 2,91,864 8,182,602 Total current assets 5,998,124 6,048,648 881,902 Property and equipment, net 2,186,145 4,496,438 640,737 Intengible assets, net 834,478 700,44 100,653 Goodwill 4,805,724 4,696,724 466,863 Prepayments and other assets 870,781 437,664 62,377 Goodwill 4,805,724 4,605,724 466,853 Amounts due from related parties 259,930 252,583 839,393 Amounts due from related parties 5,6264 4,486 63,93 Chall Assets 1,507,0278 1,488 2,09 Total non-current assets 8,972,134 1,488 2,09 Total current assets 8,972,134 1,488 2,09 Total current assets 8,972,134 1,488 2,09 Total current assets 8,972,134 1,488 2,09 Chall Assets <td>Cash and cash equivalents</td> <td></td> <td></td> <td>•</td>	Cash and cash equivalents			•
Property ments and other assets 8,18,60,00 2,314,827 3,39,860 Chord curron lassets 2,086,81 6,084,84 8,080,00 Property and equipment, net 8,18,47 4,486,43 6,073,72 Property and equipment, net 83,478 706,374 100,583 Goodwill 4,605,724 6,055,724 60,583 Prepayments and other assets 870,781 437,684 62,037 Equity investments 255,930 252,583 35,933 Amounts due from related parties 8,721,51 14,481 20,481 Operating lease right-of-use assets 15,832 144,881 20,485 Total non-current assets 8,721,51 16,481,20 15,745 Total properties and other current liabilities 8,721,51 16,481,20 15,745 Accurace expension of other current liabilities 1,805,603 2,121,379 30,222 Accurace expension and other current liabilities 2,838,055 3,861,720 50,232 Accurace expension and other current liabilities 2,838,055 3,861,732 7,121,739 2,222,222 </td <td>Restricted cash</td> <td>234,194</td> <td>•</td> <td>•</td>	Restricted cash	234,194	•	•
Amounts due from related parties 266,038,124 6,08,124 6,08,124 86	Accounts receivable, net	1,529,915	1,731,863	246,789
Total current assets 6,088,124 6,084,644 861,000 Non-current assets: 2,186,145 4,496,438 640,737 Property and equipment, net 334,478 706,344 100,633 Goodwill 4,605,724 4,605,724 656,310 Frepayments and other assets 370,781 437,664 62,367 Equity investments 56,264 4,486 639 Amounts due from related parties 56,264 4,486 639 Operating lease right-of-use assets 158,832 144,881 20,655 Total anon-current assets 15,070,278 16,696,584 2,379,244 Total assets 15,070,278 16,696,584 2,379,244 Corolla spayable 1,100,000 3,381,725 30,224 Accrued expenses and other current liabilities 2,830,885 3,881,725 550,291 Income tax payable 6,825,900 3,073,244 1,95,63 Accrued expenses and other current liabilities 78,659 51,338 7,316 Total con-current liabilities 78,659 3,51,338	Prepayments and other assets	1,812,692	2,314,827	329,860
Non-current assets. Property and equipment, net Indiagable assets, net and equipment, net Indiagable assets, net assets. net assets and experiment and other assets. 4,496,437 (4,007,74)	Amounts due from related parties	266,036	291,385	41,522
Property and equipment, net 2,186,145 4,96,338 640,737 Intangible assets, net 834,478 706,344 100,653 Goodwill 4,605,724 4,605,724 656,310 Prepayments and other assets 870,781 437,664 62,367 Equity investments 259,930 437,664 62,367 Amounts due from related parties 158,832 144,881 20,683 Operating lease right-of-use assets 1,570,278 144,881 20,684 Total non-current assets 8,972,154 10,684,120 1,573,444 Total assets 1,500,027 10,684,120 1,573,444 Total assets 1,500,027 10,684,120 1,574,444 Accurrent assets 1,500,002 2,21,379 302,294 Accurrent assets 1,500,002 3,861,720 502,294 Accurrent ilábilities 2,838,085 3,861,720 502,294 Accurred expenses and other current liabilities 81,90 1,805,814 2,576,589 Accurred expenses and other current liabilities 82,836 93,00 <td>Total current assets</td> <td>6,098,124</td> <td>6,048,464</td> <td>861,900</td>	Total current assets	6,098,124	6,048,464	861,900
Intangible assets, net	Non-current assets:			
Goodwill 4,605,724 4,605,724 6,605,101 Prepayments and other assets 870,781 437,664 62,367 Equity investments 259,930 252,683 3,5993 Amounts due from related parties 56,264 4,486 63.93 Operating lease right-of-use assets 1,507,278 10,648,120 1,517,344 Total non-current assets 1,507,0278 16,696,584 2,379,244 CILABILITIES, NON-CONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY Current liabilities 2,838,085 3,861,729 302,294 Accrued expenses and other current liabilities 2,838,085 3,861,729 550,291 Short-term borrowings 1,110,896 1,808,146 257,689 Income tax payable 63,961 1,611,14 9,683 Amounts due to related parties 931,906 1,108,600 165,812 Current operating lease liabilities 6,882,909 9,073,244 1,29,355 Non-current liabilities 100,000 541,347 77,141 Long-term borrowings 100,000 541,347	Property and equipment, net	2,186,145	4,496,438	640,737
Prepayments and other assets 870,781 437,664 62,367 Equity investments 259,930 252,583 35,993 Amounts due from related parties 56,626 4,486 633 Operating lease right-of-use assets 15,832 144,881 20,645 Total non-current assets 15,070,278 16,696,584 2,379,244 LIABILITIES, NON-CONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable 1,805,083 3,817,200 550,291 Accounts payable 1,805,083 3,861,720 550,291 Income tax payable 63,961 67,111 9,663 Amounts due to related parties 78,965 1,163,600 165,812 Current operating lease liabilities 78,659 53,38 7,316 Total current liabilities 78,059 3,539 1,292,395 Non-current liabilities 78,059 3,539 1,292,395 Non-current liabilities 78,059 3,539 1,292,395 Non-current liabilities 78,059 3,538	Intangible assets, net	834,478	706,344	100,653
Equity investments 269,930 252,583 36,983 Amounts due from related parties 56,264 4,486 639 Operating lease right-of-use assets 158,832 144,881 20,645 Total non-current assets 8,972,154 10,648,120 1,517,344 Total assets 15,070,278 16,695,884 2,379,244 LABILITIES, NON-CONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY Current liabilities 8,972,154 8,965,884 2,379,244 Accrued expenses and other current liabilities 2,838,085 3,861,720 550,291 Short-term borrowings 1,110,886 1,801,416 257,659 Income tax payable 63,961 67,111 9,652 Amounts due to related parties 931,966 163,301 165,812 Current operating lease liabilities 78,659 1,338 7,311 Mon-current liabilities 40,069 300,000 42,750 Deferred tax liabilities 412,565 105,912 15,092 Other liabilities 78,247 75,688 10,8	Goodwill	4,605,724	4,605,724	656,310
Amounts due from related parties 56,264 4,486 208 Operating lease right-of-use assets 158,832 144,881 20,485 Total non-current assets 8,972,154 10,648,120 1,517,344 Total assets 15,070,278 16,696,584 2,379,244 LIABILITIES, NON-CONTROLLING INTERESTS AND SHAREHOLDER'S EQUITY V V 4,285 3,861,720 302,294 Accrued expenses and other current liabilities 2,838,085 3,861,720 550,295 Non-term borrowings 1,110,896 16,360,00 550,295 Non-term borrowings 63,961 67,111 9,633 Non-term borrowings 1,10,896 16,36,00 165,812 Current operating lease liabilities 78,659 91,338 7,318 Total current liabilities 6,828,590 90,73,294 1,292,935 Non-current pobrrowings 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 634,803 1,05,912 16,662 <td< td=""><td>Prepayments and other assets</td><td>870,781</td><td>437,664</td><td>62,367</td></td<>	Prepayments and other assets	870,781	437,664	62,367
Poperating lease right-of-use assets 15,8,32 144,81 10,645,12 15,774,44 10,645,12 15,774,44 10,645,12 15,774,44 10,645,12 15,774,44 10,645,12 15,774,44 10,645,12 15,774,44 15,774,54 15,777,74 15,774,54 15,774	Equity investments	259,930	252,583	35,993
Poperating lease right-of-use assets 15,8,32 144,81 10,645,12 15,774,44 10,645,12 15,774,44 10,645,12 15,774,44 10,645,12 15,774,44 10,645,12 15,774,44 10,645,12 15,774,44 15,774,54 15,777,74 15,774,54 15,774	Amounts due from related parties	56,264	4,486	639
Total non-current assets 8,972,154 10,648,120 1,517,344 Total assets 15,070,278 16,696,584 2,379,244 LIABILITIES, NON-CONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY Current liabilities Accounts payable 1,805,083 2,121,379 302,294 Account porowings 1,110,896 1,806,162 257,659 Income tax payable 63,961 67,111 9,653 Amounts due to related parties 63,961 67,111 9,563 Amounts due to related parties 78,659 51,338 7,316 Current operating lease liabilities 8,828,590 9,073,294 1,292,935 Non-current liabilities 90,073,294 1,292,935 Long-term borrowings 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 142,565 105,912 15,092 Other liabilities 78,347 75,688 10,785 Non-current operating lease liabilities 995,784 2,052,142	·	158,832	144,881	20,645
Total assets 15,070,278 16,896,584 2,379,248 LIABILITIES, NON-CONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable 1,805,083 2,121,379 302,294 Accounted expenses and other current liabilities 2,838,085 3,861,720 550,291 Short-term borrowings 1,110,896 1,808,146 257,659 Income tax payable 33,961 67,111 9,663 Amounts due to related parties 931,906 1,163,600 165,812 Current operating lease liabilities 6,828,599 9,073,294 1,229,935 Non-current liabilities 6,828,599 9,073,294 1,229,935 Non-current porrowings 100,000 541,347 7,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 40,069 300,000 42,750 Deferred tax liabilities 142,565 105,912 15,092 Other liabilities 78,347 75,688 10,295 Total non-current liabilities		8.972.154	10.648.120	1.517.344
LIABILITIES, NON-CONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY Current liabilities: Accounts payable 1,805,083 2,121,379 302,294 Accrued expenses and other current liabilities 2,838,085 3,861,720 550,291 Short-term borrowings 1,110,896 1,808,146 257,659 Income tax payable 63,961 67,111 9,563 Amounts due to related parties 931,996 1,163,600 165,812 Current operating lease liabilities 78,659 51,338 7,316 Total current liabilities 6,828,590 9,073,294 1,292,935 Non-current borrowings 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 634,803 1,029,195 15,092 Other liabilities 78,347 75,688 10,785 Non-current operating lease liabilities 78,347 75,688 10,785 Total liabilities 25,443 25,845 1,865 Total liabilities 25,443				
Current liabilities: Current liabilities 1,805,083 2,121,379 302,294 Accrued expenses and other current liabilities 2,838,085 3,861,720 550,291 Short-term borrowings 1,110,896 1,808,146 257,659 Income tax payable 63,961 67,111 9,563 Amounts due to related parties 931,906 1,163,600 165,812 Current operating lease liabilities 6,825,90 9,73,294 1,292,935 Non-current liabilities 6,825,90 9,073,294 1,292,935 Non-current liabilities 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 142,565 105,912 15,092 Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 2,843,374 1,125,436 12,865 Total liabilities 2,843,374 2,5864 3,886 Total liabilities				
Accounts payable 1,805,083 2,121,379 302,294 Accrued expenses and other current liabilities 2,838,085 3,861,720 550,291 Short-term borrowings 1,110,896 1,808,146 257,659 Income tax payable 63,961 67,111 9,563 Amounts due to related parties 931,906 1,163,600 165,812 Current operating lease liabilities 78,659 51,338 7,316 Total current liabilities 6,828,590 9,073,294 1,292,935 Non-current liabilities 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 142,565 105,912 15,092 Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current perating lease liabilities 2995,784 2,052,142 292,427 Total liabilities 2995,784 2,052,142 292,427 Total liabilities 25,443 <t< td=""><td>LIABILITIES, NON-CONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY</td><td></td><td></td><td></td></t<>	LIABILITIES, NON-CONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY			
Accrued expenses and other current liabilities 2,838,085 3,861,720 550,291 Short-term borrowings 1,110,896 1,808,146 257,659 Income tax payable 63,961 67,111 9,563 Amounts due to related parties 931,906 1,163,600 166,812 Current operating lease liabilities 78,659 51,338 7,316 Total current liabilities 6,828,590 9,073,294 1,292,935 Non-current liabilities 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 142,565 105,912 15,092 Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 25,443 25,644 3,686 Shareholders' equity 25,443 25,864 3,686 Treasury stock (20,835) (20,835)	Current liabilities:			
Short-term borrowings 1,110,896 1,808,146 257,659 Income tax payable 63,961 67,111 9,563 Amounts due to related parties 931,906 1,163,600 165,812 Current operating lease liabilities 78,659 51,338 7,316 Total current liabilities 6,828,590 9,073,294 1,292,935 Non-current liabilities 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 142,565 105,912 15,992 Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 995,784 2,052,142 292,427 Total non-current liabilities 95,843 2,052,142 292,427 Total liabilities 95,784 2,052,142 292,427 Total signal	Accounts payable	1,805,083	2,121,379	302,294
Income tax payable 63,961 67,111 9,563 Amounts due to related parties 931,906 1,163,600 165,812 Current operating lease liabilities 78,659 51,338 7,316 Total current liabilities 6,828,590 9,073,294 1,292,935 Non-current liabilities 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 142,565 105,912 15,092 Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 7,824,374 11,125,436 1,585,362 Shareholders' equity: 25,443 25,644 3,686 Treasury stock (208,385) (208,385) (29,695) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,10	Accrued expenses and other current liabilities	2,838,085	3,861,720	550,291
Amounts due to related parties 931,906 1,163,600 165,812 Current operating lease liabilities 78,659 51,338 7,316 Total current liabilities 6,828,590 9,073,294 1,292,935 Non-current liabilities 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 142,565 105,912 15,092 Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 7,824,374 11,125,436 1,585,362 Shareholders' equity: 2 25,443 25,864 3,686 Treasury stock 25,433 25,864 3,686 Treasury stock 208,385 (208,385) (29,955) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765	Short-term borrowings	1,110,896	1,808,146	257,659
Current operating lease liabilities 78,659 51,338 7,316 Total current liabilities 6,828,590 9,073,294 1,292,935 Non-current liabilities: Use of the protein porrowings 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 634,803 1,029,195 146,659 Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 7,824,374 11,125,436 1,585,362 Shareholders' equity: 25,443 25,864 3,686 Treasury stock 25,443 25,864 3,686 Treasury stock 25,443 19,012,461 2,709,254 Additional paid-in capital 8,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 21,765 3,101 Accumulated other compreh	Income tax payable	63,961	67,111	9,563
Total current liabilities 6,828,590 9,073,294 1,292,935 Non-current liabilities: Long-term borrowings 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 142,565 105,912 15,092 Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 7,824,374 11,125,436 1,585,362 Shareholders' equity: 25,443 25,864 3,686 Treasury stock (208,385) (208,385) (29,695) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,104 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings	Amounts due to related parties	931,906	1,163,600	165,812
Total current liabilities 6,828,590 9,073,294 1,292,935 Non-current liabilities: 2 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 142,565 105,912 15,092 Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 7,824,374 11,125,436 1,585,362 Shareholders' equity: 25,443 25,864 3,686 Treasury stock (208,385) (208,385) (29,695) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,104 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity <td>Current operating lease liabilities</td> <td>78,659</td> <td>51,338</td> <td>7,316</td>	Current operating lease liabilities	78,659	51,338	7,316
Non-current liabilities: Incomposition of the provising of the provision of the provi		6.828.590	9.073.294	1.292.935
Long-term borrowings 100,000 541,347 77,141 Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 142,565 105,912 15,092 Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 7,824,374 11,125,436 1,585,362 Shareholders' equity: 25,443 25,864 3,686 Treasury stock (208,385) (208,385) (29,695) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,101 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 7,245,904<				, ,
Amounts due to related parties 40,069 300,000 42,750 Deferred tax liabilities 142,565 105,912 15,092 Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 7,824,374 11,125,436 1,585,362 Shareholders' equity: 25,443 25,864 3,686 Treasury stock (208,385) (208,385) (29,695) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,101 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 355,752 340,947 48,585		100.000	541.347	77.141
Deferred tax liabilities 142,565 105,912 15,092 Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 7,824,374 11,125,436 1,585,362 Shareholders' equity: 25,443 25,864 3,686 Treasury stock (208,385) (208,385) (29,695) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,101 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 355,752 340,947 48,585 Total equity 7,245,904 5,571,148 793,882			•	•
Other liabilities 634,803 1,029,195 146,659 Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 7,824,374 11,125,436 1,585,362 Shareholders' equity: 0 25,443 25,864 3,686 Ordinary shares 25,443 25,864 3,686 Treasury stock (208,385) (208,385) (29,695) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,101 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 7,245,904 5,571,48 793,882	•	•	•	•
Non-current operating lease liabilities 78,347 75,688 10,785 Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 7,824,374 11,125,436 1,585,362 Shareholders' equity: 25,443 25,864 3,686 Treasury stock (208,385) (208,385) (29,695) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,101 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 355,752 340,947 48,585 Total equity 7,245,904 5,571,148 793,882		•		
Total non-current liabilities 995,784 2,052,142 292,427 Total liabilities 7,824,374 11,125,436 1,585,362 Shareholders' equity: Ordinary shares 25,443 25,864 3,686 Treasury stock (208,385) (208,385) (29,695) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,101 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 355,752 340,947 48,585 Total equity 5,571,148 793,882		•		
Total liabilities 7,824,374 11,125,436 1,585,362 Shareholders' equity: University of the control of the con				·
Shareholders' equity: Ordinary shares 25,443 25,864 3,686 Treasury stock (208,385) (208,385) (29,695) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,101 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 355,752 340,947 48,585 Total equity 7,245,904 5,571,148 793,882			· · · · · · · · · · · · · · · · · · ·	*
Ordinary shares 25,443 25,864 3,686 Treasury stock (208,385) (208,385) (29,695) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,101 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 355,752 340,947 48,585 Total equity 7,245,904 5,571,148 793,882		1,024,314	11,125,436	1,365,362
Treasury stock (208,385) (208,385) (29,695) Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,101 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 355,752 340,947 48,585 Total equity 7,245,904 5,571,148 793,882	• •	05.440	05.004	0.000
Additional paid-in capital 18,811,028 19,012,461 2,709,254 Statutory reserves funds 21,765 21,765 3,101 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 355,752 340,947 48,585 Total equity 7,245,904 5,571,148 793,882	•	•		•
Statutory reserves funds 21,765 21,765 3,101 Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 355,752 340,947 48,585 Total equity 7,245,904 5,571,148 793,882	•	, ,	, ,	, , ,
Accumulated deficit (12,315,041) (14,084,762) (2,007,063) Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 355,752 340,947 48,585 Total equity 7,245,904 5,571,148 793,882				
Accumulated other comprehensive income 555,342 463,258 66,014 Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 355,752 340,947 48,585 Total equity 7,245,904 5,571,148 793,882	•			
Total Kingsoft Cloud Holdings Limited shareholders' equity 6,890,152 5,230,201 745,297 Non-controlling interests 355,752 340,947 48,585 Total equity 7,245,904 5,571,148 793,882		,	,	, , ,
Non-controlling interests 355,752 340,947 48,585 Total equity 7,245,904 5,571,148 793,882	•	-	·	
Total equity 7,245,904 5,571,148 793,882	Total Kingsoft Cloud Holdings Limited shareholders' equity		5,230,201	745,297
	Non-controlling interests	355,752	340,947	48,585
Total liabilities, non-controlling interests and shareholders' equity 15,070,278 16,696,584 2,379,244	Total equity	7,245,904	5,571,148	793,882
	Total liabilities, non-controlling interests and shareholders' equity	15,070,278	16,696,584	2,379,244

KINGSOFT CLOUD HOLDINGS LIMITED

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(All amounts in thousands, except for share and per share data)

(All amounts in thousands, except for share and per share data) Three Months Ended Nine Months Ended								d
	Sep 30, 2023	Mar 31, 2024	Jun 30, 2024	Sep 30, 2024	Sep 30, 2024		Sep 30, 2024	Sep 30, 2024
	RMB	RMB	RMB	RMB	US\$	RMB	RMB	US\$
Revenues:								
Public cloud services Enterprise cloud	1,016,592	1,187,370	1,234,542	1,175,535	167,512	3,329,775	3,597,447	512,632
services	608,510	588,162	657,238	710,039	101,180	1,993,662	1,955,439	278,648
Others	106	152	-	-	-	1,574	152	22
Total revenues	1,625,208	1,775,684	1,891,780	1,885,574	268,692	5,325,011	5,553,038	791,302
Cost of revenues	(1,428,968)	(1,482,431)	(1,573,433)	(1,582,220)	(225,465)	(4,727,980)	(4,638,084)	(660,922)
Gross profit	196,240	293,253	318,347	303,354	43,227	597,031	914,954	130,380
Operating expenses:								
Selling and marketing								
expenses	(116,438)	(116,752)	(125,708)	(121,117)	(17,259)	(333,744)	(363,577)	(51,809)
General and								
administrative								
expenses	(215,740)	(218,695)	(266,249)	(170,374)	(24,278)	(765,782)	(655,318)	(93,382)
Research and								
development	,							
expenses	(200,362)	(231,963)	(203,959)	(235,912)	(33,617)	(609,652)	(671,834)	(95,736)
Impairment of	(460 F2F)			(010.704)	(424.060)	(652.670)	(040.704)	(424.060)
long-lived assets	(468,535)	-	<u>-</u>	(919,724)	(131,060)	(653,670)	(919,724)	(131,060)
Total operating	(1,001,075)	(567,410)	(595,916)	(1,447,127)	(206,214)	(2,362,848)	(2,610,453)	(371,987)
expenses						· · · · ·		
Operating loss	(804,835)			-	(162,987)	(1,765,817)	(1,695,499)	(241,607)
Interest income	26,332	8,370	9,945	4,517	644	65,968	22,832	3,254
Interest expense	(40,800)	(51,066)	(59,414)	(57,404)	(8,180)	(99,034)	(167,884)	(23,923)
Foreign exchange	20.200	(42,737)	(6,999)	135,777	19,348	(131,222)	86,041	12,261
gain (loss)	20,200 3,855	, ,	, ,	-	19,346 862	, ,	•	
Other gain (loss), net Other income	3,000	(8,207)	(7,829)	0,040	002	(15,932)	(9,990)	(1,424)
(expense), net	16,520	(11,190)	(4,961)	4,433	632	66,587	(11,718)	(1,670)
Loss before income	10,020	(11,100)	(1,001)	1, 100		00,007	(11,710)	(1,070)
taxes	(778,728)	(378,987)	(346,827)	(1,050,404)	(149,681)	(1,879,450)	(1,776,218)	(253,109)
Income tax (expense)								
benefit	(10,990)	15,371	(6,891)	(10,662)	(1,519)	(17,361)	(2,182)	(311)
Net loss	(789,718)	(363,616)	(353,718)	(1,061,066)	(151,200)	(1,896,811)	(1,778,400)	(253,420)
Less: net loss attributable to								
non-controlling	(3,859)	(4,206)	(542)	(3,931)	(560)	(4,619)	(8,679)	(1,237)
interests Net loss attributable	(3,039)	(4,200)	(342)	(3,931)	(300)	(4,019)	(0,079)	(1,237)
to Kingsoft Cloud								
Holdings Limited	(785,859)	(359,410)	(353,176)	(1,057,135)	(150,640)	(1,892,192)	(1,769,721)	(252,183)
Net less was also								
Net loss per share:	/a a=:	(6.15)	(0.4=)	(2.25)	/a a ::	/a ==:	(5 (5)	/a a=:
Basic and diluted	(0.22)	(0.10)	(0.10)	(0.29)	(0.04)	(0.53)	(0.49)	(0.07)
Shares used in the								
net loss per share computation:								
Basic and diluted	2 564 625 579	2 614 662 946	2 640 207 221	2 655 992 006	2 655 992 006 3	0 551 616 921	3,640,406,551 3	640 406 551
Other	0,004,000,070	0,017,002,040	0,070,007,001	0,000,002,900	0,000,002,800	,,551,010,021	o,o -ro,400,00 1 3	,070,400,001
comprehensive (loss) income, net of tax of nil:								
Foreign currency translation								
adjustments	(38,904)	20,704	(530)	(112,296)	(16,002)	169,877	(92,122)	(13,127)
•			(354,248)				, , ,	(266,547)
Comprehensive loss	(828,622)	(342,912)	(334,248)	(1,173,362)	(167,202)	(1,726,934)	(1,870,522)	(200,347)

Less: Comprehensive loss attributable to non-controlling								
interests	(3,897)	(4,247)	(570)	(3,900)	(556)	(4,672)	(8,717)	(1,242)
Comprehensive loss attributable to Kingsoft Cloud Holdings Limited			(
shareholders	(824,725)	(338,665)	(353,678)	(1,169,462)	(166,646)	(1,722,262)	(1,861,805)	(265,305)

KINGSOFT CLOUD HOLDINGS LIMITED RECONCILIATION OF GAAP AND NON-GAAP RESULTS (All amounts in thousands, except for percentage)

		Three Months Ended					Nine Months Ended		
	Sep 30, 2023	Mar 31, 2024	Jun 30, 2024	Sep 30, 2024	Sep 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2024	
	RMB	RMB	RMB	RMB	US\$	RMB	RMB	US\$	
Gross profit	196,240	293,253	318,347	303,354	43,227	597,031	914,954	130,380	
Adjustments:									
 Share-based compensation expenses (allocated in cost of 									
revenues)	34	5,814	5,076	4,252	606	427	15,142	2,158	
Adjusted gross profit (Non-GAAP Financial Measure)	196,274	299,067	323,423	307,606	43,833	597,458	930,096	132,538	

KINGSOFT CLOUD HOLDINGS LIMITED RECONCILIATION OF GAAP AND NON-GAAP RESULTS

(All amounts in thousands, except for percentage)

		I hree Months Ended			Nine Monti	ns Ended
	Sep 30, 2023	Mar 31, 2024	Jun 30, 2024	Sep 30, 2024	Sep 30, 2023	Sep 30, 2024
Gross margin	12.1%	16.5%	16.8%	16.1%	11.2%	16.5%
Adjusted gross margin (Non-GAAP Financial Measure)	12.1%	16.8%	17.1%	16.3%	11.2%	16.7%

KINGSOFT CLOUD HOLDINGS LIMITED RECONCILIATION OF GAAP AND NON-GAAP RESULTS (All amounts in thousands, except for percentage)

	,	Three	e Months En	ded	3.,	Nine Months Ended			
	Sep 30, 2023	Mar 31, 2024	Jun 30, 2024	Sep 30, 2024	Sep 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2024	
	RMB	RMB	RMB	RMB	US\$	RMB	RMB	US\$	
Net Loss	(789,718)	(363,616)	(353,718)	(1,061,066)	(151,200)	(1,896,811)	(1,778,400)	(253,420)	
Adjustments:									
 Share-based compensation expenses 	28,102	103,595	45,649	40,423	5,760	71,208	189,667	27,027	
 Foreign exchange (gain) loss 	(20,200)	42,737	6,999	(135,777)	(19,348)	131,222	(86,041)	(12,261)	
 Impairment of long-lived assets 	468,535	-	-	919,724	131,060	653,670	919,724	131,060	
Adjusted net loss (Non-GAAP Financial									
Measure)	(313,281)	(217,284)	(301,070)	(236,696)	(33,728)	(1,040,711)	(755,050)	(107,594)	
Adjustments:									
 Interest income 	(26,332)	(8,370)	(9,945)	(4,517)	(644)	(65,968)	(22,832)	(3,254)	
 Interest expense 	40,800	51,066	59,414	57,404	8,180	99,034	167,884	23,923	
 Income tax expense (benefit) 	10,990	(15,371)	6,891	10,662	1,519	17,361	2,182	311	
 Depreciation and amortization 	242,421	223,146	305,304	358,540	51,092	752,940	886,990	126,395	
Adjusted EBITDA (Non-GAAP Financial Measure)	(45,402)	33,187	60,594	185,393	26,419	(237,344)	279,174	39,781	
 Loss (gain) on disposal of property and equipment 	1,324	(23,821)	-	(10,667)	(1,520)	22,996	(34,488)	(4,915)	

(44,078) 9,366 60,594 174,726 24,899 (214,348) 244,686 34,866

KINGSOFT CLOUD HOLDINGS LIMITED RECONCILIATION OF GAAP AND NON-GAAP RESULTS

(All amounts in thousands, except for percentage)

(All differentiation in thousands, except for percentage)								
_		Three	e Months Er	nded		Nine Months Ended		
	Sep 30, 2023	Mar 31, 2024	Jun 30, 2024	Sep 30, 2024	Sep 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2024
	RMB	RMB	RMB	RMB	US\$	RMB	RMB	US\$
Operating loss	(804,835)	(274,157)	(277,569)	(1,143,773)	(162,987)	(1,765,817)	(1,695,499)	(241,607)
Adjustments:								
 Share-based compensation expenses 	28,102	103,595	45,649	40,423	5,760	71,208	189,667	27,027
 Impairment of long-lived assets 	468,535	-	-	919,724	131,060	653,670	919,724	131,060
 Amortization of intangible assets 	45,326	43,517	43,415	43,460	6,193	135,803	130,392	18,581
Adjusted operating loss (Non-GAAP								
Financial Measure)	(262,872)	(127,045)	(188,505)	(140,166)	(19,974)	(905,136)	(455,716)	(64,939)
 Loss (gain) on disposal of property and 								
equipment	1,324	(23,821)	-	(10,667)	(1,520)	22,996	(34,488)	(4,915)
Excluding loss or gain on disposal of property and equipment, normalized Adjusted operating loss	(261,548)	(150,866)	(188,505)	(150,833)	(21,494)	(882,140)	(490,204)	(69,854)
Aujusteu operating 1055	(201,340)	(150,000)	(100,505)	(150,033)	(21,494)	(002,140)	(490,204)	(09,004)

KINGSOFT CLOUD HOLDINGS LIMITED RECONCILIATION OF GAAP AND NON-GAAP RESULTS

(All amounts in thousands, except for percentage)

_	Three Months Ended				Nine Mont	ns Ended
	Sep 30, 2023	Mar 31, 2024	Jun 30, 2024	Sep 30, 2024	Sep 30, 2023	Sep 30, 2024
Net loss margin	-48.6%	-20.5%	-18.7%	-56.3%	-35.6%	-32.0%
Adjusted net loss margin (Non-GAAP Financial Measure)	-19.3%	-12.2%	-15.9%	-12.6%	-19.5%	-13.6%
Adjusted EBITDA margin (Non-GAAP Financial Measure)	-2.8%	1.9%	3.2%	9.8%	-4.5%	5.0%
Normalized Adjusted EBITDA margin	-2.7%	0.5%	3.2%	9.3%	-4.0%	4.4%
Adjusted operating loss margin (Non-GAAP Financial Measure)	-16.2%	-7.2%	-10.0%	-7.4%	-17.0%	-8.2%
Normalized Adjusted operating loss margin	-16.1%	-8.5%	-10.0%	-8.0%	-16.6%	-8.8%

KINGSOFT CLOUD HOLDINGS LIMITED UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (All amounts in thousands)

(iii uiii ou iii ou ou iii ou	Three Months Ended				
	Sep 30, 2023	Sep 30, 2024	Sep 30, 2024		
	RMB	RMB	US\$		
Net cash generated from operating activities	20,372	228,364	32,542		
Net cash generated from (used in) investing activities	165,089	(458,621)	(65,353)		
Net cash used in financing activities	(1,263,894)	(183,390)	(26,133)		
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(13,026)	27,632	3,938		
Net decrease in cash, cash equivalents and restricted cash	(1,091,459)	(386,015)	(55,006)		
Cash, cash equivalents and restricted cash at beginning of period	3,823,087	2,096,404	298,735		
Cash, cash equivalents and restricted cash at end of period	2,731,628	1,710,389	243,729		