

BOSS  
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# KANZHUN LIMITED

## 3Q2023 Results Presentation



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# Company Overview

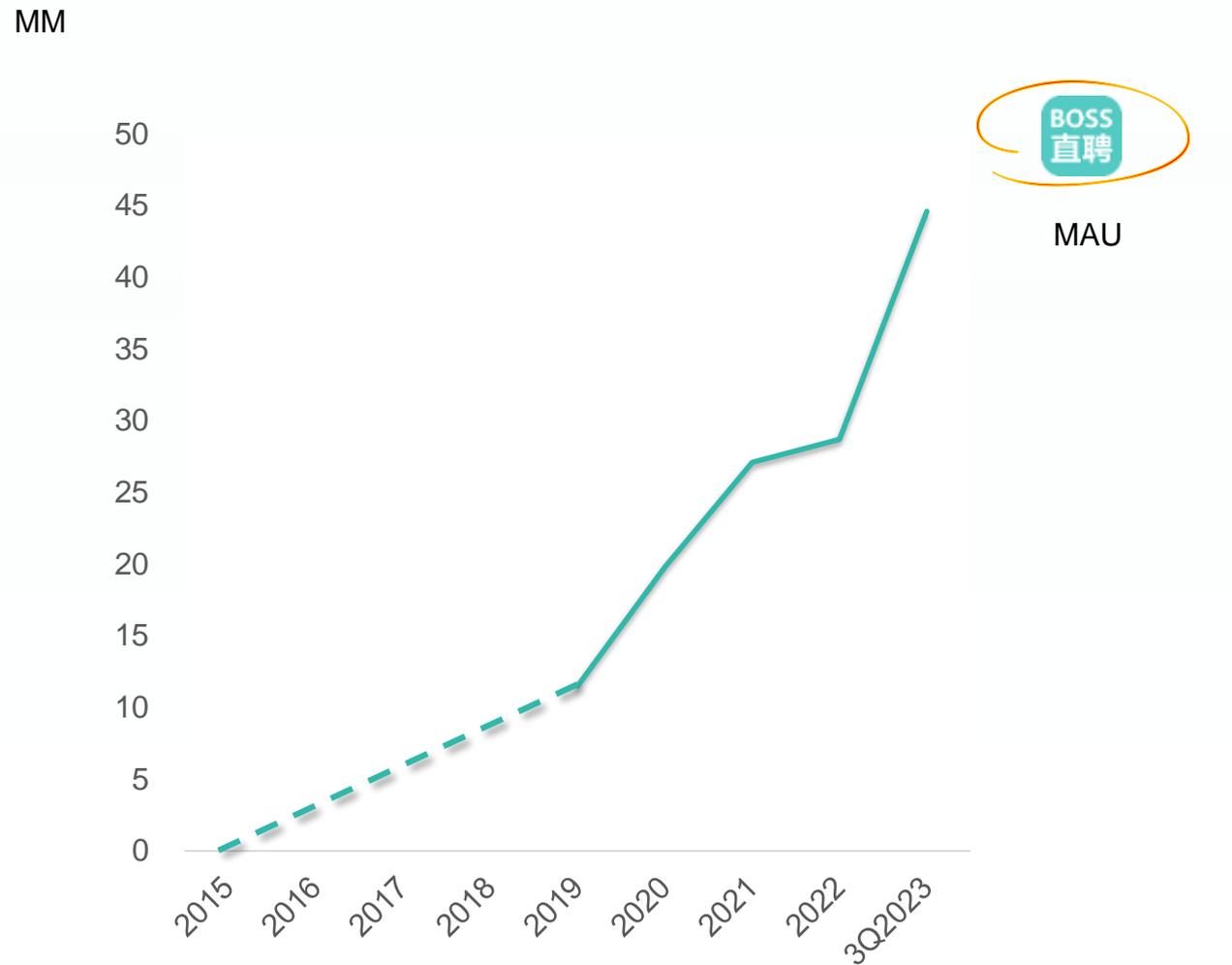
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# We are the Largest Online Recruitment Platform<sup>1</sup> in China

Strong growth momentum, far outpacing the industry

## Our Fast Growing MAU



**44.6MM**  
Avg MAU in 3Q2023

**37.7%**  
YoY Growth



**RMB1.6BN**  
Revenue in 3Q2023

**4.9MM**  
Paid Enterprise Customers<sup>3</sup> ended 3Q2023



**RMB 714MM**  
Adjusted Net Income<sup>4</sup> in 3Q2023

**89.6%** **44.4%**  
YoY Growth Adjusted Net Margin

**Notes:**

- 1. In terms of Average MAU and online recruitment revenue, CIC & QM data
- 2. Average MAU lines before 2019 are for illustrative purpose only and do not reflect actual performance

- 3. Enterprise users and company accounts from which we recognize revenue for our online recruitment services for the 12 months ended September 30, 2023
- 4. Adjusted net income is a non-GAAP financial measure. Excluding the impact of share-based compensation expenses, 3Q23 net income is RMB426MM

# A New Way of Hiring – the Next Gen Online Recruitment Platform...

We introduce a disruptive mobile-native direct recruitment model with better convenience, accuracy, efficiency and transparency

Mobile-native

**Recommendation Feeds** + **Direct Chat** = **BOSS Zhipin**

**Information**

Browse **feed-streams** of job opportunities and candidates, like using Facebook and Toutiao

**Communication**

**Chat** between job seekers and employers, like using WeChat and WhatsApp

**A disruptive model**

Combine instant messaging with recommendation feeds, powered by **big data** and **AI technologies**

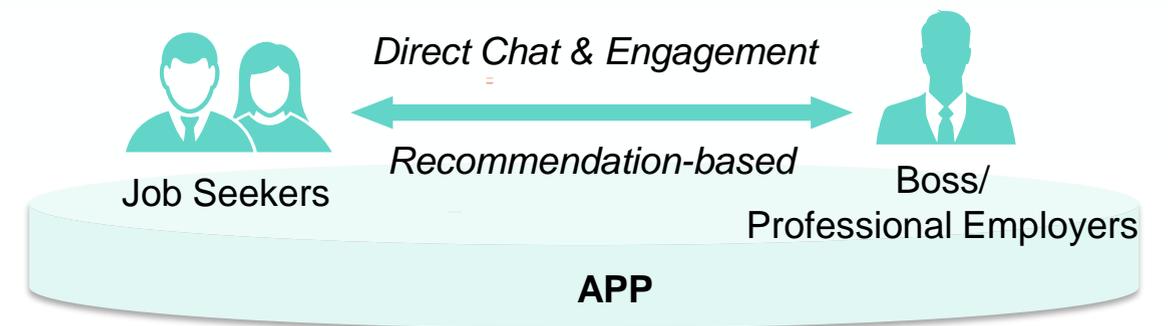
**Traditional Job Board Model**



**One-way Resume Upload & Download Service**

- Convenience
- Accuracy
- Efficiency
- Transparency

**Our Direct Recruitment Model**

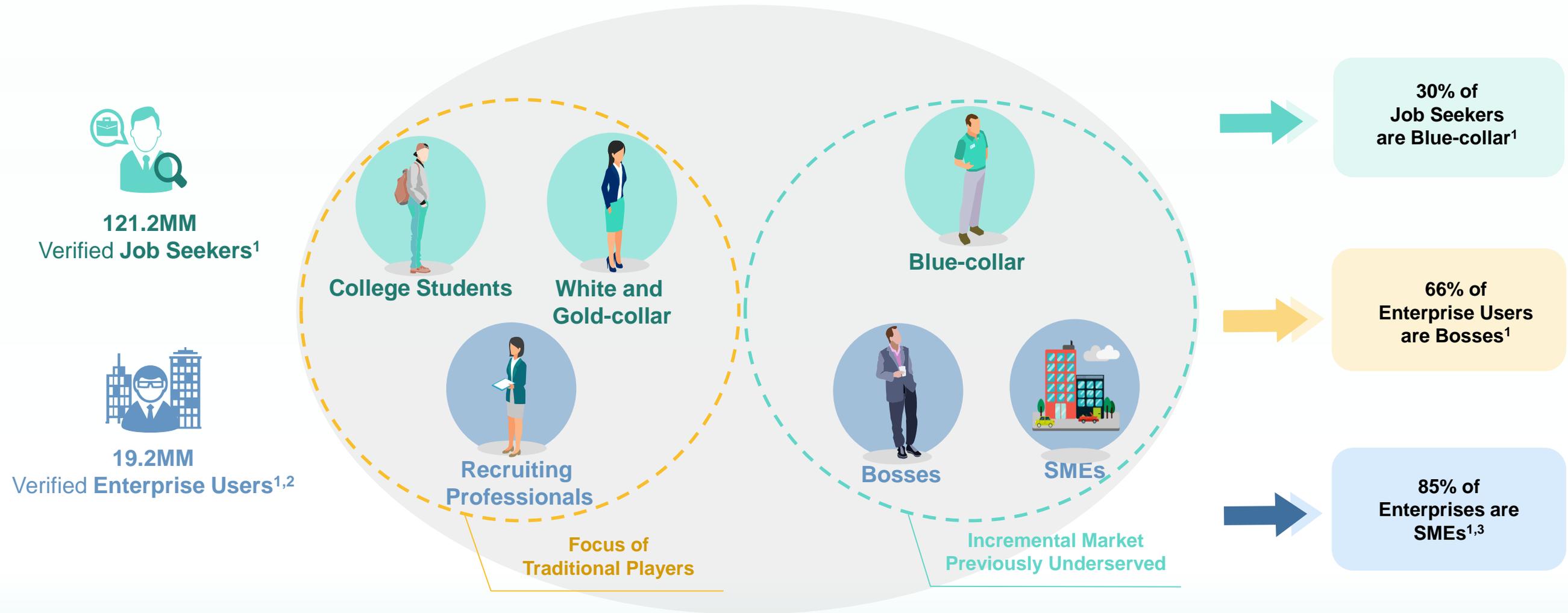


**Two-way Communication Platform**

# ... Result in Reaching Full-spectrum of Job-seekers and Employers

We capture incremental market opportunities and serve more users in the online recruitment industry

- ✓ Accurate job and candidate recommendation
- ✓ Massive scale
- ✓ Fairer traffic distribution
- ✓ Expanded user reach capturing underserved market

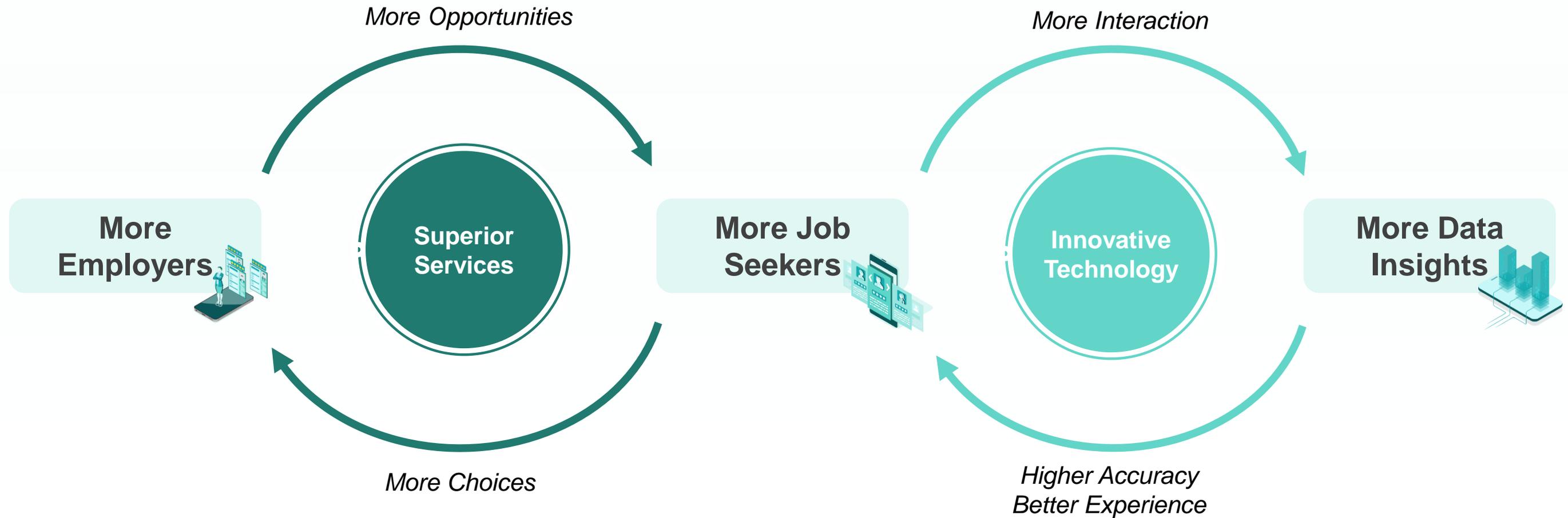


**Note:**

1. As of December 31, 2022
2. Enterprise users include professional recruiters and bosses in enterprises
3. SMEs are small and medium size enterprises with fewer than 100 employees

## Our Innovative Technology Reinforces Strong Network Effects

Double-sided user ecosystem, accumulated data and advanced technology enhance our competitive advantage





# Financial Highlights

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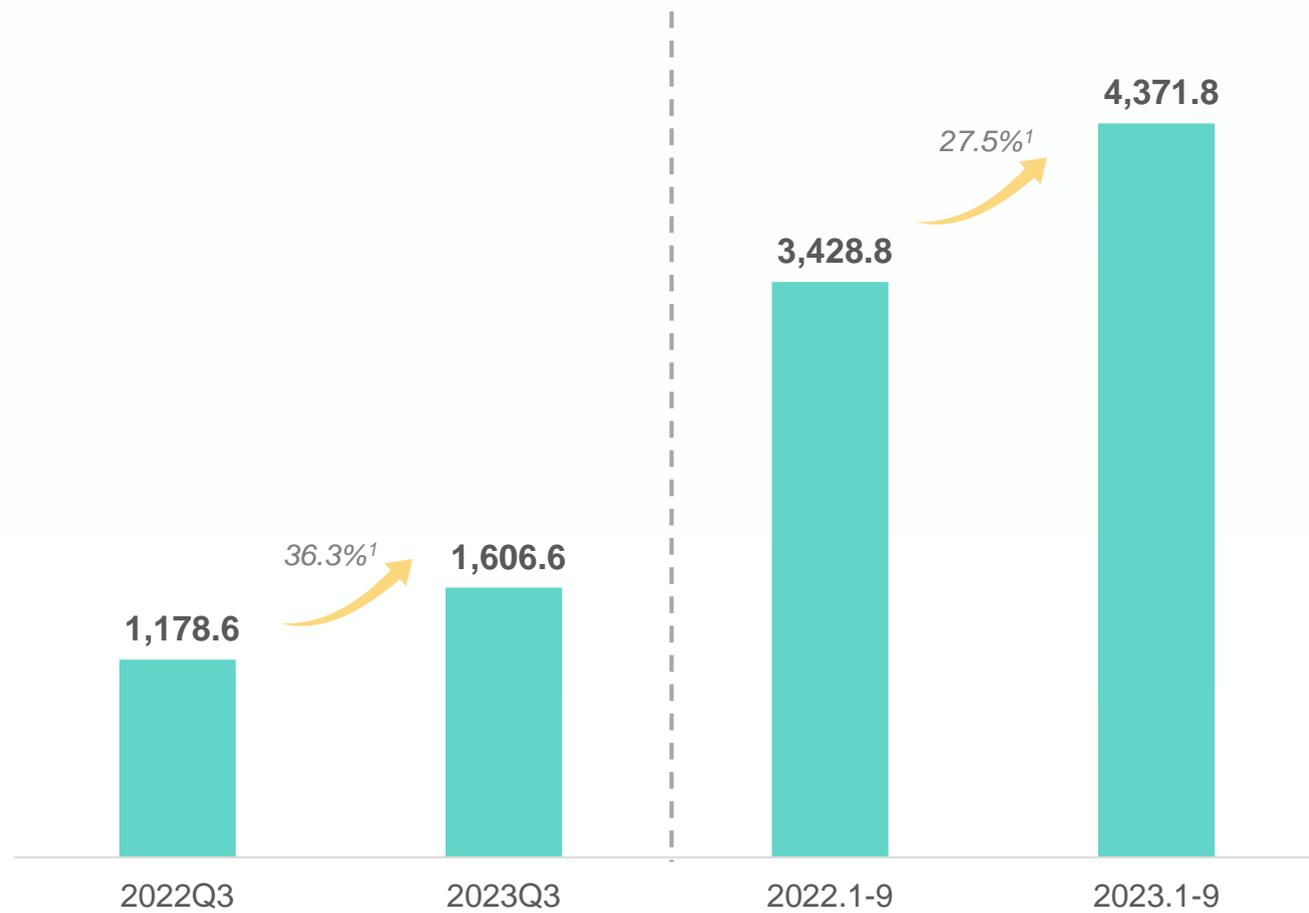


# Our Solid Revenue Growth

Driven by continued user growth, improved paying ratio and stable ARPPU

## Revenues

RMB MM



## Growth Drivers

Robust **enterprise user growth** supported by our strong network effect and full spectrum of user coverage

**Improved paying ratio** backed by our highly efficient monetization model

Long-term **ARPPU<sup>2</sup> growth** potential with best value for money

**Notes:**

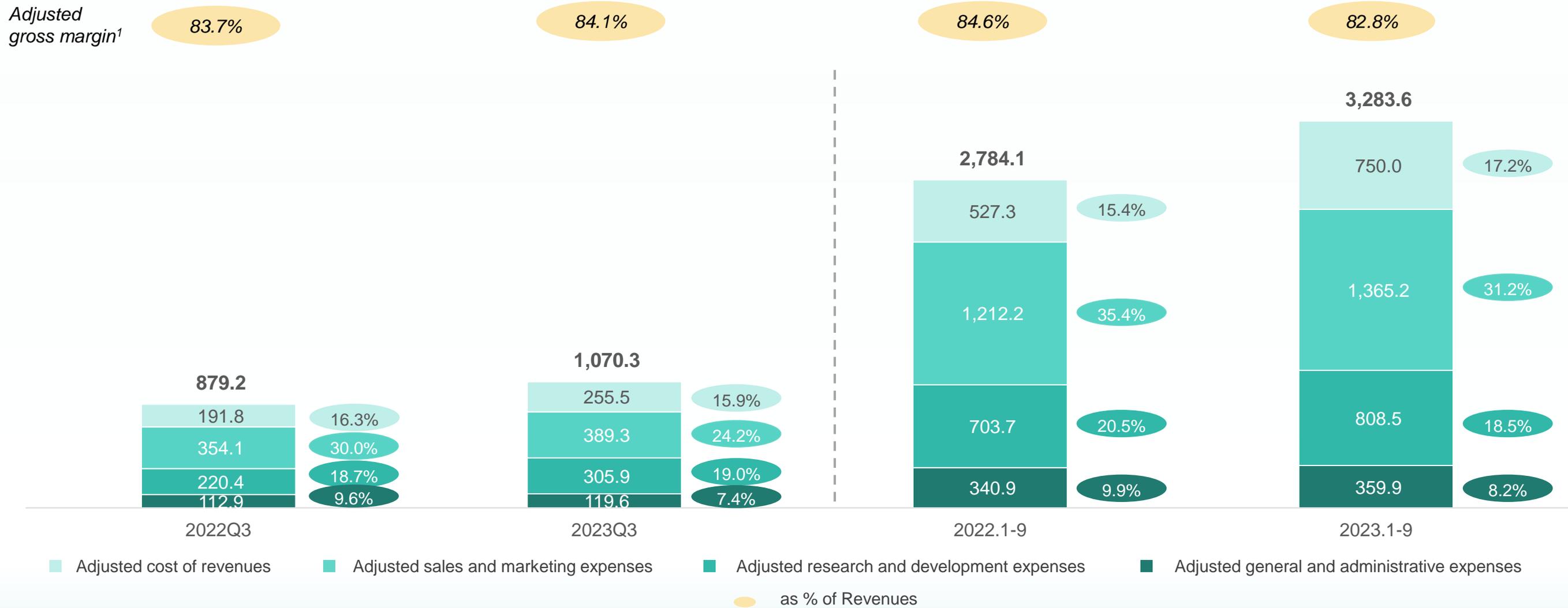
- 1. Representing year-on-year growth rate
- 2. Average revenue per paying user

# ... with Enhanced Operating Efficiency...

Improving operating efficiency underscores the effectiveness of our business model

RMB MM

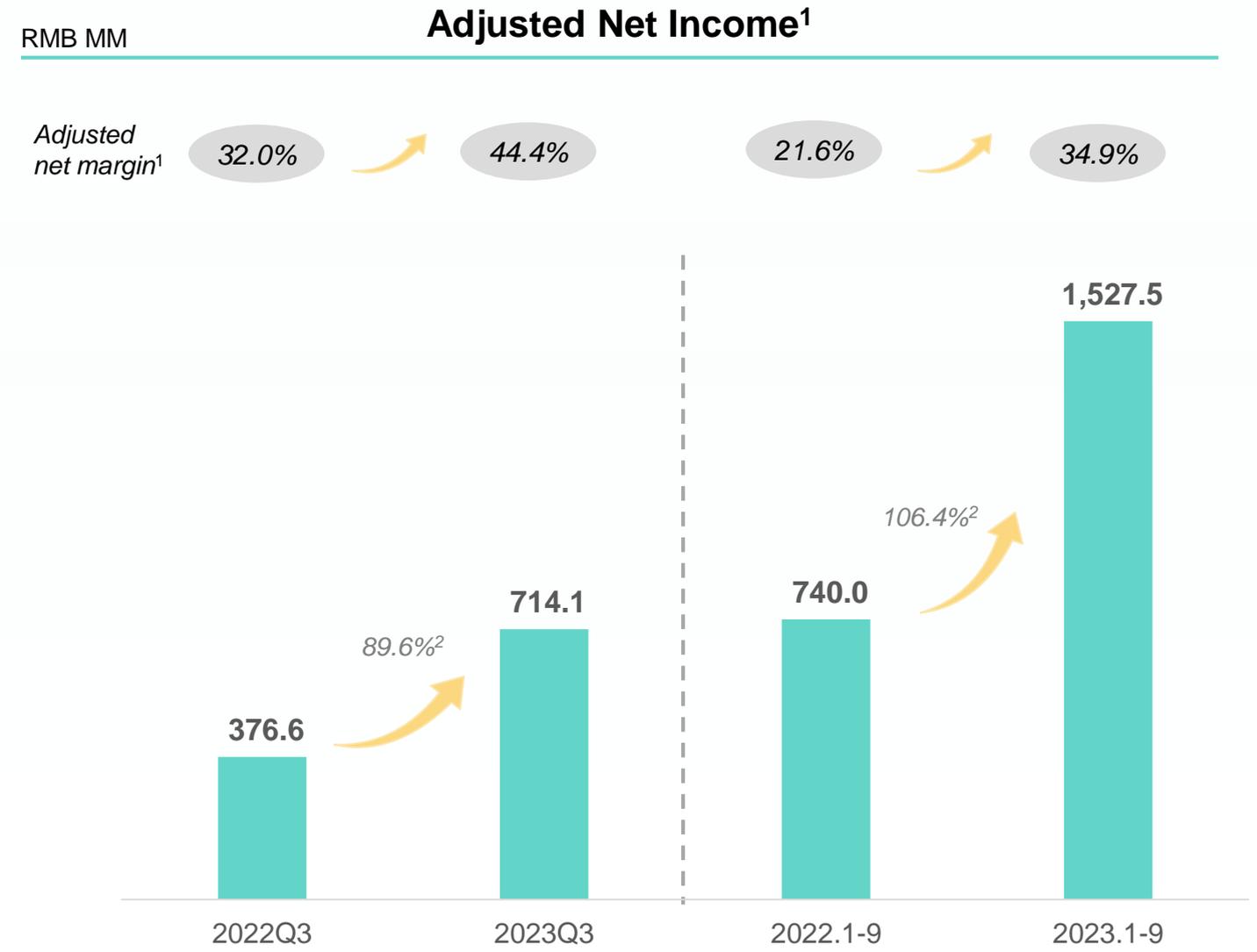
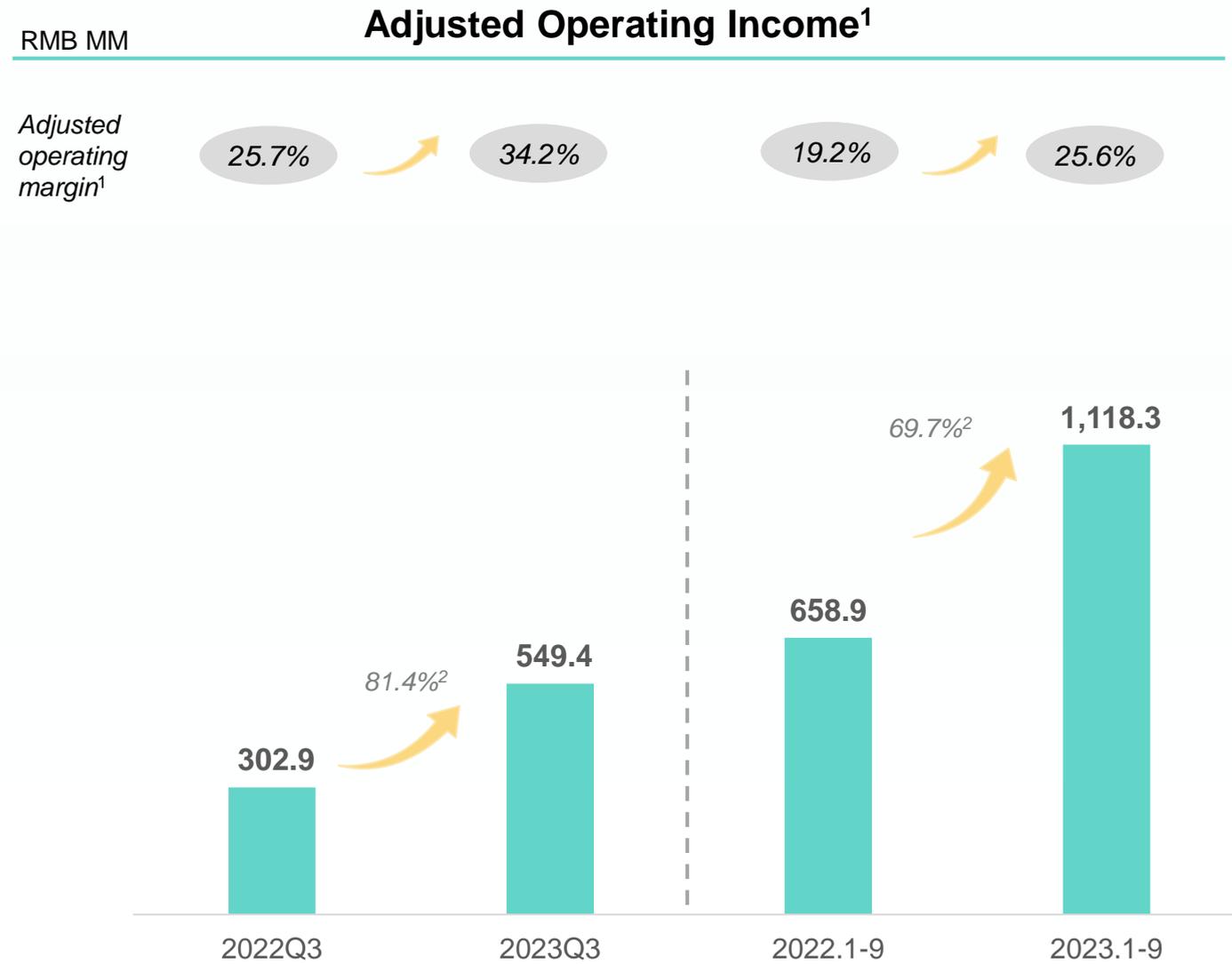
## Adjusted Operating Cost and Expenses<sup>1</sup>



**Note:**  
1. Excluding share-based compensation expenses

## ... Lead to Improving Profitability Capability

Revenue growth and enhanced operating efficiency propel continuous profitability improvement



**Notes:**

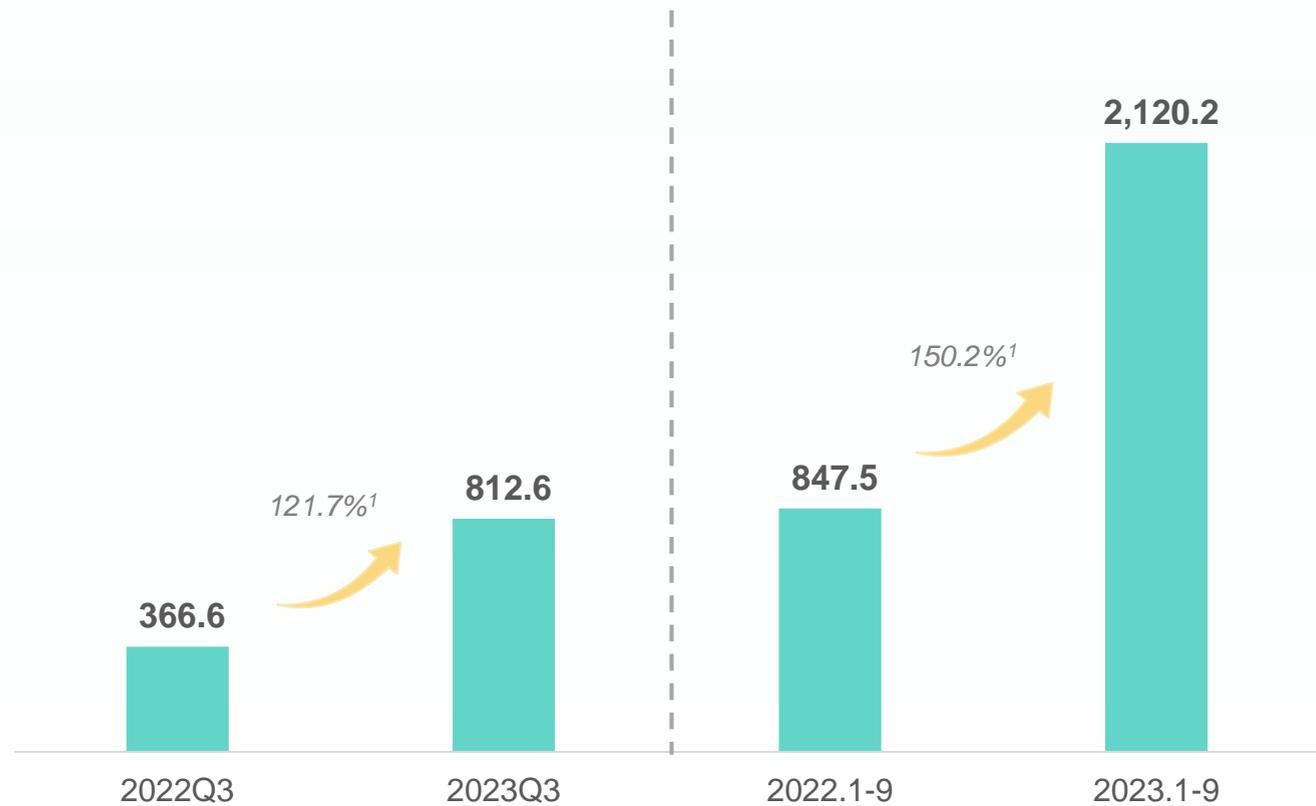
- 1. Excluding share-based compensation expenses
- 2. Representing year-on-year growth rate

# Our Robust Operating Cash Flow and Strong Cash Position

Strong cash generation capability and ample cash on hand

## Operating Cash Flow

RMB MM



Cash Position & Cash Management

**RMB12.8BN**

Cash Position<sup>2</sup>  
as of September 30, 2023

**RMB1.5BN**

Free Cash Flow<sup>3</sup>  
for the nine months ended September 30, 2023

**USD80MM**

Special Cash Dividend<sup>4</sup>



Capital Allocation

**USD150MM**

Share Repurchase Program<sup>5</sup>

**Notes:**

1. Representing year-on-year growth rate
2. Cash and cash equivalents, time deposits and short-term investments
3. Defined as operating cash flow less capital expenditures
4. The aggregated amount of approximately US\$80 million special cash dividend payout announced in Nov 2023
5. The latest share repurchase program announced in March 2023 under which the Company may repurchase up to US\$150 million of shares over the next 12 months



# Appendix

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# Unaudited Selected Income Statement Data



(All amounts in thousands, except for percentages)	For the three months ended September 30,		For the nine months ended September 30,	
	2022	2023	2022	2023
	RMB	RMB	RMB	RMB
<b>Revenues</b>	<b>1,178,563</b>	<b>1,606,636</b>	<b>3,428,787</b>	<b>4,371,797</b>
<b>Operating cost and expenses</b>				
Cost of revenues	(200,888)	(267,529)	(552,466)	(785,015)
Sales and marketing expenses	(396,943)	(457,341)	(1,318,843)	(1,557,772)
Research and development expenses	(290,230)	(414,429)	(888,655)	(1,113,404)
General and administrative expenses	(156,064)	(219,428)	(472,099)	(587,000)
<b>Operating income</b>	<b>137,940</b>	<b>260,987</b>	<b>210,969</b>	<b>358,719</b>
<b>Net income</b>	<b>211,717</b>	<b>425,717</b>	<b>292,038</b>	<b>767,977</b>
<b>Gross margin</b>	<b>83.0%</b>	<b>83.3%</b>	<b>83.9%</b>	<b>82.0%</b>
<b>Operating margin</b>	<b>11.7%</b>	<b>16.2%</b>	<b>6.2%</b>	<b>8.2%</b>
<b>Net margin</b>	<b>18.0%</b>	<b>26.5%</b>	<b>8.5%</b>	<b>17.6%</b>
<b>Non-GAAP Financial Measures</b>				
<b>Calculated cash billings</b>	<b>1,238,176</b>	<b>1,635,765</b>	<b>3,508,886</b>	<b>4,904,811</b>
<b>Adjusted operating cost and expenses</b>				
Cost of revenues	(191,797)	(255,513)	(527,262)	(750,037)
Sales and marketing expenses	(354,147)	(389,276)	(1,212,230)	(1,365,177)
Research and development expenses	(220,402)	(305,922)	(703,710)	(808,467)
General and administrative expenses	(112,864)	(119,648)	(340,900)	(359,949)
<b>Adjusted operating income</b>	<b>302,855</b>	<b>549,355</b>	<b>658,930</b>	<b>1,118,280</b>
<b>Adjusted net income</b>	<b>376,632</b>	<b>714,085</b>	<b>739,999</b>	<b>1,527,538</b>
<b>Adjusted gross margin</b>	<b>83.7%</b>	<b>84.1%</b>	<b>84.6%</b>	<b>82.8%</b>
<b>Adjusted operating margin</b>	<b>25.7%</b>	<b>34.2%</b>	<b>19.2%</b>	<b>25.6%</b>
<b>Adjusted net margin</b>	<b>32.0%</b>	<b>44.4%</b>	<b>21.6%</b>	<b>34.9%</b>

# Unaudited Selected Cash Flow Data



	For the three months ended September 30,		For the nine months ended September 30,	
	2022	2023	2022	2023
(All amounts in thousands)	RMB	RMB	RMB	RMB
Net cash provided by operating activities	366,551	812,554	847,499	2,120,172
Net cash used in investing activities	(1,993,177)	(1,058,781)	(2,091,086)	(9,449,149)
Net cash provided by/(used in) financing activities	46,538	(43,826)	(41,278)	25,129
Effect of exchange rate changes on cash and cash equivalents	564,747	(6,096)	1,101,863	(3,356)
<b>Net decrease in cash and cash equivalents</b>	<b>(1,015,341)</b>	<b>(296,149)</b>	<b>(183,002)</b>	<b>(7,307,204)</b>
Cash and cash equivalents at beginning of the period	12,174,097	2,740,769	11,341,758	9,751,824
<b>Cash and cash equivalents at end of the period</b>	<b>11,158,756</b>	<b>2,444,620</b>	<b>11,158,756</b>	<b>2,444,620</b>

# Unaudited Selected Balance Sheet Data



(All amounts in thousands)	As of	
	December 31, 2022	September 30, 2023
	RMB	RMB
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	9,751,824	2,444,620
Time deposits and short-term investments	3,458,089	10,354,599
Prepayments and other current assets	600,773	635,435
Other current assets	15,576	22,587
<b>Total current assets</b>	<b>13,826,262</b>	<b>13,457,241</b>
<b>Non-current assets</b>		
Property, equipment and software, net	691,036	1,194,587
Long-term investments	-	2,405,495
Other non-current assets	309,569	266,290
<b>Total non-current assets</b>	<b>1,000,605</b>	<b>3,866,372</b>
<b>Total assets</b>	<b>14,826,867</b>	<b>17,323,613</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Deferred revenue	2,060,892	2,593,906
Other payables and accrued liabilities	633,482	592,663
Other current liabilities	336,735	477,148
<b>Total current liabilities</b>	<b>3,031,109</b>	<b>3,663,717</b>
<b>Total non-current liabilities</b>	<b>154,995</b>	<b>134,784</b>
<b>Total liabilities</b>	<b>3,186,104</b>	<b>3,798,501</b>
<b>Total shareholders' equity</b>	<b>11,640,763</b>	<b>13,525,112</b>
<b>Total liabilities and shareholders' equity</b>	<b>14,826,867</b>	<b>17,323,613</b>

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# THANK YOU!

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