

2024 Annual Results

IGG INC March 2025

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Agenda



1. IGG Overview
2. Business Review
3. Prospects



IGG Overview

IGG Overview

A leading global developer and publisher of mobile games and applications

Global Market

- Mobile games available in **23** languages
- Users across **200+** countries & regions
- Total gamers: **~1.5bn**
- MAU: **~80mn**, gamers account for 17mn+, app users of 62mn+

Global Investment

- Strategic investments in the mobile internet and gaming sector



Global R&D

- Developing globally appealing mobile games and applications, offering an immersive experience for players worldwide

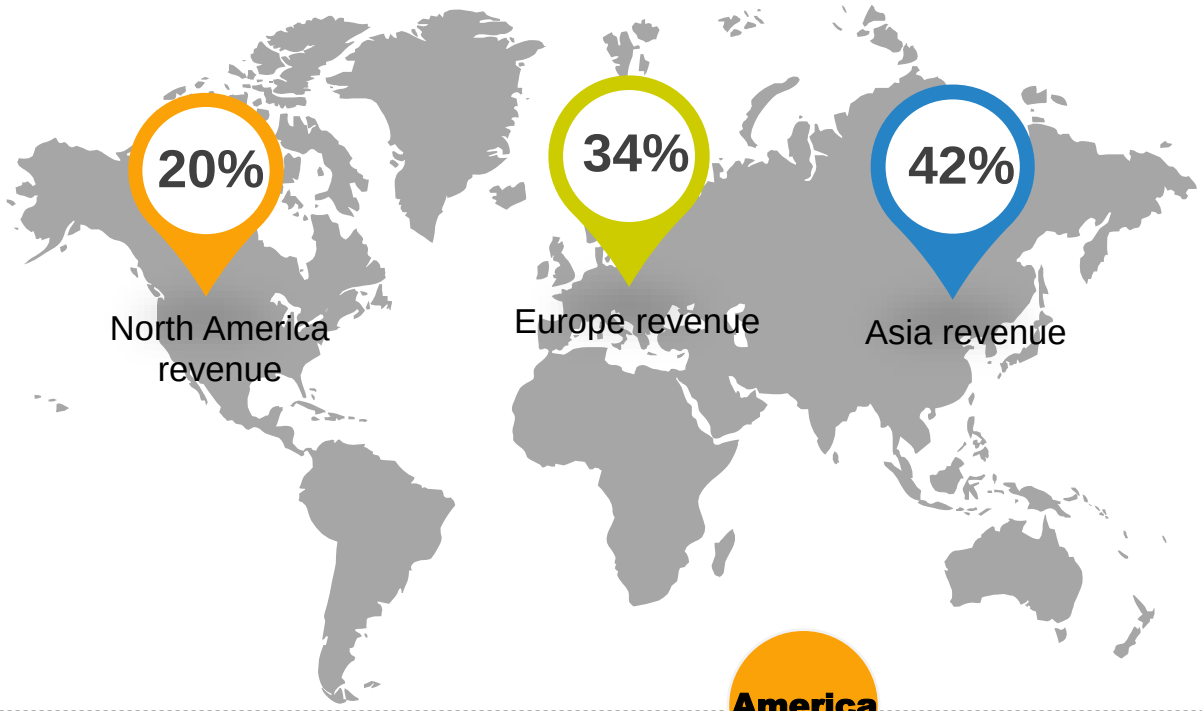
Global Operation

- Core operation teams located in **10+** countries
- Long-term relationships with over **100** business partners, including global platforms, advertising channels & vendors such as Apple, Google and Meta

Note: Data as at 31 December 2024

Global Branches

- In 2024, the Group has approximately 2,000 employees, and R&D accounts for approximately 60% of headcount.
- During the year, the Group continues to optimize resource allocation and strengthen its R&D and operation capabilities to drive long-term growth.



Asia

Singapore ★
Group headquarters; R&D & operation center

Greater China
Localized R&D, IT & operation support

South Korea
Localized operation support

Japan
Localized R&D & operation support

Thailand
Localized operation support

Türkiye
Localized operation support

Indonesia
Localized operation support

Philippines
Customer service center

America

USA
IT & localized operation support

Canada
Localized R&D support

Brazil
Localized operation support

Europe

Spain
Localized operation support

Italy
Localized R&D training & operation support

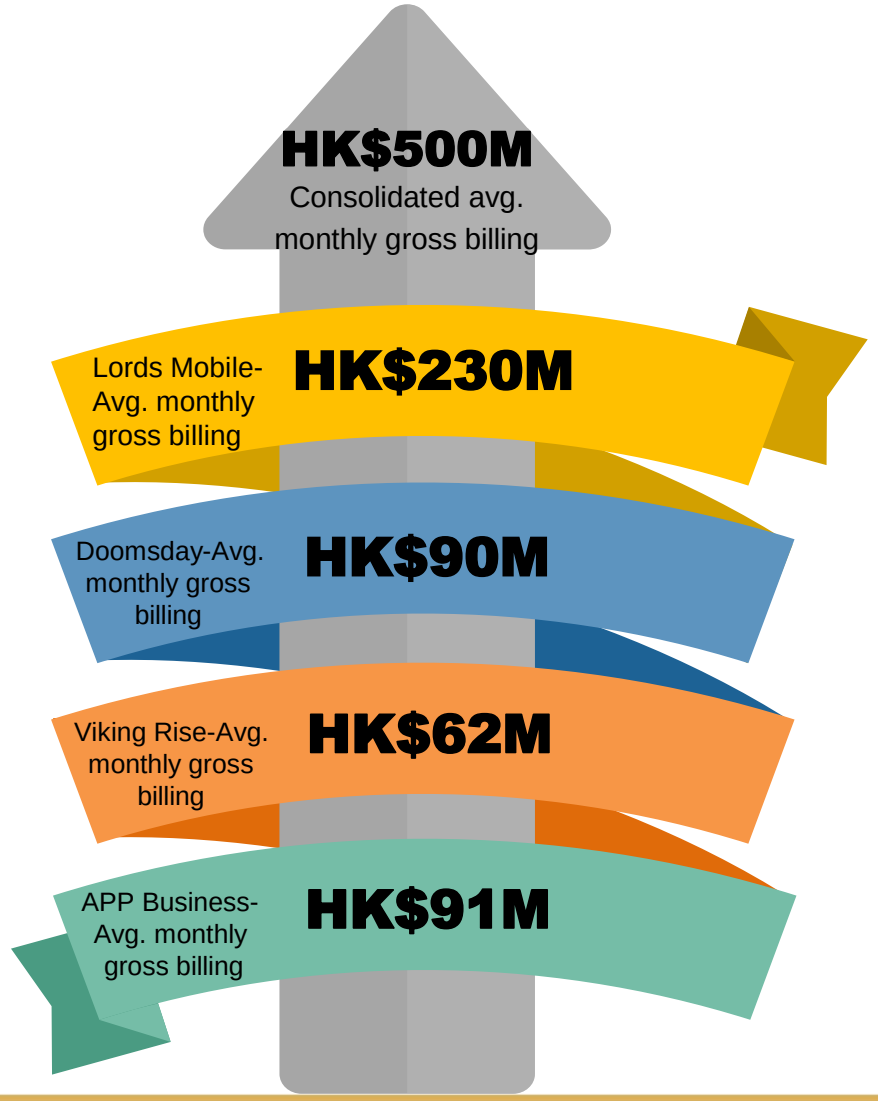
Note: Data as at 31 December 2024

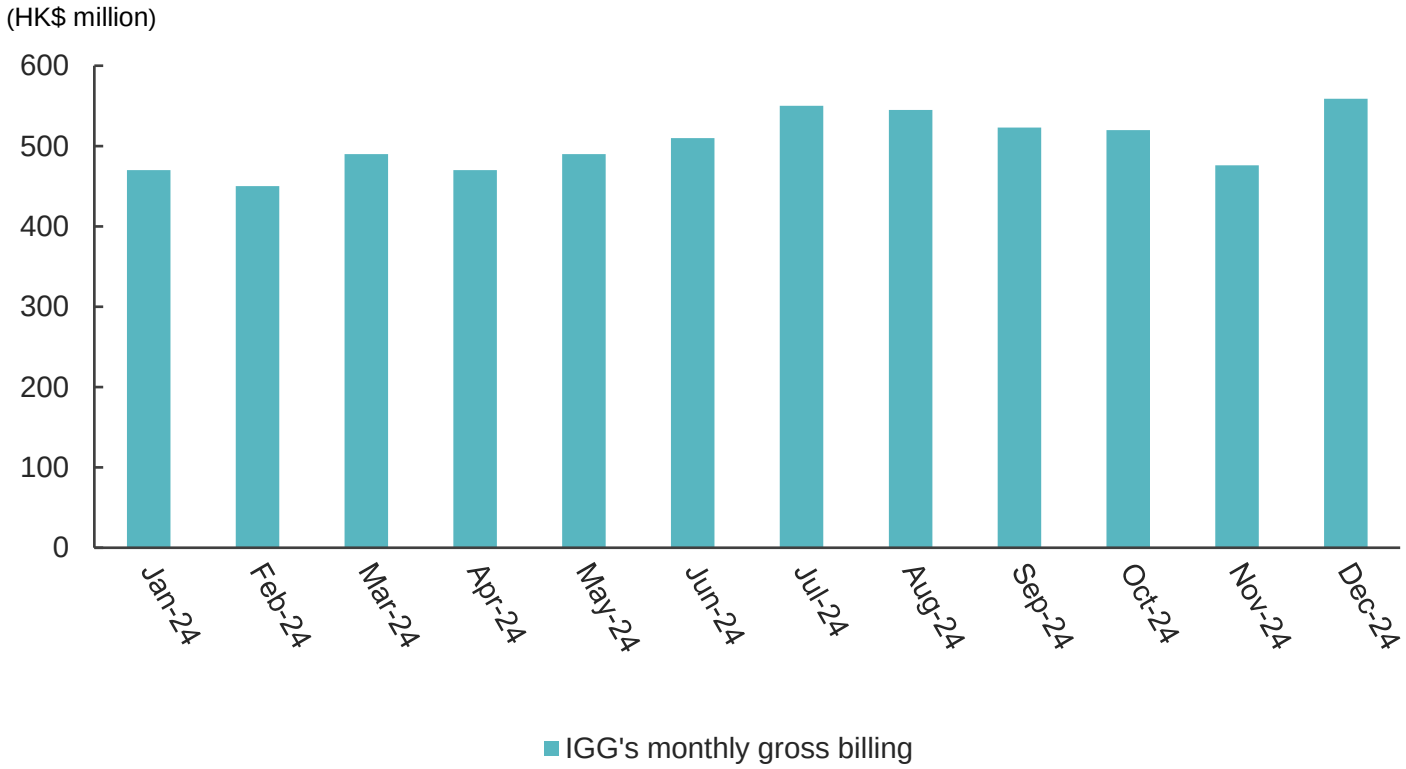


Business Review

Gross Billing

Monthly Gross Billing of the Group and Hit Titles in 2024





Operational Data



Lords Mobile

- Strategy/RPG Game
- Launched in 2016
- Available in 20 languages
- Registered users: 740mn
- MAU: 9.0mn



Time Princess

- Female-oriented Dress-up
- Launched in 2020
- Available in 13 languages
- Registered users: 26.7mn
- MAU: 450k



Doomsday: Last Survivors

- Strategy
- Launched in 2021
- Available in 16 languages
- Registered users: 73mn
- MAU: 4.0mn



Viking Rise

- Strategy
- Launched in 2022
- Available in 16 languages
- Registered users: 40mn
- MAU: 2.2mn

Note: Data as at 31 December 2024

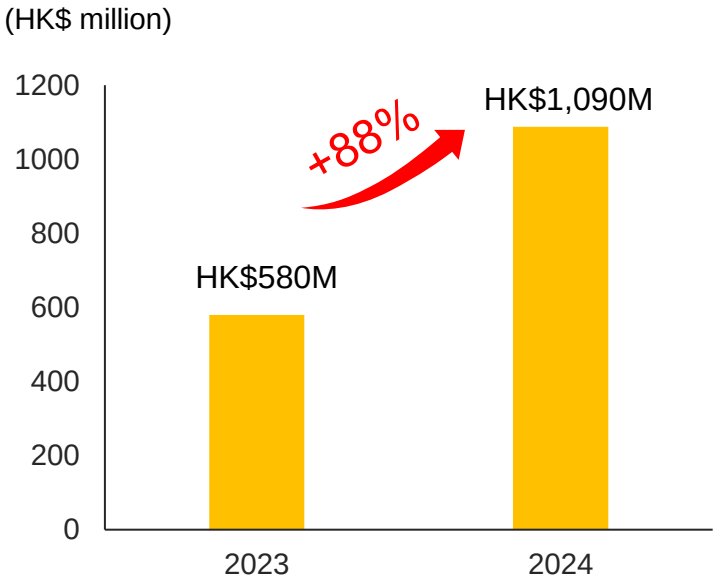
APP Business

- MAU: 62mn, +51% HoH
- Selected new products: Bible, weather, etc.



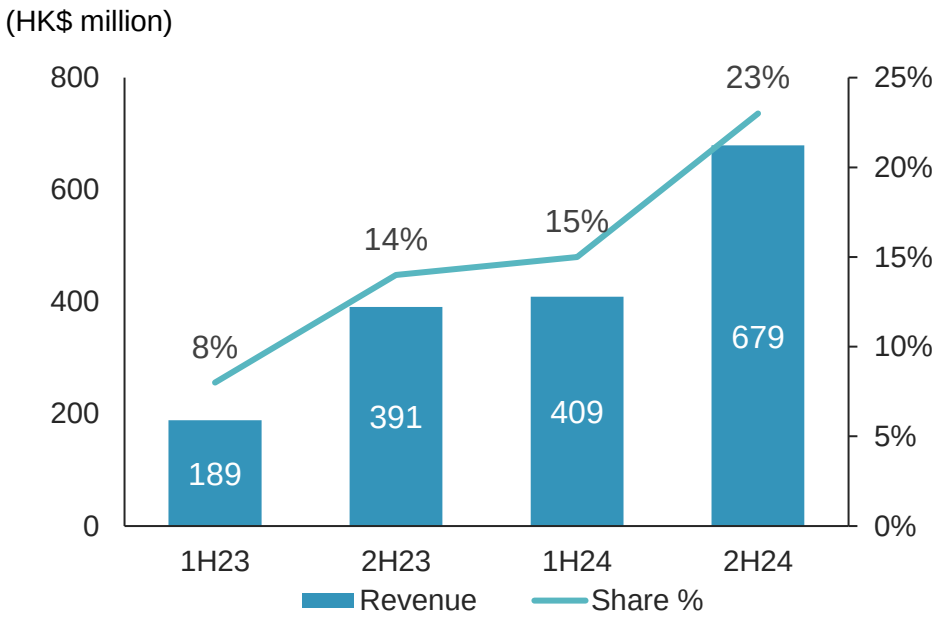


Annual Revenue



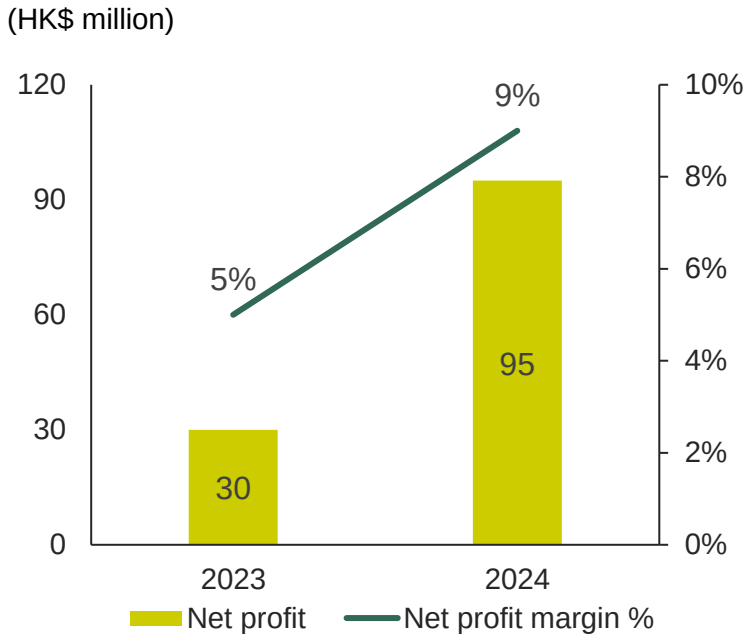
- Annual revenue: approx. HK$1.1 billion, representing 19% of total revenue

Semi-annual Revenue & Share



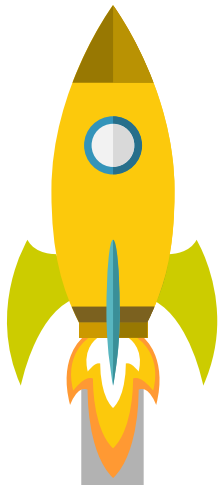
- 2H24 revenue: approx. HK$680 million, +74% YoY, +66% HoH

Net Profit & Net Profit Margin



Note: Data as at 31 December 2024

2025: A Quest for Diversified Growth



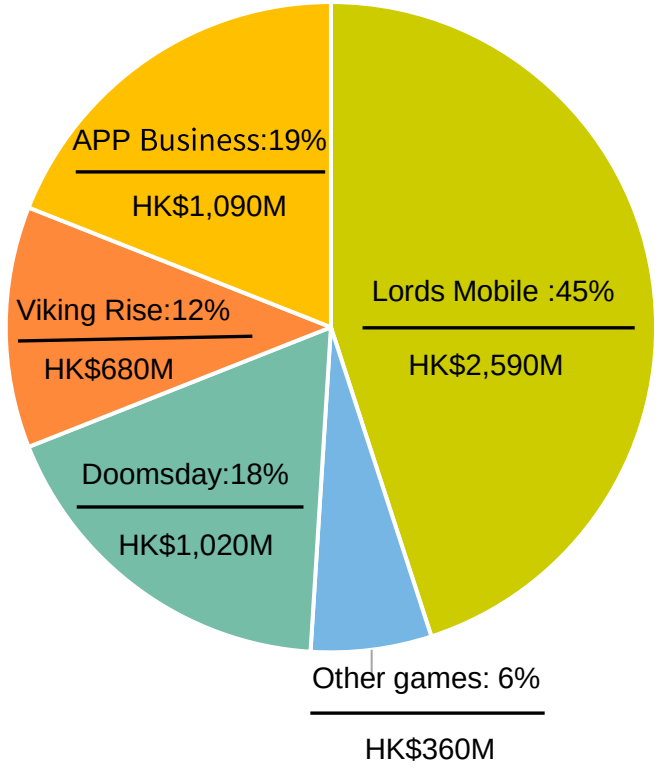
Operational

- **Lords Mobile:** benchmarking top games for upgrades and revisions, a new version will be released in Q2 to pursue steady growth.
- **Doomsday:** following an 18-month review and analysis of operations, we anticipate releasing a new version in Q2, which has the potential to initiate a new growth cycle in 2H25.
- **Viking Rise:** the game is in the process of revision, with a new version expected to debut in Q3, targeting new highs in Q4.
- **APP Business target:** growth in revenue and net profit.

New games

- **Blockbuster SLG games:** the recently launched title, Frozen War, featuring a frigid apocalypse, along with Project PSS, expected to release in 2H25, exhibit growth potential.
- **Blockbuster casual game:** Tycoon Master, preliminary data indicates growth potential. We continue to enrich game content and fine-tune game data to drive further growth.

Diversified Product Portfolio



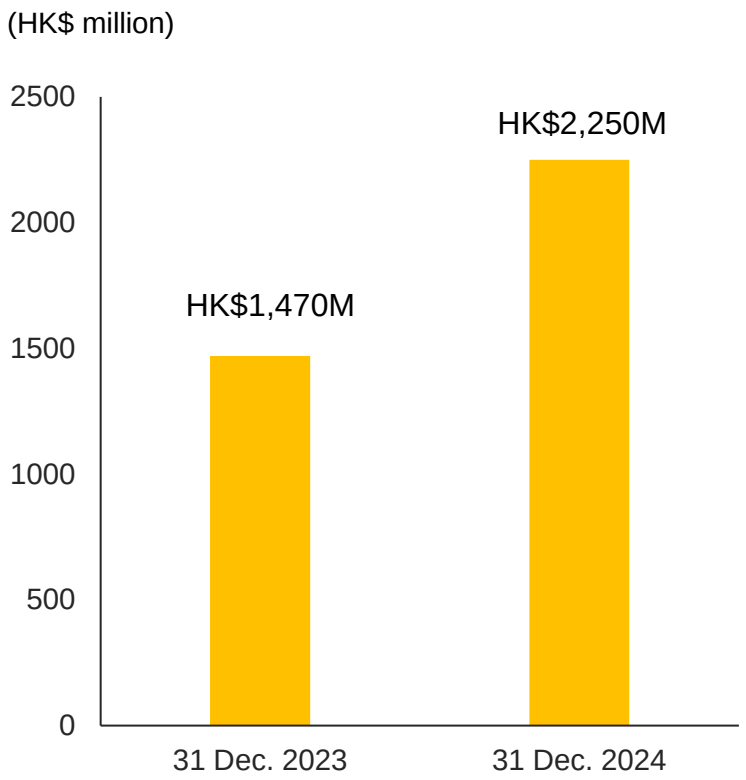
Note: Data as at 31 December 2024

Financial Analysis

(HK$ million)	2023	2024	YoY (%)	Notes
Consolidated revenue	5,266	5,737	+9%	- The Group's revenue increased 9% yoy, driven by the contributions of strategy games "Doomsday: Last Survivors" and "Viking Rise", along with the APP Business. - "Viking Rise" and "Doomsday: Last Survivors" continued their rapid growth. - "Lords Mobile": solid longevity since debut 9 years ago, generating steady revenue. - Rapid growth in the APP Business resulted in approximately HK$1.1 billion in revenue and notable profit, establishing it as a vital growth driver for the Group.
Revenue from Games	*4,686*	*4,649*	-1%	
Lords Mobile	*3,107*	*2,589*	-17%	
Doomsday: Last Survivors	*679*	*1,021*	+50%	
Viking Rise	*408*	*680*	+66%	
Other games	*492*	*359*	-27%	
Revenue from APP Business	*580*	*1,088*	+88%	
Gross Profit	3,919	4,611	+18%	Revenue growth driven by the two strategy games and the APP Business
GP margin (%)	74%	80%	+6ppts	Revenue contribution from the APP Business increased
Other net gains	90	6	-93%	Fair value decrease from investee companies and funds
Selling & distribution exp.	-2,666	-2,811	+5%	Consistent marketing for the gaming business alongside proactive expansion efforts for the APP Business
Administrative exp.	-317	-349	+10%	Administrative expenses rose as the business scaled up
R&D exp.	-935	-787	-16%	By continuously optimizing headcounts and resources, and strategically applying AIGC technology, significant improvement in efficiency were achieved.
Share of results of associates and joint ventures	9	13	+40%	Associates and joint ventures continue to generate profits.
Income tax exp.	-24	-97	+304%	The substantial increase in net profit led to a corresponding rise in income tax expense
Net profit	73	583	+697%	- Following the Group's successful turnaround from a loss to an annual net profit of HK$73 million in 2023, the Group achieved an impressive year-on-year profit growth of 697%, reaching HK$580 million in 2024. - The Group's core business experienced a substantial surge of 3,626% year-on-year to HK$650 million in net profit. - The investment business recorded an unrealized loss due to fair-value changes of investees.
Net profit margin (%)	1%	10%	+9ppts	
Net profit for core business	17	656	+3,626%	
(Loss)/gain on investments	55	-73	N/A	
Earnings per share (basic, HK$)	0.0625	0.5061	+710%	

Solid Cash Position

Cash & Cash Equivalents



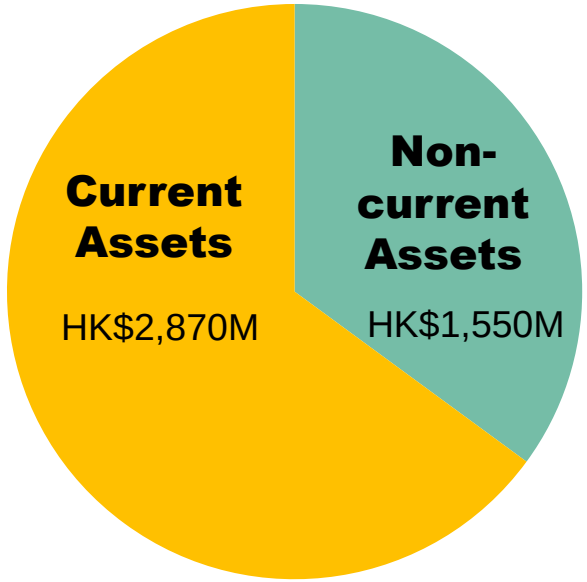
- Net cash generated from operating activities of approximately **HK$1,120M**
  - Revenue expansion: steady growth.
  - Cost saving: optimize resource allocation to control costs
- Net cash used in investing activities of approximately **HK$120M**
  - Payment of construction costs for a self-use office building in Fuzhou, China, amounting to approximately HK$120M
  - Expenditure on the acquisition and construction of fixed assets and intangible assets of approximately HK$25M
  - Cash inflow of approximately HK$23M generated from the investment business
- Net cash used in financing activities of approximately **HK$210M**
  - Dividend payment of approximately HK$97M
  - Payments for repurchase of shares amounted to approximately HK$47M
  - Payment of lease rentals amounted to approximately HK$59M

Total Assets

The Group's total assets of approximately HK$4,400M

- Current assets of approximately HK$2,870M
  - Cash and cash equivalents of approximately HK$2,250M
  - Funds receivable of approximately HK$280M
  - Trade and other receivables of approximately HK$180M
- Non-current assets of approximately HK$1,550M
  - Self-owned real property (including land use rights) of approximately HK$890M
  - Investments – other financial assets of approximately HK$400M
  - Investments – equity investment in associates and joint ventures amounted to approximately HK$90M
  - Other non-current assets of approximately HK$170M

Total Assets in 2024



Note: Data as at 31 December 2024

Share Buyback & Dividend

- The Group prioritizes shareholder value and actively seeks to enhance returns for shareholders through share buybacks and dividend payouts during profitable fiscal years.
- The dividend declared, along with the amount spent to repurchase shares, accounts for approximately 38% of the Group's 2024 annual profit.

Dividend

1H24: HK8.5 cents per ordinary share, 30% of interim profit
2H24: HK6.4 cents per ordinary share, 30% of interim profit

30%

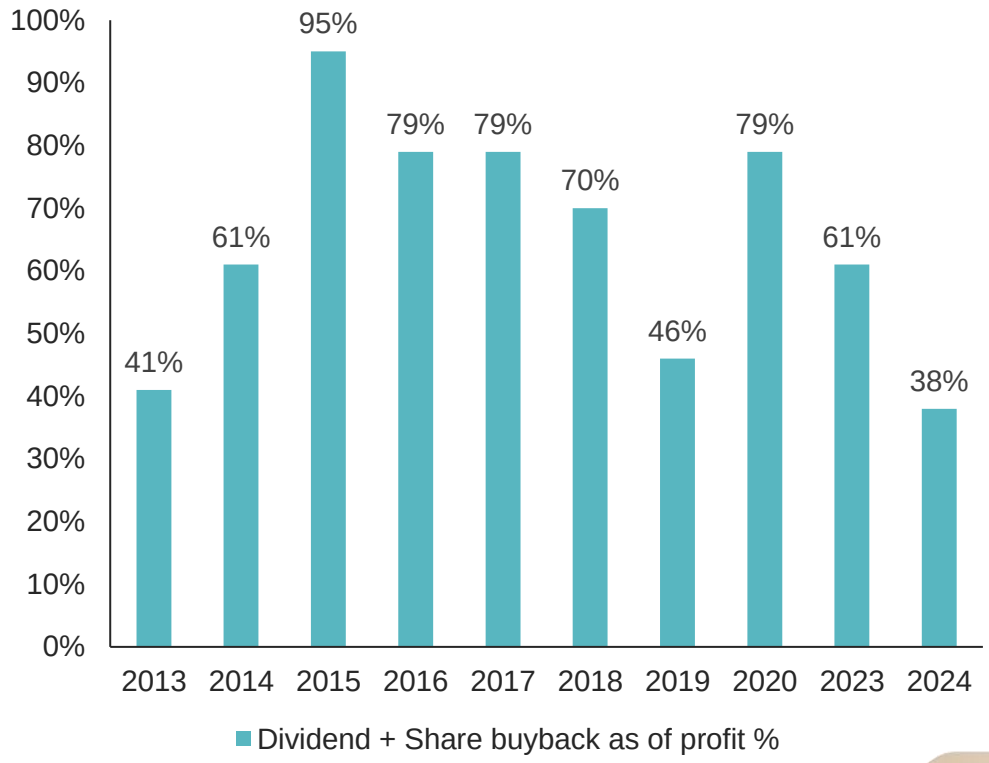
38%

8%

Share buyback

The Group spent approximately HK$47 million on share buybacks in 2024, representing 8% of annual profit.

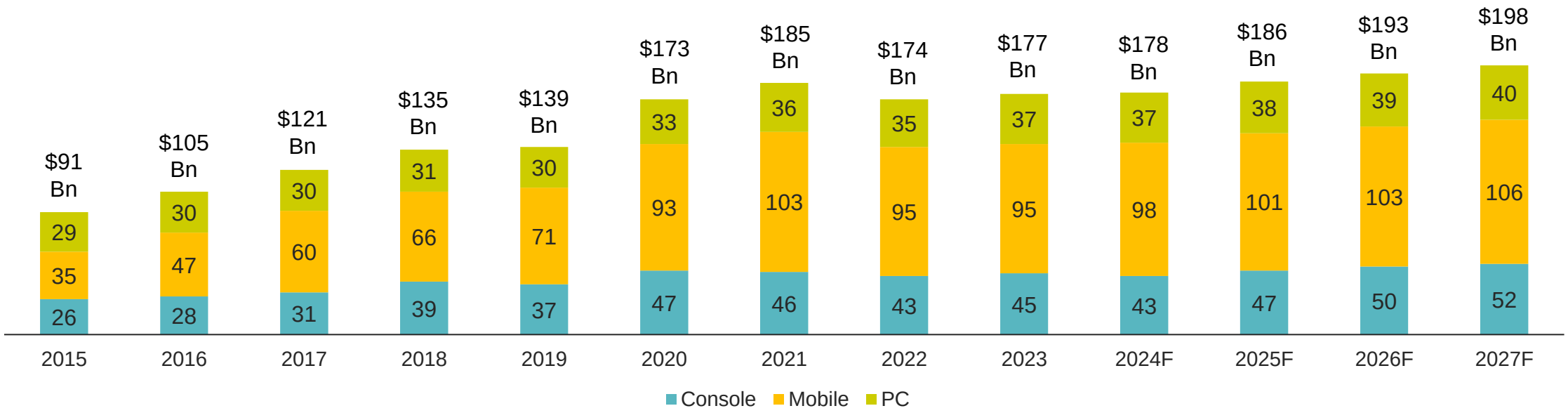
Historical Shareholder Returns



Global Games Market

- The global games market is forecasted to reach US$186.1 billion in 2025, and is projected to grow to US$198.4 billion in 2027.
  - Mobile games are expected to grow to US$101 billion in 2025, 54% of global games market
  - Console games are expected to grow to US$47 billion in 2025, 25% of global games market
  - PC games are expected to grow to US$38 billion in 2025, 20% of global games market

Global games revenue per platform | 2015-2027F



Source：*Newzoo, Games Market Reports & Forecasts (February 2025)*



Prospects

Prospects

R&D

Deep utilization of AI

- Enhancing efficiency and productivity through extensive integration of AI technology in game design, art production, programming, and etc.

Game development: pursuing excellence & diversification

- Staying committed to innovation, seizing trends, and building a diverse product portfolio.

Steady growth of APP Business

- Focusing on diversified and innovative applications
- Continually leveraging the synergies of platform-based business model



Operation

AI Tech: sharpening competitive edge

- Utilizing AI technology to expand global operational competitive edge, and enhance localized and targeted marketing campaigns

Long-term operation strategy

- Continue to acquire users for games and the APP Business across the globe
- Diversified marketing initiatives to extend the products' longevity



New Game – Tycoon Master





New Game – Tycoon Master



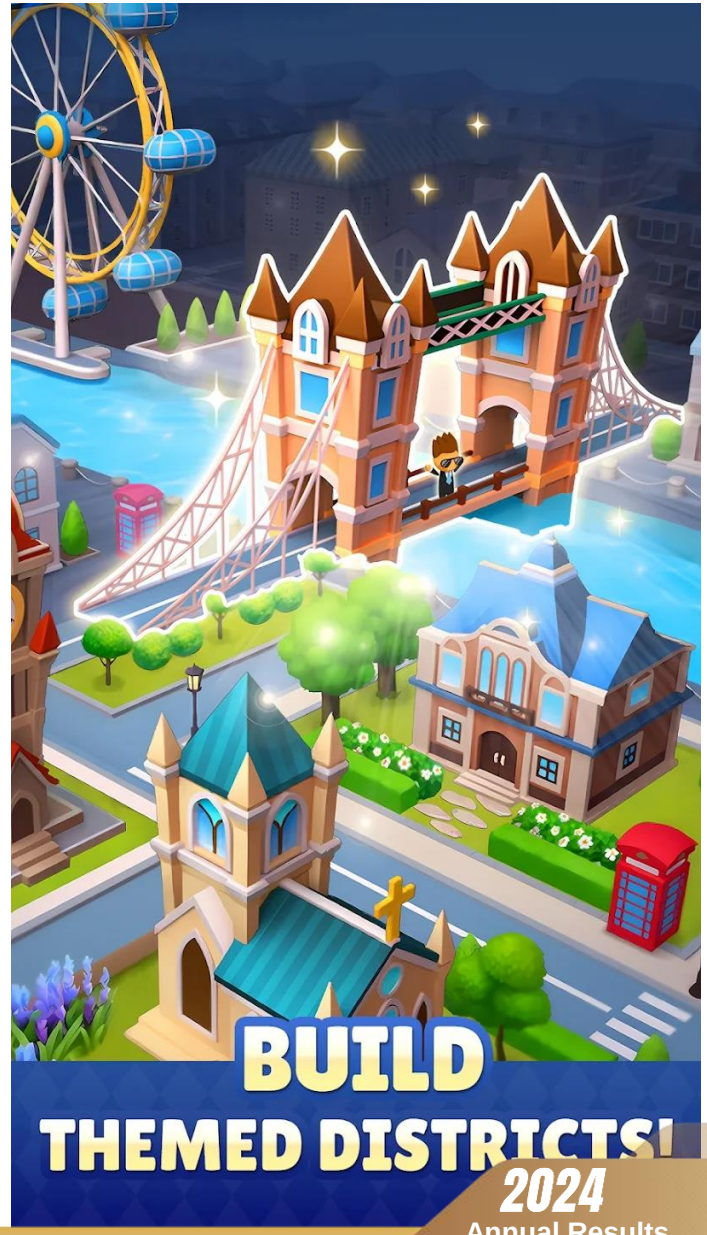




New Game – Tycoon Master







New Game – Frozen War (SLG)



New Game - Frozen War (SLG)



New Game – Frozen War (SLG)



New Game – Project PSS (SLG)



New Game – Project PSS (SLG)



New Game – Project PSS (SLG)





Q&A

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