



Momo Announces Unaudited Financial Results for the Fourth Quarter and Fiscal Year 2020

March 25, 2021

BEIJING, March 25, 2021 /PRNewswire/ -- Momo Inc. (NASDAQ: MOMO) ("Momo" or the "Company"), a leading mobile social networking platform in China, today announced its unaudited financial results for the fourth quarter and the full year ended December 31, 2020.

Fourth Quarter of 2020 Highlights

- Net revenues decreased by 19.0% year over year to RMB3,795.2 million (US\$581.6 million*) in the fourth quarter of 2020.
- Net income attributable to Momo Inc. decreased to RMB651.5 million (US\$99.8 million) in the fourth quarter of 2020 from RMB1,055.9 million in the same period of 2019.
- Non-GAAP net income attributable to Momo Inc. (note 1) decreased to RMB836.4 million (US\$128.2 million) in the fourth quarter of 2020, from RMB1,252.5 million in the same period of 2019.
- Diluted net income per American Depositary Share ("ADS") was RMB2.98 (US\$0.46) in the fourth quarter of 2020, compared to RMB4.74 in the same period of 2019.
- Non-GAAP diluted net income per ADS (note 1) was RMB3.80 (US\$0.58) in the fourth quarter of 2020, compared to RMB5.61 in the same period of 2019.
- Monthly Active Users ("MAU") on Momo application were 113.8 million in December 2020, compared to 114.5 million in December 2019.
- Total paying users of our live video service and value-added service, without double counting the overlap and including 3.8 million paying users of Tantan Limited ("Tantan"), were 12.8 million for the fourth quarter of 2020, compared to 13.8 million for the fourth quarter of 2019, which included 4.5 million paying users of Tantan.

Full Year 2020 Highlights

- Net revenues decreased by 11.7% year over year to RMB15,024.2 million (US\$2,302.6 million) for the full year of 2020.
- Net income attributable to Momo Inc. was RMB2,103.5 million (US\$322.4 million) for the full year of 2020, compared with RMB2,970.9 million during the same period of 2019.
- Non-GAAP net income attributable to Momo Inc. (note 1) was RMB2,896.2 million (US\$443.9 million) for the full year of 2020, compared with RMB4,493.3 million during the same period of 2019.
- Diluted net income per ADS was RMB9.65 (US\$1.48) for the full year of 2020, compared with RMB13.52 during the same period of 2019.
- Non-GAAP diluted net income per ADS (note 1) was RMB13.16 (US\$2.02) for the full year of 2020, compared with RMB20.26 during the same period of 2019.

* This press release contains translations of certain Renminbi amounts into U.S. dollars at specified rates solely for the convenience of readers. Unless otherwise noted, all translations from Renminbi to U.S. dollars, in this press release, were made at a rate of RMB6.525 to US\$1.00, the effective noon buying rate for December 31, 2020 as set forth in the H.10 statistical release of the Federal Reserve Board.

"2020 was a tough year for us. I am proud that my teams were able to navigate through the many challenges with relentless focus on our core mission. Our commitment to the core mission enabled us to make difficult but right decision in the past year for the long term wellbeing of our company and our community," commented Li Wang, CEO of Momo. "After several months of hard work, we have started seeing positive trends in the content ecosystem as well as business of the core Momo. Getting through the bumpy journey last year was a valuable growth experience for our team. I am happy to see we have finally come out of the temporary drawbacks, stronger and better poised to seize the growth opportunities ahead of us."

Fourth Quarter of 2020 Financial Results

Net revenues

Total net revenues were RMB3,795.2 million (US\$581.6 million) in the fourth quarter of 2020, a decrease of 19.0% from RMB4,687.9 million in the fourth quarter of 2019.

Live video service revenues were RMB2,327.9 million (US\$356.8 million) in the fourth quarter of 2020, a decrease of 31.2% from RMB3,383.5 million during the same period of 2019. The decrease was primarily due to our structural reform on Momo's core live video business, which was used to revive the long tail content ecosystem and to a lesser extent, the impact of COVID-19 adversely affecting the sentiment of our paying users, especially among the top of the pyramid paying users. The decrease was partially offset by the growth from Tantan's live video service, and live video service revenues from Tantan were RMB404.3 million (US\$62.0 million) in the fourth quarter of 2020.

Value-added service revenues mainly include virtual gift revenues and membership subscription revenues. Total value-added service revenues were RMB1,401.3 million (US\$214.8 million) in the fourth quarter of 2020, an increase of 17.8% from RMB1,189.1 million during the same period of 2019. The year-over-year increase was primarily attributable to the continued growth of the virtual gift business on the Momo application driven by more innovative products and operational ideas launched, and more paying scenarios introduced to enhance the social entertainment experience of Momo users.

Mobile marketing revenues were RMB52.7 million (US\$8.1 million) in the fourth quarter of 2020, a decrease of 43.4% from RMB93.0 million during the same period of 2019. The decrease in mobile marketing revenues was primarily caused by the decreased demand from our advertising and marketing customers as well as our strategy to underweight the line in terms of resource allocation.

Mobile games revenues were RMB7.3 million (US\$1.1 million) in the fourth quarter of 2020, a decrease of 49.1% from RMB14.4 million in the fourth quarter of 2019. The decrease in mobile game revenues was mainly due to the continued decrease in quarterly paying users of mobile games.

Net revenues from the Momo segment decreased from RMB4,317.3 million in the fourth quarter of 2019 to RMB3,051.3 million (US\$467.6 million) in the fourth quarter of 2020, primarily due to the decrease in net revenues from live video service, partially offset by the increase in net revenues from value-added service. Net revenues from the Tantan segment increased from RMB369.8 million in the fourth quarter of 2019 to RMB740.5 million (US\$113.5 million) in the fourth quarter of 2020, which was mainly due to the increase in net revenues from live video service.

Cost and expenses

Cost and expenses were RMB3,290.0 million (US\$504.2 million) in the fourth quarter of 2020, a decrease of 8.1% from RMB3,581.1 million in the fourth quarter of 2019. The decrease was primarily attributable to: (a) a decrease in revenue sharing with broadcasters related to our live video service; (b) a decrease in professional fees related to technological service and bandwidth costs; (c) a decrease in commission fees paid to payment channels. These decreases were partially offset by an increase in revenue sharing with virtual gift recipients for our virtual gift service.

Non-GAAP cost and expenses (note 1) were RMB3,095.9 million (US\$474.5 million) in the fourth quarter of 2020, a decrease of 8.3% from RMB3,374.9 million during the same period of 2019.

Other operating income

Other operating income was RMB88.4 million (US\$13.5 million) in the fourth quarter of 2020, a decrease from RMB142.6 million during the fourth quarter of 2019. The other operating income mainly consisted of government incentives.

Income from operations

Income from operations was RMB593.6 million (US\$91.0 million) in the fourth quarter of 2020, compared to RMB1,249.4 million during the same period of 2019. Income from operations of the Momo segment was RMB650.9 million (US\$99.8 million) in the fourth quarter of 2020, which decreased from RMB1,458.5 million in the fourth quarter of 2019. Loss from operations of the Tantan segment was RMB53.1 million (US\$8.1 million) in the fourth quarter of 2020, compared to loss from operations of RMB202.7 million in the fourth quarter of 2019.

Non-GAAP income from operations (note 1) was RMB787.7 million (US\$120.7 million) in the fourth quarter of 2020, compared to RMB1,455.7 million during the same period of 2019. Non-GAAP income from operations of the Momo segment was RMB791.8 million (US\$121.4 million) in the fourth quarter of 2020, which decreased from RMB1,593.9 million in the fourth quarter of 2019. Non-GAAP loss from operations of the Tantan segment was RMB2.3 million (US\$0.4 million) in the fourth quarter of 2020, compared to non-GAAP loss from operations of RMB135.0 million in the fourth quarter of 2019.

Income tax expenses

Income tax expenses were RMB5.5 million (US\$0.8 million) in the fourth quarter of 2020, decreasing from RMB253.7 million in the fourth quarter of 2019. The decrease in income tax expenses was mainly due to (a) the preferential tax rate adjustment from 12.5% to 10.0% for one of our major profit generating entities, due to the approval in 2020 of the Key Software Enterprise application for the income tax of the fiscal year of 2019; and (b) the lower profit in the fourth quarter of 2020.

Net income

Net income was RMB651.1 million (US\$99.8 million) in the fourth quarter of 2020, compared to RMB1,052.3 million during the same period of 2019. Net income from the Momo segment was RMB705.8 million (US\$108.2 million) in the fourth quarter of 2020, which decreased from RMB1,246.9 million in the fourth quarter of 2019. Net loss from the Tantan segment was RMB50.5 million (US\$7.7 million) in the fourth quarter of 2020, compared to net loss of RMB188.2 million in the fourth quarter of 2019.

Non-GAAP net income (note 1) was RMB836.1 million (US\$128.1 million) in the fourth quarter of 2020, compared to RMB1,248.9 million during the same period of 2019. Non-GAAP net income from the Momo segment was RMB846.7 million (US\$129.8 million) in the fourth quarter of 2020, which decreased from RMB1,382.3 million in the fourth quarter of 2019. Non-GAAP net loss of the Tantan segment was RMB8.8 million (US\$1.4 million) in the fourth quarter of 2020, compared to non-GAAP net loss of RMB130.2 million in the fourth quarter of 2019.

Net income attributable to Momo Inc.

Net income attributable to Momo Inc. was RMB651.5 million (US\$99.8 million) in the fourth quarter of 2020, compared to RMB1,055.9 million during the same period of 2019.

Non-GAAP net income (note 1) attributable to Momo Inc. was RMB836.4 million (US\$128.2 million) in the fourth quarter of 2020, compared to RMB1,252.5 million during the same period of 2019.

Net income per ADS

Diluted net income per ADS was RMB2.98 (US\$0.46) in the fourth quarter of 2020, compared to RMB4.74 in the fourth quarter of 2019.

Non-GAAP diluted net income per ADS (note 1) was RMB3.80 (US\$0.58) in the fourth quarter of 2020, compared to RMB5.61 in the fourth quarter of 2019.

Cash and cash flow

As of December 31, 2020, Momo's cash, cash equivalents, short-term deposits, long-term deposits and restricted cash totaled RMB16,482.3 million (US\$2,526.0 million), compared to RMB15,225.3 million as of December 31, 2019. Net cash provided by operating activities in the fourth quarter of 2020 was RMB1,039.1 million (US\$159.2 million), compared to RMB1,675.1 million in the fourth quarter of 2019.

Full Year 2020 Financial Results

Net revenues for the full year of 2020 were RMB15,024.2 million (US\$2,302.6 million), a decrease of 11.7% from RMB17,015.1 million in the same period of 2019.

Net income attributable to Momo Inc. was RMB2,103.5 million (US\$322.4 million) for the full year of 2020, compared to RMB2,970.9 million during the same period of 2019.

Non-GAAP net income attributable to Momo Inc. (note 1) was RMB2,896.2 million (US\$443.9 million) for the full year of 2020, compared to RMB4,493.3 million during the same period of 2019.

Diluted net income per ADS was RMB9.65 (US\$1.48) during the full year of 2020, compared to RMB13.52 in the same period of 2019.

Non-GAAP diluted net income per ADS (note 1) was RMB13.16 (US\$2.02) during the full year of 2020, compared to RMB20.26 in the same period of 2019.

Net cash provided by operating activities was RMB3,080.9 million (US\$472.2 million) during the full year of 2020, compared to RMB5,448.9 million in the same period of 2019.

Recent Developments

Declaration of a special cash dividend

Momo's board of directors has declared a special cash dividend in the amount of US\$0.64 per ADS, or US\$0.32 per ordinary share. The cash dividend will be paid on April 30, 2021 to shareholders of record at the close of business on April 13, 2021. The ex-dividend date will be April 12, 2021. The aggregate amount of cash dividends to be paid is approximately US\$132 million, which will be funded by surplus cash on the Company's balance sheet.

Execution of share repurchase program

On September 3, 2020, Momo's board of directors authorized a share repurchase program under which the Company may repurchase up to US\$300 million of its shares over the next 12 months. As of March 24, 2021, the Company has repurchased approximately 3.61 million ADSs for approximately US\$49.2 million on the open market under this program, at an average purchase price of US\$13.63 per ADS.

Resignation of Chief Technology Officer

Mr. Chunlai Wang will resign from the Company's Chief Technology Officer position for personal reasons, effective April 30, 2021, and he will continue to serve as an advisor to the Company. The Company is grateful to Mr. Chunlai Wang for his valuable contributions over the past nine years.

Business Outlook

For the first quarter of 2021, the Company expects total net revenues to be between RMB3.36 billion to RMB3.46 billion, representing a decrease of 6.5% to 3.7% year-over-year. This forecast considers the potential impact of the COVID-19 pandemic and reflects the Company's current and preliminary views on the market and operational conditions, which are subject to change, particularly with respect to the potential lasting impact of COVID-19 on the economy in China.

Note 1: Non-GAAP measures

To supplement our consolidated financial statements presented in accordance with U.S. generally accepted accounting principles ("GAAP"), we use various non-GAAP financial measures that are adjusted from the most comparable GAAP results to exclude share-based compensation and amortization of intangible assets from business acquisitions, and tax impacts related to the amortization of intangible assets from business acquisitions.

Reconciliations of our non-GAAP financial measures to our U.S. GAAP financial measures are shown in tables at the end of this earnings release, which provide more details about the non-GAAP financial measures.

Our non-GAAP financial information is provided as additional information to help investors compare business trends among different reporting periods on a consistent basis and to enhance investors' overall understanding of the historical and current financial performance of our continuing operations and our prospects for the future. Our non-GAAP financial information should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to the GAAP results. In addition, our calculation of the non-GAAP financial measures may be different from the calculation used by other companies, and therefore comparability may be limited.

Our non-GAAP information (including non-GAAP cost and operating expenses, income (loss) from operations, net income (loss), net income attributable to Momo Inc., and diluted net income per ADS) is adjusted from the most comparable GAAP results to exclude share-based compensation, amortization of intangible assets from business acquisitions, and tax impacts related to the amortization of intangible assets from business acquisitions. A limitation of using these non-GAAP financial measures is that share-based compensation, amortization of intangible assets from business acquisitions and tax impacts related to the amortization of intangible assets from business acquisitions have been and will continue to be for the foreseeable future a significant recurring expense in our results of operations. We compensate for these limitations by providing reconciliations of our non-GAAP measures to our U.S. GAAP measures. Please see the reconciliation tables at the end of this earnings release.

Conference Call

Momo's management will host an earnings conference call on Thursday, March 25, 2021, at 8:00 a.m. U.S. Eastern Time (8:00 p.m. Beijing / Hong Kong Time on March 25, 2021).

All participants must preregister online prior to the call to receive the dial-in details. Once preregistration has been complete, participants will receive dial-in numbers, direct event passcode, and a unique registrant ID.

PRE-REGISTER LINK <http://apac.directeventreg.com/registration/event/2751618>

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

A telephone replay of the call will be available after the conclusion of the conference call through 8:00 a.m. U.S. Eastern Time, April 1, 2021. The dial-in details for the replay are as follows:

International: +61-2-8199-0299
U.S. Toll Free: +1-855-452-5696
Passcode: 2751618

Additionally, a live and archived webcast of the conference call will be available on the Investor Relations section of Momo's website at <http://ir.immomo.com>.

About Momo

We are a leading player in China's online social and entertainment space. Through Momo, Tantan and other properties within our product portfolio, we enable users to discover new relationships, expand their social connections and build meaningful interactions. Momo is a mobile application that connects people and facilitates interactions based on location, interests and a variety of recreational activities including live talent shows, short videos, social games as well as other video- and audio-based interactive experiences, such as live chats and mobile karaoke experience. Tantan, which was added into our family of applications through acquisition in May 2018, is a leading social and dating application for the younger generation. Tantan is designed to help its users find and establish romantic connections as well as meet interesting people.

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Safe Harbor Statement

This news release contains "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements include but are not limited to our management quotes, our financial outlook for the first quarter of 2021, as well as the amount of, timing, methods and funding sources for repurchases of our shares under the share repurchase program.

Our forward-looking statements are not historical facts but instead represent only our belief regarding expected results and events, many of which, by their nature, are inherently uncertain and outside of our control. Our actual results and other circumstances may differ, possibly materially, from the anticipated results and events indicated in these forward-looking statements. Announced results for the fourth quarter of 2020 are preliminary, unaudited and subject to audit adjustment. In addition, we may not meet our financial outlook for the first quarter of 2021 and may be unable to grow our business in the manner planned. We may also modify our strategy for growth. Moreover, there are other risks and uncertainties that could cause our actual results to differ from what we currently anticipate, including those relating to our ability to retain and grow our user base, our ability to attract and retain sufficiently trained professionals to support our operations, our ability to anticipate and develop new services and enhance existing services to meet the demand of our users or customers, the impact of the COVID-19 pandemic on Momo's business operations and the economy in China, the market price of Momo's stock prevailing from time to time, the nature of other investment opportunities presented to Momo from time to time, Momo's cash flows from operations, general economic conditions, and other factors. For additional information on these and other important factors that could adversely affect our business, financial condition, results of operations, and prospects, please see our filings with the U.S. Securities and Exchange Commission.

All information provided in this press release and in the attachments is as of the date of the press release. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise, after the date of this release, except as required by law. Such information speaks only as of the date of this release.

Momo Inc.
Unaudited Condensed Consolidated Statement of Operations
(All amounts in thousands, except share and per share data)

| | Three months | | | Year | | |
|--------------------------------|--------------------|--------------------|------------------|---------------------|---------------------|--------------------|
| | Ended December 31 | | | ended December 31 | | |
| | 2019 | 2020 | 2020 | 2019 | 2020 | 2020 |
| | RMB | RMB | US\$ | RMB | RMB | US\$ |
| Net revenues: | | | | | | |
| Live video service | 3,383,477 | 2,327,875 | 356,762 | 12,448,131 | 9,637,579 | 1,477,024 |
| Value-added service | 1,189,114 | 1,401,269 | 214,754 | 4,105,963 | 5,112,182 | 783,476 |
| Mobile marketing | 92,991 | 52,663 | 8,071 | 331,822 | 198,197 | 30,375 |
| Mobile games | 14,418 | 7,334 | 1,124 | 92,451 | 39,564 | 6,063 |
| Other services | 7,898 | 6,060 | 929 | 36,722 | 36,666 | 5,620 |
| Total net revenues | 4,687,898 | 3,795,201 | 581,640 | 17,015,089 | 15,024,188 | 2,302,558 |
| Cost and expenses: | | | | | | |
| Cost of revenues | (2,351,309) | (2,042,781) | (313,070) | (8,492,096) | (7,976,781) | (1,222,495) |
| Research and development | (292,188) | (327,295) | (50,160) | (1,095,031) | (1,167,677) | (178,954) |
| Sales and marketing | (725,029) | (697,722) | (106,931) | (2,690,824) | (2,813,922) | (431,252) |
| General and administrative | (212,603) | (222,191) | (34,052) | (1,527,282) | (763,150) | (116,958) |
| Total cost and expenses | (3,581,129) | (3,289,989) | (504,213) | (13,805,233) | (12,721,530) | (1,949,659) |
| Other operating income | 142,646 | 88,385 | 13,546 | 344,843 | 228,777 | 35,062 |
| Income from operations | 1,249,415 | 593,597 | 90,973 | 3,554,699 | 2,531,435 | 387,961 |
| Interest income | 108,205 | 100,880 | 15,461 | 407,542 | 444,471 | 68,118 |
| Interest expense | (20,190) | (19,047) | (2,919) | (78,611) | (78,872) | (12,088) |

| | | | | | | |
|--|------------------|----------------|----------------|------------------|------------------|----------------|
| Other gain or loss, net | - | 7,500 | 1,149 | (15,711) | 1,500 | 230 |
| Income before income tax and share of income on equity method investments | 1,337,430 | 682,930 | 104,664 | 3,867,919 | 2,898,534 | 444,221 |
| Income tax expenses | (253,704) | (5,481) | (840) | (883,801) | (755,620) | (115,804) |
| Income before share of income on equity method investments | 1,083,726 | 677,449 | 103,824 | 2,984,118 | 2,142,914 | 328,417 |
| Share of loss on equity method investments | (31,406) | (26,319) | (4,034) | (23,350) | (42,522) | (6,517) |
| Net income | 1,052,320 | 651,130 | 99,790 | 2,960,768 | 2,100,392 | 321,900 |
| Less: net loss attributable to non-controlling interest | (3,579) | (320) | (49) | (10,122) | (3,092) | (474) |
| Net income attributable to the shareholders of Momo Inc. | 1,055,899 | 651,450 | 99,839 | 2,970,890 | 2,103,484 | 322,374 |
| Net income per share attributable to ordinary shareholders | | | | | | |
| Basic | 2.53 | 1.57 | 0.24 | 7.15 | 5.05 | 0.77 |
| Diluted | 2.37 | 1.49 | 0.23 | 6.76 | 4.83 | 0.74 |
| Weighted average shares used in calculating net income per ordinary share | | | | | | |
| Basic | 416,878,784 | 414,839,350 | 414,839,350 | 415,316,627 | 416,914,898 | 416,914,898 |
| Diluted | 453,937,852 | 449,683,596 | 449,683,596 | 451,206,091 | 452,081,642 | 452,081,642 |

Momo Inc.

Unaudited Condensed Consolidated Statement of Comprehensive Income

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

| | Three months ended December 31 | | | Year ended December 31 | | |
|---|--------------------------------|----------------|---------------|------------------------|------------------|----------------|
| | 2019 | 2020 | 2020 | 2019 | 2020 | 2020 |
| | RMB | RMB | US\$ | RMB | RMB | US\$ |
| Net income | 1,052,320 | 651,130 | 99,790 | 2,960,768 | 2,100,392 | 321,900 |
| Other comprehensive loss, net of tax | | | | | | |
| Foreign currency translation adjustment | (39,524) | (69,010) | (10,576) | (8,835) | (141,677) | (21,713) |
| Comprehensive income | 1,012,796 | 582,120 | 89,214 | 2,951,933 | 1,958,715 | 300,187 |
| Less: comprehensive loss attributed to the non-controlling interest | (8,637) | (9,059) | (1,388) | (8,081) | (26,004) | (3,985) |
| Comprehensive income attributable to Momo Inc. | 1,021,433 | 591,179 | 90,602 | 2,960,014 | 1,984,719 | 304,172 |

Momo Inc.

Unaudited Condensed Consolidated Balance Sheets

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

| | December 31 | December 31 | December 31 |
|---|-------------------|-------------------|------------------|
| | 2019 | 2020 | 2020 |
| | RMB | RMB | US\$ |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 2,612,743 | 3,363,942 | 515,547 |
| Short-term deposits | 12,312,585 | 7,566,250 | 1,159,579 |
| Restricted cash | - | 2,130 | 326 |
| Accounts receivable, net of allowance for doubtful accounts of RMB12,209 and RMB15,390 as of December 31, 2019 and 2020, respectively | 265,155 | 200,831 | 30,779 |
| Amount due from a related party | 4,382 | - | - |
| Prepaid expenses and other current assets | 599,000 | 613,696 | 94,053 |
| Total current assets | 15,793,865 | 11,746,849 | 1,800,284 |
| Long-term deposits | 300,000 | 5,550,000 | 850,575 |
| Right-of-use assets, net | 190,552 | 278,175 | 42,632 |
| Property and equipment, net | 346,345 | 265,765 | 40,730 |
| Intangible assets | 890,303 | 687,211 | 105,320 |
| Rental deposits | 25,028 | 21,794 | 3,340 |
| Long-term investments | 495,905 | 454,996 | 69,731 |
| Other non-current assets | 44,009 | 94,868 | 14,539 |
| Deferred tax assets | 37,064 | 32,495 | 4,980 |
| Goodwill | 4,360,610 | 4,088,403 | 626,575 |
| Total assets | 22,483,681 | 23,220,556 | 3,558,706 |
| Liabilities and equity | | | |
| Current liabilities | | | |
| Accounts payable | 714,323 | 699,394 | 107,186 |
| Deferred revenue | 503,461 | 511,617 | 78,409 |
| Accrued expenses and other current liabilities | 985,873 | 854,835 | 131,009 |
| Amount due to related parties | 29,606 | 19,462 | 2,983 |

| | | | |
|---|-------------------|-------------------|------------------|
| Lease liabilities due within one year | 135,169 | 132,793 | 20,351 |
| Income tax payable | 153,976 | 236,490 | 36,244 |
| Deferred consideration in connection with business acquisitions | 84,346 | 62,149 | 9,525 |
| Total current liabilities | 2,606,754 | 2,516,740 | 385,707 |
| Deferred tax liabilities | 222,576 | 171,803 | 26,330 |
| Convertible senior notes | 4,954,352 | 4,658,966 | 714,018 |
| Share-based compensation liability | 902,047 | 875,616 | 134,194 |
| Lease liabilities | 56,498 | 136,436 | 20,910 |
| Other non-current liabilities | 22,672 | 25,666 | 3,933 |
| Total liabilities | 8,764,899 | 8,385,227 | 1,285,092 |
| Shareholder's equity (i) | 13,718,782 | 14,835,329 | 2,273,614 |
| Total liabilities and shareholder's equity | 22,483,681 | 23,220,556 | 3,558,706 |

(i): As of December 31, 2020, the number of ordinary shares outstanding was 411,981,508.

Momo Inc.
Unaudited Condensed Consolidated Statement of Cash Flows
(All amounts in thousands, except share and per share data)

| | Three months | | | Year | | |
|---|--------------------|------------------|-----------------|--------------------|--------------------|------------------|
| | ended December 31 | | | ended December 31 | | |
| | 2019 RMB | 2020 RMB | 2020 US\$ | 2019 RMB | 2020 RMB | 2020 US\$ |
| Cash flows from operating activities: | | | | | | |
| Net income | 1,052,320 | 651,130 | 99,790 | 2,960,768 | 2,100,392 | 321,900 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | | | |
| Depreciation of property and equipment | 51,385 | 55,375 | 8,487 | 198,237 | 208,990 | 32,029 |
| Amortization of intangible assets | 40,239 | 37,741 | 5,784 | 157,954 | 157,258 | 24,101 |
| Share-based compensation | 167,458 | 157,584 | 24,151 | 1,408,232 | 678,686 | 104,013 |
| Share of loss on equity method investments | 31,406 | 26,319 | 4,034 | 23,350 | 42,522 | 6,517 |
| Gain or loss on long-term investments | - | (7,500) | (1,149) | 15,711 | (1,500) | (230) |
| Gain on subsidiary deconsolidation | - | - | - | - | (6,676) | (1,023) |
| Loss (gain) on disposal of property and equipment | - | 3 | - | (398) | (282) | (43) |
| Provision of losses on receivable and other assets | - | 19,663 | 3,013 | 12,209 | 46,075 | 7,061 |
| Cash received on investment income distribution | - | - | - | - | 1,153 | 177 |
| Changes in operating assets and liabilities: | | | | | | |
| Accounts receivable | 110,340 | 34,533 | 5,292 | 442,176 | 52,247 | 8,007 |
| Prepaid expenses and other current assets | 49,554 | 104,636 | 16,036 | 26,372 | (59,117) | (9,060) |
| Amount due from a related party | (2,776) | - | - | (4,382) | 4,382 | 672 |
| Rental deposits | (474) | (4,372) | (670) | (836) | (4,265) | (654) |
| Deferred tax assets | (2,582) | 1,535 | 235 | 20,722 | 4,569 | 700 |
| Other non-current assets | (3,411) | (166,665) | (25,543) | (24,022) | (138,484) | (21,224) |
| Accounts payable | 98,021 | 66,948 | 10,260 | 52,246 | (11,716) | (1,796) |
| Income tax payable | 39,938 | (95,341) | (14,612) | 16,886 | 82,514 | 12,646 |
| Deferred revenue | 6,852 | 24,740 | 3,792 | 61,641 | 8,910 | 1,366 |
| Accrued expenses and other current liabilities | 75,791 | 41,048 | 6,291 | 212,349 | (120,363) | (18,446) |
| Amount due to related parties | 235 | (12,406) | (1,901) | (53,032) | (10,144) | (1,555) |
| Deferred tax liability | (10,060) | (9,435) | (1,446) | (45,382) | (39,315) | (6,025) |
| Other non-current liabilities | (29,153) | 113,553 | 17,403 | (31,915) | 85,053 | 13,035 |
| Net cash provided by operating activities | 1,675,083 | 1,039,089 | 159,247 | 5,448,886 | 3,080,889 | 472,168 |
| Cash flows from investing activities: | | | | | | |
| Purchase of property and equipment | (32,109) | (16,095) | (2,467) | (186,522) | (124,143) | (19,026) |
| Proceeds from disposal of property and equipment | 4 | 2 | - | 808 | 476 | 73 |
| Payment for long-term investments | (21,500) | (9,000) | (1,379) | (64,500) | (13,500) | (2,069) |
| Prepayment of long-term investments | - | - | - | (15,000) | - | - |
| Cash dividend received | - | - | - | - | 233 | 36 |
| Cash outflow due to subsidiary deconsolidation | - | - | - | - | (1,026) | (157) |
| Purchase of short-term deposits | (7,650,000) | (3,654,500) | (560,077) | (22,151,135) | (14,949,665) | (2,291,136) |
| Cash received on maturity of short-term deposits | 6,036,000 | 3,954,500 | 606,054 | 18,686,430 | 19,577,159 | 3,000,331 |
| Payment for short-term investments | (80,000) | - | - | (360,000) | (10,000) | (1,533) |
| Cash received from sales of short-term investment | 120,000 | - | - | 360,000 | 10,000 | 1,533 |
| Cash received from sales of long term investment | - | 12,000 | 1,839 | - | 12,000 | 1,839 |
| Purchase of long-term deposits | (300,000) | (900,000) | (137,931) | (300,000) | (5,250,000) | (804,598) |
| Net cash used in investing activities | (1,927,605) | (613,093) | (93,961) | (4,029,919) | (748,466) | (114,707) |
| Cash flows from financing activities: | | | | | | |
| Deferred payment for business acquisition | - | - | - | (379,507) | (18,355) | (2,813) |
| Proceeds from exercise of share options | 1 | 171 | 26 | 187 | 226 | 35 |
| Deferred payment of purchase of property and equipment | (127) | - | - | (17,114) | - | - |
| Repurchase of ordinary shares | - | (197,799) | (30,314) | - | (330,206) | (50,606) |
| Repurchase of subsidiary's share options | - | (932) | (143) | - | (25,832) | (3,959) |
| Dividends payment | - | - | - | (877,346) | (1,123,983) | (172,258) |
| Net cash used in financing activities | (126) | (198,560) | (30,431) | (1,273,780) | (1,498,150) | (229,601) |
| Effect of exchange rate changes | (5,532) | (37,770) | (5,788) | (478) | (80,944) | (12,407) |
| Net (decrease) increase in cash and cash equivalents | (258,180) | 189,666 | 29,067 | 144,709 | 753,329 | 115,453 |
| Cash and cash equivalents at the beginning of period | 2,870,923 | 3,176,406 | 486,806 | 2,468,034 | 2,612,743 | 400,420 |
| Cash, cash equivalent and restricted cash at the end of period | 2,612,743 | 3,366,072 | 515,873 | 2,612,743 | 3,366,072 | 515,873 |

Momo Inc.
Reconciliation of Non-GAAP financial measures to comparable GAAP measures
(All amounts in thousands, except per share data)

1.Reconciliation of Non-GAAP cost and operating expenses, income from operations, and net income to comparable GAAP measures.

| | Three months ended December 31, 2019 | | | | | Three months ended December 31, 2020 | | | | | Three months ended December 31, 2020 | | | | |
|--------------------------------------|--------------------------------------|---|------------------------------|----------------------|--------------------|--------------------------------------|---|------------------------------|----------------------|--------------------|--------------------------------------|--|-------------------------------|-----------------------|------------------|
| | GAAP RMB | Amortization of intangible assets from business RMB | Share-based compensation RMB | Tax impacts (ii) RMB | Non-GAAP RMB | GAAP RMB | Amortization of intangible assets from business RMB | Share-based compensation RMB | Tax impacts (ii) RMB | Non-GAAP RMB | GAAP US\$ | Amortization of intangible assets from business US\$ | Share-based compensation US\$ | Tax impacts (ii) US\$ | Non-GAAP US\$ |
| | | | | | | | | | | | | | | | |
| Cost of revenues | (2,351,309) | 18,818 | 7,601 | - | (2,324,890) | (2,042,781) | 17,694 | 4,242 | - | (2,020,845) | (313,070) | 2,712 | 650 | - | (309,708) |
| Research and development | (292,188) | 2,390 | 45,455 | - | (244,343) | (327,295) | 2,247 | 38,515 | - | (286,533) | (50,160) | 344 | 5,903 | - | (43,913) |
| Sales and marketing | (725,029) | 17,598 | 53,466 | - | (653,965) | (697,722) | 16,547 | 27,122 | - | (654,053) | (106,931) | 2,536 | 4,157 | - | (100,238) |
| General and administrative | (212,603) | - | 60,936 | - | (151,667) | (222,191) | - | 87,705 | - | (134,486) | (34,052) | - | 13,441 | - | (20,611) |
| Cost and operating expenses | (3,581,129) | 38,806 | 167,458 | - | (3,374,865) | (3,289,989) | 36,488 | 157,584 | - | (3,095,917) | (504,213) | 5,592 | 24,151 | - | (474,470) |
| Income from operations | 1,249,415 | 38,806 | 167,458 | - | 1,455,679 | 593,597 | 36,488 | 157,584 | - | 787,669 | 90,973 | 5,592 | 24,151 | - | 120,716 |
| Net income attributable to Momo Inc. | 1,055,899 | 38,806 | 167,458 | (9,701) | 1,252,462 | 651,450 | 36,488 | 157,584 | (9,122) | 836,400 | 99,839 | 5,592 | 24,151 | (1,398) | 128,184 |

Momo Inc.
Reconciliation of Non-GAAP financial measures to comparable GAAP measures
(All amounts in thousands, except per share data)

1.Reconciliation of Non-GAAP cost and operating expenses, income from operations, and net income to comparable GAAP measures-continued.

| | Year ended December 31, 2019 | | | | | Year ended December 31, 2020 | | | | | Year ended December 31, 2020 | | | | |
|--------------------------------------|------------------------------|---|------------------------------|----------------------|---------------------|------------------------------|---|------------------------------|----------------------|---------------------|------------------------------|--|-------------------------------|-----------------------|--------------------|
| | GAAP RMB | Amortization of intangible assets from business RMB | Share-based compensation RMB | Tax impacts (ii) RMB | Non-GAAP RMB | GAAP RMB | Amortization of intangible assets from business RMB | Share-based compensation RMB | Tax impacts (ii) RMB | Non-GAAP RMB | GAAP US\$ | Amortization of intangible assets from business US\$ | Share-based compensation US\$ | Tax impacts (ii) US\$ | Non-GAAP US\$ |
| | | | | | | | | | | | | | | | |
| Cost of revenues | (8,492,096) | 73,817 | 23,972 | - | (8,394,307) | (7,976,781) | 73,740 | 18,449 | - | (7,884,592) | (1,222,495) | 11,301 | 2,827 | - | (1,208,367) |
| Research and development | (1,095,031) | 9,375 | 175,053 | - | (910,603) | (1,167,677) | 9,365 | 175,870 | - | (982,442) | (178,954) | 1,435 | 26,953 | - | (150,566) |
| Sales and marketing | (2,690,824) | 69,031 | 196,311 | - | (2,425,482) | (2,813,922) | 68,960 | 158,902 | - | (2,586,060) | (431,252) | 10,569 | 24,353 | - | (396,330) |
| General and administrative | (1,527,282) | - | 1,012,896 | - | (514,386) | (763,150) | - | 325,465 | - | (437,685) | (116,958) | - | 49,880 | - | (67,078) |
| Cost and operating expenses | (13,805,233) | 152,223 | 1,408,232 | - | (12,244,778) | (12,721,530) | 152,065 | 678,686 | - | (11,890,779) | (1,949,659) | 23,305 | 104,013 | - | (1,822,341) |
| Income from operations | 3,554,699 | 152,223 | 1,408,232 | - | 5,115,154 | 2,531,435 | 152,065 | 678,686 | - | 3,362,186 | 387,961 | 23,305 | 104,013 | - | 515,279 |
| Net income attributable to Momo Inc. | 2,970,890 | 152,223 | 1,408,232 | (38,056) | 4,493,289 | 2,103,484 | 152,065 | 678,686 | (38,016) | 2,896,219 | 322,374 | 23,305 | 104,013 | (5,826) | 443,866 |

(ii) Includes tax impacts related to the amortization of intangible assets from business acquisition.

Momo Inc.
Unaudited Condensed Segment Report
(All amounts in thousands, except share and per share data)

| | Three months ended December 31, 2020 | | | | |
|--------------------------------------|--------------------------------------|------------------|----------------|--------------------|------------------|
| | Momo RMB | Tantan RMB | QOOL RMB | Total RMB | Total US\$ |
| Net revenues: | | | | | |
| Live video service | 1,923,544 | 404,331 | - | 2,327,875 | 356,762 |
| Value-added service | 1,065,062 | 336,207 | - | 1,401,269 | 214,754 |
| Mobile marketing | 52,663 | - | - | 52,663 | 8,071 |
| Mobile games | 7,334 | - | - | 7,334 | 1,124 |
| Other services | 2,743 | - | 3,317 | 6,060 | 929 |
| Total net revenues | 3,051,346 | 740,538 | 3,317 | 3,795,201 | 581,640 |
| Cost and expenses (iii): | | | | | |
| Cost of revenues | (1,676,071) | (365,350) | (1,360) | (2,042,781) | (313,070) |
| Research and development | (243,555) | (83,740) | - | (327,295) | (50,160) |
| Sales and marketing | (361,115) | (336,558) | (49) | (697,722) | (106,931) |
| General and administrative | (202,831) | (11,891) | (7,469) | (222,191) | (34,052) |
| Total cost and expenses | (2,483,572) | (797,539) | (8,878) | (3,289,989) | (504,213) |
| Other operating income | 83,110 | 3,945 | 1,330 | 88,385 | 13,546 |
| Income (loss) from operations | 650,884 | (53,056) | (4,231) | 593,597 | 90,973 |

| | | | | | |
|---|----------------|-----------------|----------------|----------------|----------------|
| Interest income | 100,347 | 486 | 47 | 100,880 | 15,461 |
| Interest expense | (19,047) | - | - | (19,047) | (2,919) |
| Other gain or loss, net | 7,500 | - | - | 7,500 | 1,149 |
| Income (loss) before income tax and share of income on equity method investments | 739,684 | (52,570) | (4,184) | 682,930 | 104,664 |
| Income tax (expenses) benefits | (7,565) | 2,084 | - | (5,481) | (840) |
| Income (loss) before share of income on equity method investments | 732,119 | (50,486) | (4,184) | 677,449 | 103,824 |
| Share of loss on equity method investments | (26,319) | - | - | (26,319) | (4,034) |
| Net income (loss) | 705,800 | (50,486) | (4,184) | 651,130 | 99,790 |

(iii) Share-based compensation was allocated in cost of revenues and operating expenses as follows:

| | Three months ended December 31, 2020 | | | | |
|--------------------------------|--------------------------------------|---------------|--------------|----------------|---------------|
| | Momo RMB | Tantan RMB | QOOL RMB | Total RMB | Total US\$ |
| Cost of revenues | 2,844 | 1,398 | - | 4,242 | 650 |
| Research and development | 31,946 | 6,569 | - | 38,515 | 5,903 |
| Sales and marketing | 21,452 | 5,670 | - | 27,122 | 4,157 |
| General and administrative | 84,706 | 644 | 2,355 | 87,705 | 13,441 |
| Total cost and expenses | 140,948 | 14,281 | 2,355 | 157,584 | 24,151 |

Momo Inc.

Reconciliation of GAAP and NON-GAAP Results of Unaudited Segment Report

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

| | Three months ended December 31, 2020 | | | | |
|--|--------------------------------------|----------------|----------------|----------------|----------------|
| | Momo RMB | Tantan RMB | QOOL RMB | Total RMB | Total US\$ |
| Income (loss) from operations | 650,884 | (53,056) | (4,231) | 593,597 | 90,973 |
| Share-based compensation | 140,948 | 14,281 | 2,355 | 157,584 | 24,151 |
| Amortization of intangible assets from business acquisitions | - | 36,488 | - | 36,488 | 5,592 |
| NON-GAAP income (loss) from operations | 791,832 | (2,287) | (1,876) | 787,669 | 120,716 |
| Net income (loss) | 705,800 | (50,486) | (4,184) | 651,130 | 99,790 |
| Share-based compensation | 140,948 | 14,281 | 2,355 | 157,584 | 24,151 |
| Amortization of intangible assets from business acquisitions | - | 36,488 | - | 36,488 | 5,592 |
| Tax impacts | - | (9,122) | - | (9,122) | (1,398) |
| NON-GAAP net income (loss) | 846,748 | (8,839) | (1,829) | 836,080 | 128,135 |

Momo Inc.

Unaudited Condensed Segment Report

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

| | Three months ended December 31, 2019 | | | | |
|---|--------------------------------------|------------------|----------------|--------------------|---------------------------|
| | Momo RMB | Tantan RMB | QOOL RMB | Total RMB | Total US\$ ^[1] |
| Net revenues: | | | | | |
| Live video service | 3,383,477 | - | - | 3,383,477 | 486,006 |
| Value-added service | 819,325 | 369,789 | - | 1,189,114 | 170,806 |
| Mobile marketing | 92,991 | - | - | 92,991 | 13,357 |
| Mobile games | 14,418 | - | - | 14,418 | 2,071 |
| Other services | 7,111 | - | 787 | 7,898 | 1,134 |
| Total net revenues | 4,317,322 | 369,789 | 787 | 4,687,898 | 673,374 |
| Cost and expenses (iv): | | | | | |
| Cost of revenues | (2,222,912) | (127,748) | (649) | (2,351,309) | (337,744) |
| Research and development | (205,793) | (86,395) | - | (292,188) | (41,970) |
| Sales and marketing | (379,940) | (345,089) | - | (725,029) | (104,144) |
| General and administrative | (192,789) | (13,275) | (6,539) | (212,603) | (30,539) |
| Total cost and expenses | (3,001,434) | (572,507) | (7,188) | (3,581,129) | (514,397) |
| Other operating income | 142,613 | - | 33 | 142,646 | 20,490 |
| Income (loss) from operations | 1,458,501 | (202,718) | (6,368) | 1,249,415 | 179,467 |
| Interest income | 105,947 | 2,197 | 61 | 108,205 | 15,543 |
| Interest expense | (20,190) | - | - | (20,190) | (2,900) |
| Income (loss) before income tax and share of income on equity method investments | 1,544,258 | (200,521) | (6,307) | 1,337,430 | 192,110 |
| Income tax (expenses) benefits | (265,981) | 12,277 | - | (253,704) | (36,442) |
| Income (loss) before share of income on equity method investments | 1,278,277 | (188,244) | (6,307) | 1,083,726 | 155,668 |
| Share of loss on equity method investments | (31,406) | - | - | (31,406) | (4,511) |
| Net income (loss) | 1,246,871 | (188,244) | (6,307) | 1,052,320 | 151,157 |

(iv) Share-based compensation was allocated in cost of revenues and operating expenses as follows:

Three months

| | ended December 31, 2019 | | | | |
|--------------------------------|-------------------------|---------------|--------------|----------------|---------------|
| | Momo RMB | Tantan RMB | QOOL RMB | Total RMB | Total US\$ |
| Cost of revenues | 6,000 | 1,601 | - | 7,601 | 1,092 |
| Research and development | 26,980 | 18,475 | - | 45,455 | 6,529 |
| Sales and marketing | 45,971 | 7,495 | - | 53,466 | 7,680 |
| General and administrative | 56,467 | 1,384 | 3,085 | 60,936 | 8,753 |
| Total cost and expenses | 135,418 | 28,955 | 3,085 | 167,458 | 24,054 |

[1] All translations from RMB to U.S. dollars are made at a rate of RMB 6.9618 to US\$1.00, the effective noon buying rate for December 31, 2019 as set forth in the H.10 statistical release of the Federal Reserve Board.

Momo Inc.
Reconciliation of GAAP and NON-GAAP Results of Unaudited Segment Report
(All amounts in thousands, except share and per share data)

Three months
ended December 31, 2019

| | Momo RMB | Tantan RMB | QOOL RMB | Total RMB | Total US\$ |
|--|------------------|------------------|----------------|------------------|----------------|
| Income (loss) from operations | 1,458,501 | (202,718) | (6,368) | 1,249,415 | 179,467 |
| Share-based compensation | 135,418 | 28,955 | 3,085 | 167,458 | 24,054 |
| Amortization of intangible assets from business acquisitions | - | 38,806 | - | 38,806 | 5,574 |
| Non-GAAP income (loss) from operations | 1,593,919 | (134,957) | (3,283) | 1,455,679 | 209,095 |
| Net income (loss) | 1,246,871 | (188,244) | (6,307) | 1,052,320 | 151,157 |
| Share-based compensation | 135,418 | 28,955 | 3,085 | 167,458 | 24,054 |
| Amortization of intangible assets from business acquisitions | - | 38,806 | - | 38,806 | 5,574 |
| Tax impacts | - | (9,701) | - | (9,701) | (1,394) |
| Non-GAAP net income (loss) | 1,382,289 | (130,184) | (3,222) | 1,248,883 | 179,391 |

Momo Inc.
Unaudited Condensed Segment Report
(All amounts in thousands, except share and per share data)

Year
ended December 31, 2020

| | Momo RMB | Tantan RMB | QOOL RMB | Total RMB | Total US\$ |
|---|--------------------|--------------------|-----------------|---------------------|--------------------|
| Net revenues: | | | | | |
| Live video service | 8,638,810 | 998,769 | - | 9,637,579 | 1,477,024 |
| Value-added service | 3,742,637 | 1,369,545 | - | 5,112,182 | 783,476 |
| Mobile marketing | 198,197 | - | - | 198,197 | 30,375 |
| Mobile games | 39,564 | - | - | 39,564 | 6,063 |
| Other services | 11,911 | - | 24,755 | 36,666 | 5,620 |
| Total net revenues | 12,631,119 | 2,368,314 | 24,755 | 15,024,188 | 2,302,558 |
| Cost and expenses (v): | | | | | |
| Cost of revenues | (6,865,836) | (1,088,816) | (22,129) | (7,976,781) | (1,222,495) |
| Research and development | (844,826) | (322,851) | - | (1,167,677) | (178,954) |
| Sales and marketing | (1,454,123) | (1,359,709) | (90) | (2,813,922) | (431,252) |
| General and administrative | (664,458) | (73,019) | (25,673) | (763,150) | (116,958) |
| Total cost and expenses | (9,829,243) | (2,844,395) | (47,892) | (12,721,530) | (1,949,659) |
| Other operating income | 223,312 | 3,945 | 1,520 | 228,777 | 35,062 |
| Income (loss) from operations | 3,025,188 | (472,136) | (21,617) | 2,531,435 | 387,961 |
| Interest income | 440,878 | 3,353 | 240 | 444,471 | 68,118 |
| Interest expense | (78,872) | - | - | (78,872) | (12,088) |
| Other gain or loss, net | 1,500 | - | - | 1,500 | 230 |
| Income (loss) before income tax and share of income on equity method investments | 3,388,694 | (468,783) | (21,377) | 2,898,534 | 444,221 |
| Income tax (expenses) benefits | (770,333) | 14,713 | - | (755,620) | (115,804) |
| Income (loss) before share of income on equity method investments | 2,618,361 | (454,070) | (21,377) | 2,142,914 | 328,417 |
| Share of loss on equity method investments | (42,522) | - | - | (42,522) | (6,517) |
| Net income (loss) | 2,575,839 | (454,070) | (21,377) | 2,100,392 | 321,900 |

(v) Share-based compensation was allocated in cost of revenues and operating expenses as follows:

Year
ended December 31, 2020

| | Momo RMB | Tantan RMB | QOOL RMB | Total RMB | Total US\$ |
|--------------------------------|----------------|---------------|---------------|----------------|----------------|
| Cost of revenues | 15,189 | 3,260 | - | 18,449 | 2,827 |
| Research and development | 127,714 | 48,156 | - | 175,870 | 26,953 |
| Sales and marketing | 142,908 | 15,994 | - | 158,902 | 24,353 |
| General and administrative | 292,356 | 22,882 | 10,227 | 325,465 | 49,880 |
| Total cost and expenses | 578,167 | 90,292 | 10,227 | 678,686 | 104,013 |

Momo Inc.

Reconciliation of GAAP and NON-GAAP Results of Unaudited Segment Report

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

| | Year | | | | |
|--|-------------------------|------------------|-----------------|------------------|----------------|
| | ended December 31, 2020 | | | | |
| | Momo RMB | Tantan RMB | QOOL RMB | Total RMB | Total US\$ |
| Income (loss) from operations | 3,025,188 | (472,136) | (21,617) | 2,531,435 | 387,961 |
| Share-based compensation | 578,167 | 90,292 | 10,227 | 678,686 | 104,013 |
| Amortization of intangible assets from business acquisitions | - | 152,065 | - | 152,065 | 23,305 |
| Non-GAAP income (loss) from operations | 3,603,355 | (229,779) | (11,390) | 3,362,185 | 515,279 |
| Net income (loss) | 2,575,839 | (454,070) | (21,377) | 2,100,392 | 321,900 |
| Share-based compensation | 578,167 | 90,292 | 10,227 | 678,686 | 104,013 |
| Amortization of intangible assets from business acquisitions | - | 152,065 | - | 152,065 | 23,305 |
| Tax impacts | - | (38,016) | - | (38,016) | (5,826) |
| Non-GAAP net income (loss) | 3,154,006 | (249,729) | (11,150) | 2,893,127 | 443,392 |

Momo Inc.
Unaudited Condensed Segment Report
(All amounts in thousands, except share and per share data)

| | Year | | | | |
|---|-------------------------|--------------------|-----------------|---------------------|--------------------|
| | ended December 31, 2019 | | | | |
| | Momo RMB | Tantan RMB | QOOL RMB | Total RMB | Total US\$ |
| Net revenues: | | | | | |
| Live video service | 12,448,131 | - | - | 12,448,131 | 1,788,062 |
| Value-added service | 2,846,057 | 1,259,906 | - | 4,105,963 | 589,785 |
| Mobile marketing | 331,822 | - | - | 331,822 | 47,663 |
| Mobile games | 92,451 | - | - | 92,451 | 13,280 |
| Other services | 22,354 | - | 14,368 | 36,722 | 5,275 |
| Total net revenues | 15,740,815 | 1,259,906 | 14,368 | 17,015,089 | 2,444,065 |
| Cost and expenses (vi): | | | | | |
| Cost of revenues | (8,065,300) | (415,688) | (11,108) | (8,492,096) | (1,219,813) |
| Research and development | (797,471) | (297,560) | - | (1,095,031) | (157,291) |
| Sales and marketing | (1,521,511) | (1,162,912) | (6,401) | (2,690,824) | (386,513) |
| General and administrative | (641,269) | (851,099) | (34,914) | (1,527,282) | (219,380) |
| Total cost and expenses | (11,025,551) | (2,727,259) | (52,423) | (13,805,233) | (1,982,997) |
| Other operating income | 323,444 | - | 21,399 | 344,843 | 49,534 |
| Income (loss) from operations | 5,038,708 | (1,467,353) | (16,656) | 3,554,699 | 510,602 |
| Interest income | 396,672 | 10,706 | 164 | 407,542 | 58,540 |
| Interest expense | (78,611) | - | - | (78,611) | (11,292) |
| Other gain or loss, net | (15,711) | - | - | (15,711) | (2,257) |
| Income (loss) before income tax and share of income on equity method investments | 5,341,058 | (1,456,647) | (16,492) | 3,867,919 | 555,593 |
| Income tax (expenses) benefits | (917,265) | 33,464 | - | (883,801) | (126,950) |
| Income (loss) before share of income on equity method investments | 4,423,793 | (1,423,183) | (16,492) | 2,984,118 | 428,643 |
| Share of income on equity method investments | (23,350) | - | - | (23,350) | (3,354) |
| Net income (loss) | 4,400,443 | (1,423,183) | (16,492) | 2,960,768 | 425,289 |

(vi) Share-based compensation was allocated in cost of revenues and operating expenses as follows:

| | Year | | | | |
|--------------------------------|-------------------------|----------------|---------------|------------------|----------------|
| | ended December 31, 2019 | | | | |
| | Momo RMB | Tantan RMB | QOOL RMB | Total RMB | Total US\$ |
| Cost of revenues | 20,393 | 3,579 | - | 23,972 | 3,443 |
| Research and development | 103,655 | 71,398 | - | 175,053 | 25,145 |
| Sales and marketing | 175,657 | 20,654 | - | 196,311 | 28,198 |
| General and administrative | 207,053 | 795,033 | 10,810 | 1,012,896 | 145,493 |
| Total cost and expenses | 506,758 | 890,664 | 10,810 | 1,408,232 | 202,279 |

Momo Inc.
Reconciliation of GAAP and NON-GAAP Results of Unaudited Segment Report
(All amounts in thousands, except share and per share data)

| | Year | | | | |
|--|-------------------------|------------------|----------------|------------------|----------------|
| | ended December 31, 2019 | | | | |
| | Momo RMB | Tantan RMB | QOOL RMB | Total RMB | Total US\$ |
| Income (loss) from operations | 5,038,708 | (1,467,353) | (16,656) | 3,554,699 | 510,602 |
| Share-based compensation | 506,758 | 890,664 | 10,810 | 1,408,232 | 202,279 |
| Amortization of intangible assets from business acquisitions | - | 152,223 | - | 152,223 | 21,866 |
| Non-GAAP income (loss) from operations | 5,545,466 | (424,466) | (5,846) | 5,115,154 | 734,747 |
| Net income (loss) | 4,400,443 | (1,423,183) | (16,492) | 2,960,768 | 425,289 |
| Share-based compensation | 506,758 | 890,664 | 10,810 | 1,408,232 | 202,279 |
| Amortization of intangible assets from business acquisitions | - | 152,223 | - | 152,223 | 21,866 |
| Tax impacts | - | (38,056) | - | (38,056) | (5,466) |

Non-GAAP net income (loss) 4,907,201 (418,352) (5,682)4,483,167643,968

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