NetEase

2Q26 Investor Presentation

Investor Relations
August 20, 2026

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SAFE HARBOR STATEMENT

This announcement contains statements of a forward-looking nature. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. You can identify these forward-looking statements by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar expressions. In addition, statements that are not historical facts, including statements about NetEase's strategies and business plans, its expectations regarding the growth of its business and its revenue and the quotations from management in this announcement are or contain forward-looking statements. NetEase may also make forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (the "SEC"), in announcements made on the website of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"), in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. The accuracy of these statements may be impacted by a number of business risks and uncertainties that could cause actual results to differ materially from those projected or anticipated, including risks related to: the risk that the online games market will not continue to grow or that NetEase will not be able to maintain its position in that market in China or globally; risks associated with NetEase's business and operating strategies and its ability to implement such strategies; NetEase's ability to develop and manage its operations and business; competition for, among other things, capital, technology and skilled personnel; potential changes in regulatory environment in the markets where NetEase operates, including policy or rule changes on taxation; the risk that NetEase may not be able to continuously develop new and creative online services or that NetEase will not be able to set, or follow in a timely manner, trends in the market; risks related to evolving economic cycles and geopolitical tensions, including the direct or indirect impacts of national trade, investment, protectionist, tax or other laws or policies as well as export controls and economic or trade sanctions; risks related to the expansion of NetEase's businesses and operations internationally; risks associated with cybersecurity threats or incidents; and fluctuations in foreign currency exchange rates that could adversely affect NetEase's business and financial results. Further information regarding these and other risks is included in NetEase's filings with the SEC and announcements on the website of the Hong Kong Stock Exchange. NetEase does not undertake any obligation to update this forward-looking information, except as required under applicable law.

NetEase, Inc.

NetEase, Inc. (NASDAQ: NTES and HKEX: 9999, “NetEase”) is a leading internet and game services provider centered around premium content. With extensive offerings across its expanding gaming ecosystem, the Company develops and operates some of the most popular and longest-running mobile and PC games available in China and globally.

Powered by one of the largest in-house game R&D teams focused on mobile, PC and console, NetEase creates superior gaming experiences, inspires players, and passionately delivers value for its thriving community worldwide. By infusing play with culture, and education with technology, NetEase transforms gaming into a meaningful vehicle to build a more entertaining and enlightened world.

Beyond games, NetEase service offerings include its majority-controlled subsidiaries Youdao (NYSE: DAO), an intelligent learning and advertising solutions provider, and NetEase Cloud Music (HKEX: 9899), a well-known online music platform featuring a vibrant content community, as well as Yanxuan, NetEase’s private-label consumer lifestyle brand. For more information, please visit: http://ir.netease.com/.

MARKET SNAPSHOT

In USD

$81.5 billion	Market Cap [1] (8/19/26)
3.2 billion	Shares Outstanding, Diluted (2Q26)
$1.61	Basic Net Income per ADS (GAAP) (2Q26)
$4.4 billion	Net Revenues (2Q26)
$1.0 billion	Net Income Attributable to the Company's Shareholders (GAAP) (2Q26)
$24.7 billion	Net Cash [2] (6/30/26)
AAA	MSCI ESG Rating [3]

Notes:
1 Market cap is calculated using the closing price on NASDAQ; our market cap is HK$622.3 billion based on the closing price on the Hong Kong Stock Exchange
2 Net cash refers to total cash and cash equivalents, current and non-current time deposits and restricted cash, as well as short-term investments balance, minus loans
3 The result is based on the latest update in March 2026

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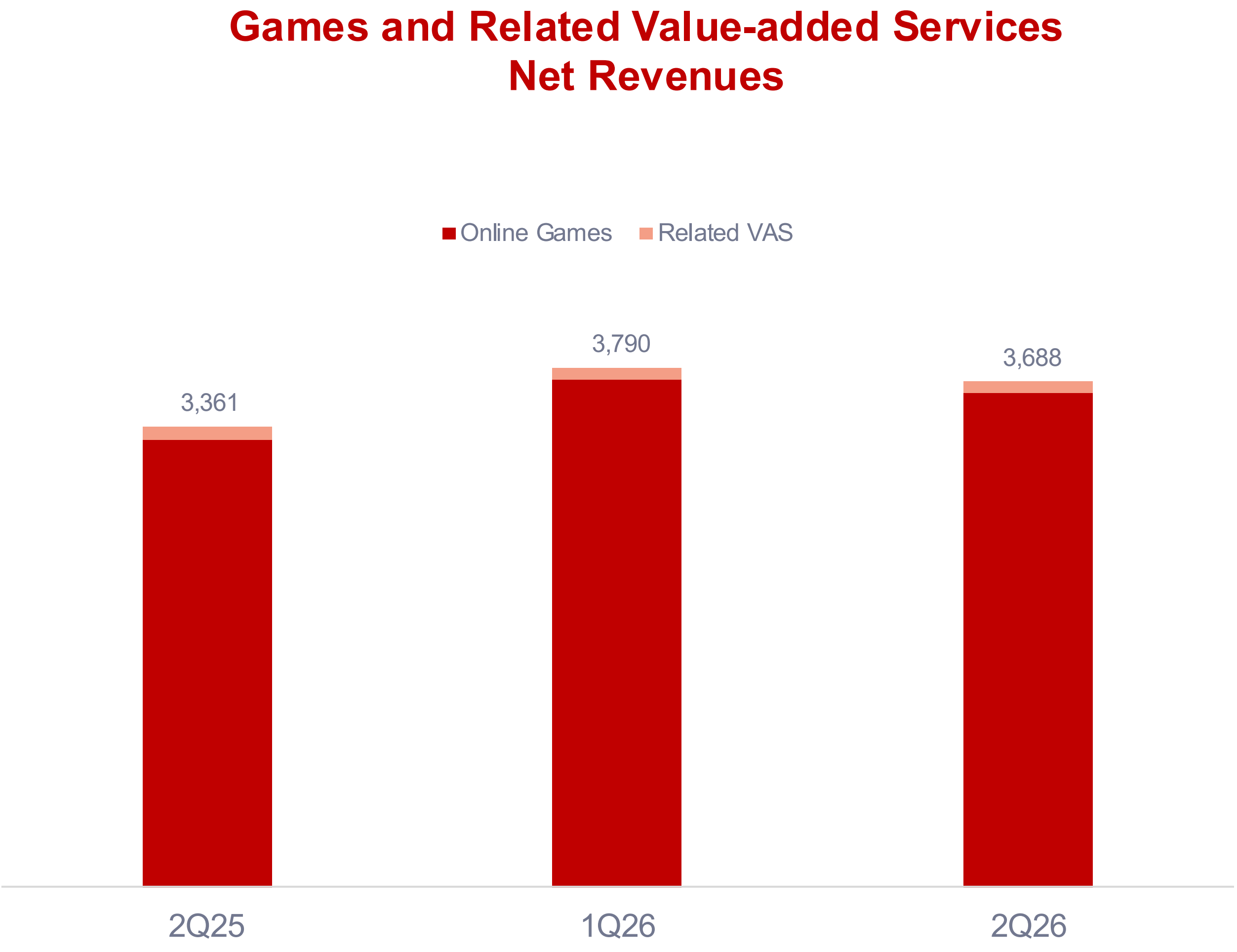
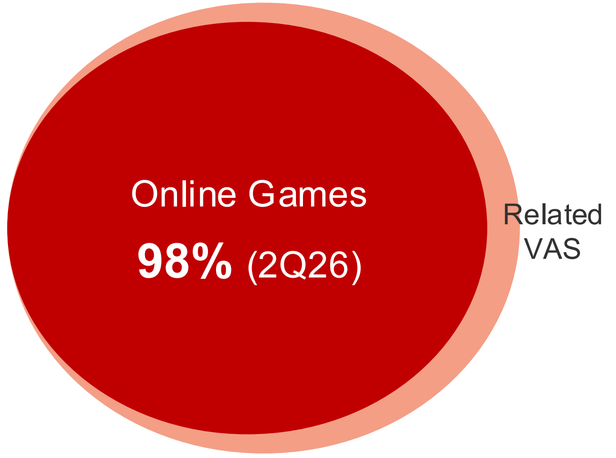
GAMES AND RELATED VALUE-ADDED SERVICES

USD million[1]





Note:
1 US$1.00 = RMB6.7851 on June 30, 2026. Same exchange rate is applied to all years for illustrative purposes

ONLINE GAMES

PC & CONSOLE GAMES

Flagship Self-Developed PC & Console Titles

Flagship Licensed Titles

MOBILE GAMES

Self-Developed Mobile Games

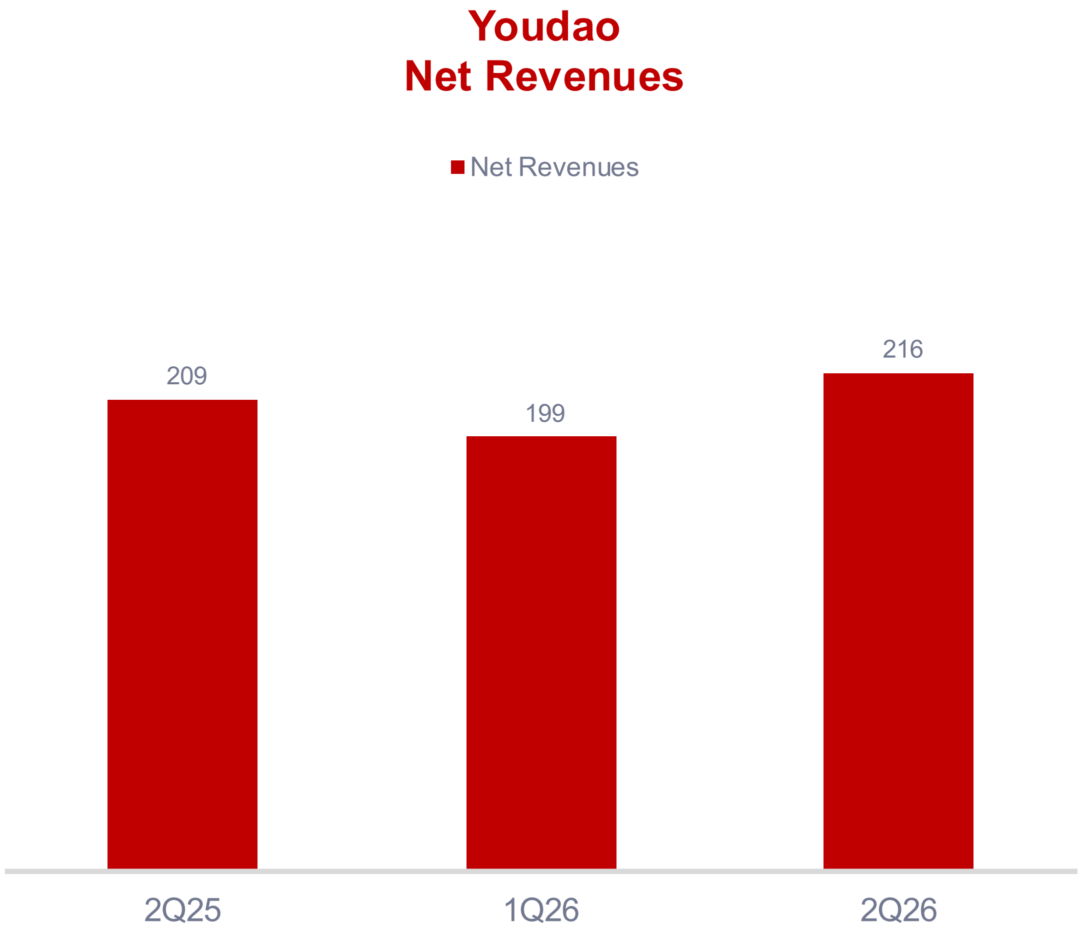
Mobile Games in Overseas Markets

Licensed Mobile Games From Overseas Developers

- The *Fantasy Westward Journey* franchise, *Identity V*, *Eggy Party*, *Sword of Justice* and *Where Winds Meet* sustained solid momentum through ongoing content updates, gameplay innovation and vibrant community activities.
- Advanced our global strategy and enhanced player engagement through strong live operations. For example, *Where Winds Meet* and *Marvel Rivals* further broadened their international reach with a steady stream of fresh content and community-focused initiatives in various markets including North America and Europe.
- *Sea of Remnants* launched in China in July 2026, while development of *Ananta* and *Blood Message* remained on track, strengthening our innovative pipeline across diverse genres, gameplay and markets.

YOUDAO

USD million[1]



- Youdao advanced its AI-native strategy and deepened AI-driven innovation across its ecosystem.
- Launched the large language model Confucius 4, which delivers leading mathematical reasoning capabilities at lower inference costs compared to its previous version.
- The learning services segment continued its healthy development, driven by the strong performance of Youdao Lingshi.
- Advertising efficiency in Youdao's online marketing services continued to improve.
- Smart devices segment sustained its focus on product innovation, with the Youdao Dictionary Pen maintaining a strong market position.

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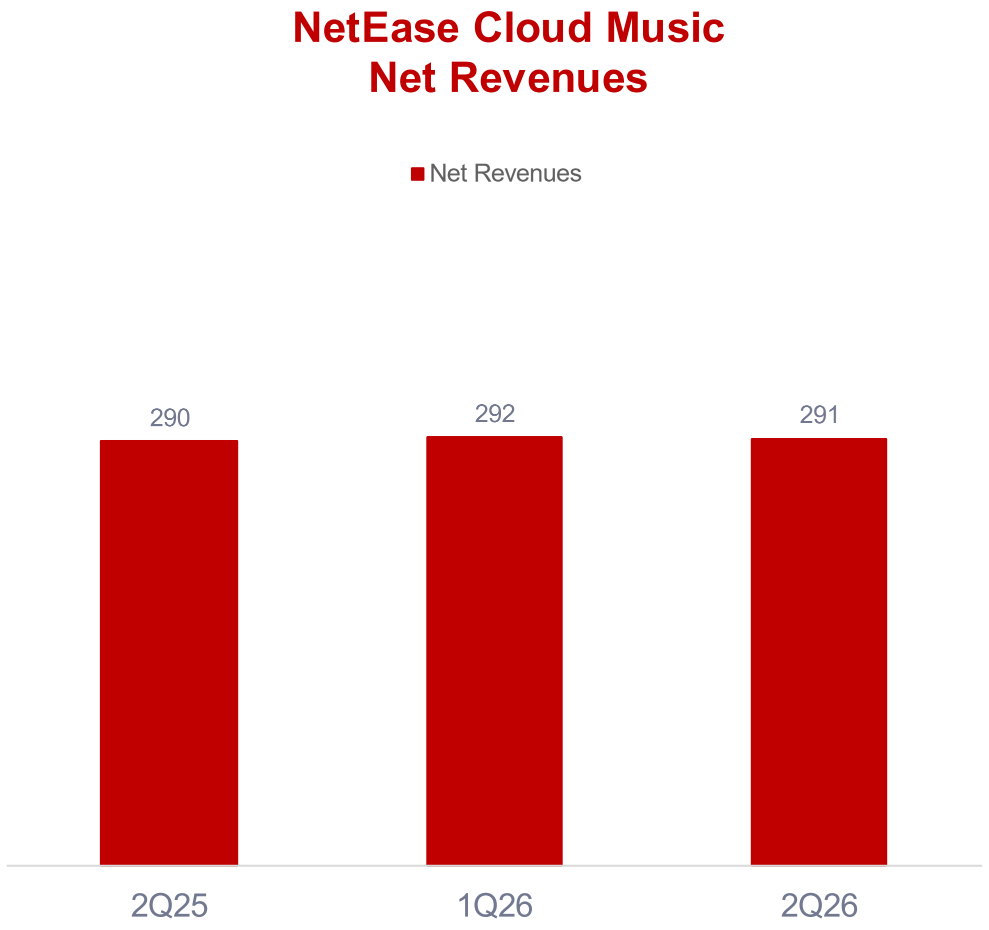
NETEASE CLOUD MUSIC

USD million[1]



- NetEase Cloud Music further developed its music-centric ecosystem.
- Enhancements to the user experience and strong brand perception continued to drive higher user engagement and expanded the daily active user base.
- Enriched its comprehensive and distinctive content library by expanding copyrighted music and promoting original music.
- Advanced product innovation across music discovery and consumption experiences.
- Subscription-based memberships grew as well, improving its music-oriented monetization.

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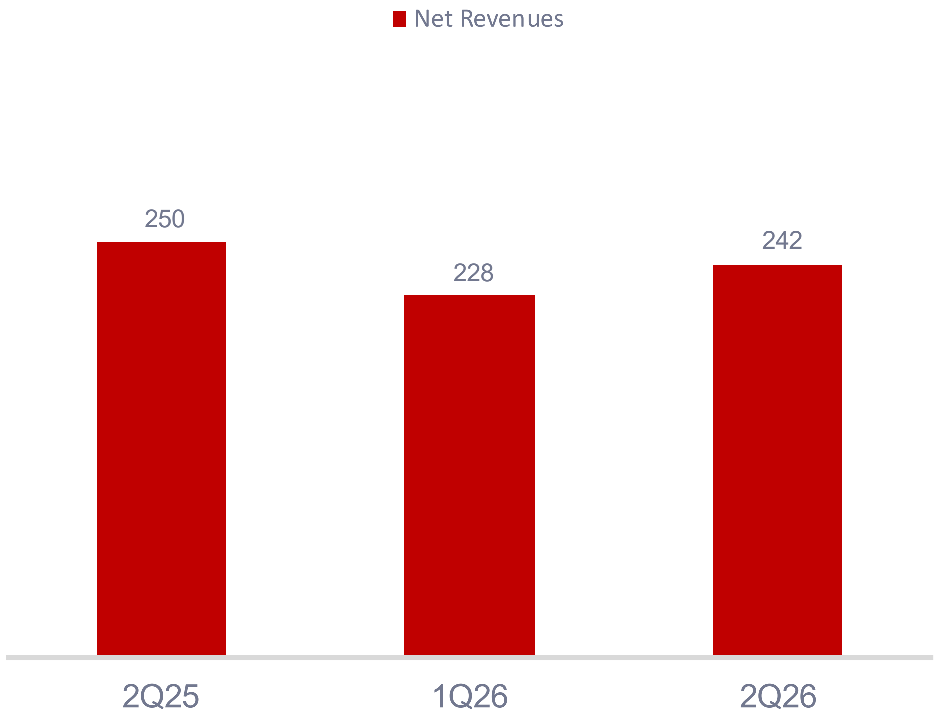
INNOVATIVE BUSINESSES AND OTHERS

USD million[1]

Innovative Businesses and Others Net Revenues



NetEase Yanxuan

- Leading private-label consumer lifestyle brand in China
- Continued to strengthen its brand presence with highly popular products in focused categories
- Maintained leading sales positions on e-commerce platforms for categories like pet products and household cleaning products

Wangyi Xinwen

- 163.com Portal & Wangyi Xinwen App: Delivering quality content across news, sports, technology, fashion, and entertainment

E-mail Services

- China's leading e-mail service provider since 1997

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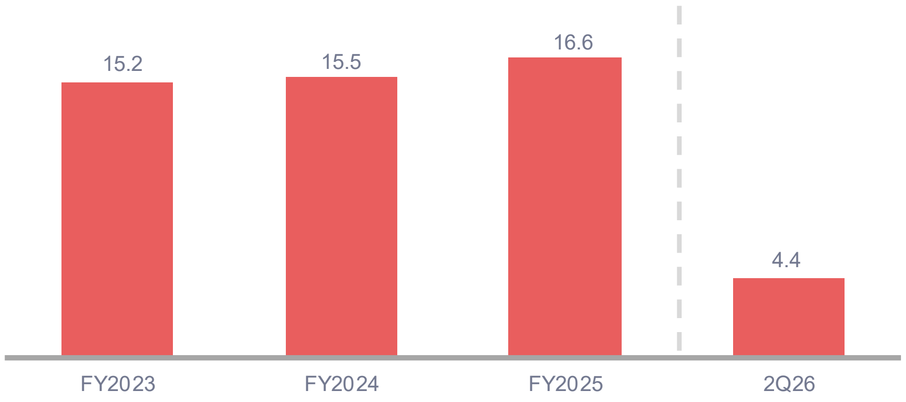
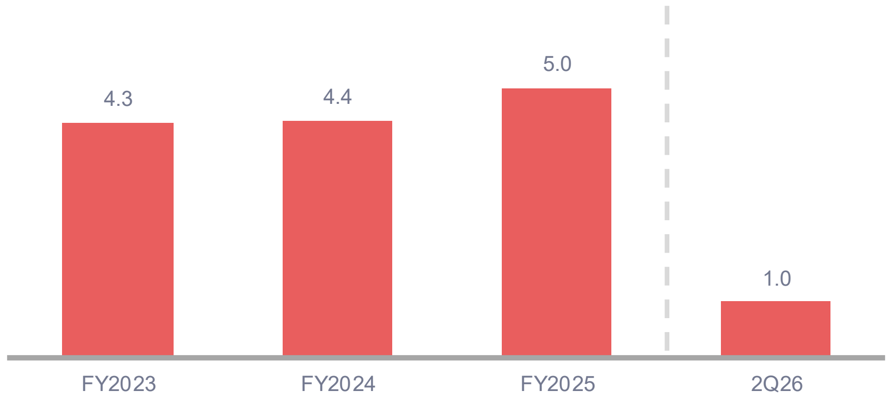
FINANCIAL HIGHLIGHTS

USD billion[1]

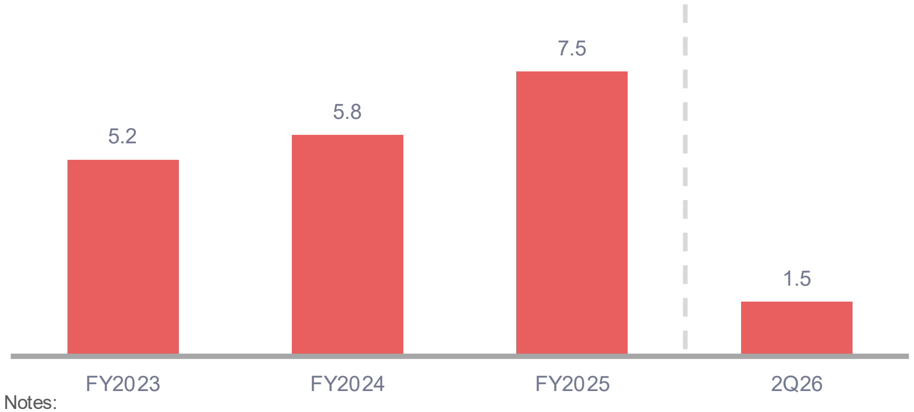
Net Revenues



Net Income Attributable to Shareholders (GAAP)



Operating Cash Flow



Value Returned to Shareholders

US$	FY2023	FY2024	FY2025	2Q26
Dividend per ADS (declared)	$2.56485	$2.58525	$2.97500	$0.480
Total Dividends (declared) [2]	$1,649 m	$1,651 m	$1,896 m	$307 m
Share Buyback	$687 m	$1,230 m	$93 m	$197 m

Notes:
1 US$1.00 = RMB6.7851 on June 30, 2026. Same exchange rate is applied to all years for illustrative purposes
2 Total dividends (declared) is equal to dividend per ADS (declared) multiplied by each quarter's corresponding weighted average number of ADS outstanding, basic

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ESG PERFORMANCE

MSCI Ratings

AAA

Last Updated: March 2026

According to MSCI's evaluation, NetEase is a leader among over 200 companies in the media & entertainment industry

S&P Global ESG Score

50

Last Updated: January 2026

NetEase has been selected as a member of the 2022 Dow Jones Sustainability World Index and Dow Jones Sustainability Emerging Markets Index. The Company is also included in the S&P Global Sustainability Yearbook 2025 and 2022

Sustainalytics Ratings

13.9

Last Updated: August 2025

NetEase is rated as a low-risk company

NetEase was included in Sustainalytics' list of ESG Top-Rated Companies in 2023

BALANCE SHEET SUMMARY

	2025	2026	
in millions	Dec 31, RMB	Jun 30, RMB (Unaudited)	Jun 30, USD (Unaudited)
ASSETS			
Current assets:			
Cash and cash equivalents	47,168	22,815	3,362
Time deposits	92,639	101,979	15,030
Other current assets	40,808	67,270	9,915
Total current assets	180,615	192,064	28,307
Property, equipment and software, net	8,425	8,180	1,206
Other non-current assets	32,375	31,964	4,710
Total assets	221,415	232,208	34,223
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS & SHAREHOLDERS' EQUITY			
Current liabilities:			
Contract liabilities	20,515	19,297	2,844
Other current liabilities	31,854	36,321	5,353
Total current liabilities	52,369	55,618	8,197
Total liabilities	56,311	60,646	8,938
Redeemable noncontrolling interests	91	95	14
Total equity	165,013	171,467	25,271
Total liabilities, redeemable noncontrolling interests and shareholders' equity	221,415	232,208	34,223

UNAUDITED INCOME STATEMENT SUMMARY

in millions except per ADS data & percentage data	2Q25 RMB	1Q26 RMB	2Q26 RMB	2Q26 USD	QoQ Change	YoY Change
Total net revenues:	27,892	30,591	30,107	4,437	-1.6%	7.9%
Games and related value-added services	22,806	25,713	25,023	3,688	-2.7%	9.7%
Youdao	1,418	1,348	1,467	216	8.8%	3.5%
NetEase Cloud Music	1,969	1,981	1,977	291	-0.2%	0.4%
Innovative businesses and others	1,699	1,549	1,640	242	5.9%	-3.5%
Gross profit	18,052	21,217	21,217	3,127	0.0%	17.5%
Gross profit margin	64.7%	69.4%	70.5%	70.5%		
Operating profit	9,061	12,657	12,089	1,782	-4.5%	33.4%
Operating profit margin	32.5%	41.4%	40.2%	40.2%		
Net income attributable to the Company's shareholders	8,601	10,674	6,981	1,029	-34.6%	-18.8%
Diluted net income per ADS	¥13.36	¥16.53	¥10.83	$1.60	-34.5%	-18.9%

Note:
All percentages are calculated based on numbers in millions except per ADS data

THANK YOU

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