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Kingsoft Corporation Limited

金山軟件有限公司

(Continued into the Cayman Islands with limited liability)

(Stock Code: 03888)

**INSIDE INFORMATION:
PRELIMINARY RESULTS OF
BEIJING KINGSOFT OFFICE SOFTWARE, INC.
FOR THE YEAR ENDED 31 DECEMBER 2019**

This announcement is made by Kingsoft Corporation Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Beijing Kingsoft Office Software, Inc. (北京金山辦公軟件股份有限公司) (“**Beijing Office Software**”) is a subsidiary of the Company and its shares are listed on the SSE STAR Market (stock code: 688111). In compliance with the relevant requirements of Shanghai Stock Exchange, Beijing Office Software has published its preliminary results announcement for the year ended 31 December 2019 (the “**Preliminary Results Announcement**”) on the information disclosure webpage of Shanghai Stock Exchange’s website at <http://star.sse.com.cn/disclosure/announcement/>.

The board of directors of the Company would like to draw the attention of its shareholders and public investors to the appendix of this announcement (the “**Appendix**”), which sets out the Preliminary Results Announcement prepared by Beijing Office Software in accordance with the PRC Accounting Standards for Business Enterprises.

Please note that the Preliminary Results Announcement in the Appendix was originally prepared by Beijing Office Software in Chinese. If there is any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

By Order of the Board
Kingsoft Corporation Limited
Jun LEI
Chairman

Hong Kong, 27 February 2020

As at the date of this announcement, the Executive Directors are Messrs. Tao ZOU and Yuk Keung NG; the Non-executive Directors are Messrs. Jun LEI, Pak Kwan KAU and Chi Ping LAU; the Independent Non-executive Directors are Messrs. Shun Tak WONG, David Yuen Kwan TANG, and Ms. Wenjie WU.

APPENDIX

Stock Code: 688111

Stock Short Name: Kingsoft Office

Announcement No.: 2020-002

BEIJING KINGSOFT OFFICE SOFTWARE, INC. PRELIMINARY RESULTS ANNOUNCEMENT FOR THE YEAR OF 2019

The Company's board of directors and all of the directors warrant that this announcement does not contain any false statements, misleading representations or material omissions, and shall be jointly and severally liable for the truthfulness, accuracy and completeness hereof.

The major financial data for the year of 2019 set forth in this announcement is only preliminary accounting data and has not been audited by an accounting firm. The specific data shall be based on those data to be disclosed in the 2019 annual report of Beijing Kingsoft Office Software, Inc. (the "Company"). Investors are advised to pay attention to the investment risks involved.

I. MAJOR FINANCIAL DATA AND INDICATORS FOR 2019

Unit: RMB

Item	Current reporting period	Corresponding period last year	Rate of increase/decrease (%)
Total operating revenue	1,579,244,200	1,129,681,138	39.80%
Operating profit	404,436,744	338,021,888	19.65%
Total profit	409,161,639	321,518,327	27.26%
Net profit attributable to owners of the parent company	403,031,646	310,666,603	29.73%
Net profit attributable to owners of the parent company after deducting non-recurring gains and losses	317,407,842	269,751,932	17.67%
Basic earnings per share (RMB)	1.09	0.86	26.74%
Weighted average return on net assets	22.72%	26.84%	a decrease of 4.12 percentage points

	End of the current reporting period	Beginning of the current reporting period	Rate of increase/ decrease (%)
Total assets	6,832,687,905	1,627,379,749	319.86%
Owner's equity attributable to the parent company	6,071,028,075	1,186,932,797	411.49%
Share capital	461,000,000	360,000,000	28.06%
Net assets per share attributable to owners of the parent company (RMB)	13.17	3.30	299.43%

Notes: 1. The data for the beginning of the current reporting period is the same as the data for the end of last year as required to be disclosed by law.

2. The above financial data and indicators are set out based on those data in the consolidated statements, but they have not been audited. The final data shall be based on those data in the 2019 annual report of the Company.

II. DETAILS OF THE OPERATING RESULTS AND FINANCIAL POSITION

(I) Operating conditions, financial position and major factors affecting operating results during the reporting period

In 2019, the Company's operating revenue amounted to RMB1,579,240,000, representing a year-on-year increase of 39.80%; total profit was RMB409,160,000, representing a year-on-year increase of 27.26%; net profit attributable to owners of the parent company was RMB403,030,000, representing a year-on-year increase of 29.73%; and net profit attributable to owners of the parent company after deducting non-recurring gains and losses was RMB317,410,000, representing a year-on-year increase of 17.67%.

During the reporting period, the Company's overall operating results were good and its business was growing steadily and healthily, with products and services being upgraded and updated. Revenue from the office software product licensing business in the core business segment rose significantly, while revenue from the office service subscription business was growing strongly with the increasing number of paying customers.

(II) Analysis of reasons for changes in major indicators

1. During the reporting period, total operating revenue increased by 39.80% as compared with the corresponding period last year. The office software product licensing business and the office service subscription business grew significantly, of which the personal office service subscription business increased considerably.

2. At the end of the reporting period, total assets increased by 319.86% as compared with the beginning of the reporting period; owner's equity attributable to the parent company increased by 411.49% as compared with the beginning of the reporting period; and net assets per share attributable to the owners of the parent company increased by 299.43% as compared with the beginning of the reporting period, mainly due to the availability of proceeds raised from the Company's initial public offering of shares in 2019, which increased the Company's net assets and total assets substantially.

III. RISK WARNING

There are no significant uncertainties affecting the accuracy of the preliminary results. However, the major financial data for the year of 2019 set forth in this announcement is only preliminary accounting data and has not been audited by an accounting firm. There may be discrepancies between relevant data contained herein and those data to be disclosed in the 2019 annual report of the Company. The specific and accurate financial data shall be based on those data in the audited 2019 annual report to be formally disclosed by the Company. Investors are advised to pay attention to the investment risks involved.

Announcement is hereby made.

**The board of directors of
Beijing Kingsoft Office Software, Inc.
28 February 2020**