



IGG INC

(Incorporated in the Cayman Islands with limited liability)

(Stock code : 799.HK)

Twin Engines Lords Mobile and Time Princess Drive IGG's Interim Revenue to New Record **Accelerated R&D Investment to Accrue Long-term Growth** **Total Dividends of HK14.5 cents per Ordinary Share Declared**

2021 Interim Financial Highlights of IGG Inc:

- For the first half of 2021, IGG's revenue hit a record high of HK\$3.2 billion, representing an increase of 33% year-on-year. "Lords Mobile", IGG's flagship title, set a new revenue record in the first half of 2021, with average monthly gross billing rising to a historical high of HK\$480 million. "Time Princess", another hit title of the Group, has been well-received by gamers since its launch in the second half of 2020. During the period, its monthly gross billing exceeded HK\$34 million. The game is scheduled to be released in late August in mainland China, a market with high growth potential.
- In the first half of 2021, the Group continued to invest heavily in R&D and marketing to drive long-term growth. IGG's interim net profit reached approximately HK\$580 million. Net profit for core game business¹ was nearly HK\$500 million, while gain on investment² contributed over HK\$88 million, primarily attributable to the successful investment in XD Inc.
- The Board of Directors declared an interim dividend of HK14.5 cents per ordinary share, representing approximately 30% of the net profit for the first half of 2021. The Group repurchased a total of over 5.6 million shares in the first half-year for a consideration of over HK\$57 million. The dividend pay-out and share repurchase together make up approximately 40% of the Group's net profit for the first half of 2021.

¹ Net profit for core game business: net profit excluding gain on investments.

² Gain on investments including: (1) fair value change and gain/loss on disposal of other financial assets, and dividend income; and (2) share of results of associates and joint ventures, impairment loss on interest in associates and joint ventures and gain/loss on disposal and deemed disposal of associates and joint ventures.

(5 August 2021, Hong Kong SAR) IGG Inc (“IGG” or the “Group”, stock code: 799.HK), a leading global developer and publisher of mobile games, announces its unaudited consolidated interim results for the six months ended 30 June 2021.

It has been more than a year since the outbreak of the coronavirus pandemic. IGG seized the opportunity presented by the “home-based” economy to acquire new users for its marquee game. At the same time, the Group boldly ventured into new genres and released a meticulously-crafted female-oriented game. Led by creative game content and innovative marketing campaigns, the Group’s marquee strategy game “Lords Mobile” set new records in both monthly active users (“MAU”) and daily active users (“DAU”), putting up a solid revenue performance. A new female-oriented game, “Time Princess”, has rapidly taken off in the market following its debut and further diversified the Group’s product portfolio.

In the first half of 2021, the Group achieved a new revenue record in excess of HK\$3.2 billion, representing an increase of 33% year-on-year. Revenue growth was primarily due to solid contribution from flagship title “Lords Mobile” and new growth driver “Time Princess”. During the period, revenue generated from markets in North America, Asia and Europe accounted for 36%, 35% and 22%, respectively, of the Group’s total revenue. In the first half of 2021, IGG’s net profit reached approximately HK\$580 million with gain on investments exceeding HK\$88 million. The gain on investments was primarily attributable to successful investments in mobile internet and gaming companies and funds, including investments in XD Inc. Excluding the gain on investments, IGG’s net profit from its core game business was nearly HK\$500 million. As at 30 June 2021, the Group’s mobile games and apps were available in 23 different languages worldwide, with nearly 1.2 billion users in total and over 47 million monthly active users across more than 200 countries and regions. The Group has been listed among the “Top 52 Publishers” globally by App Annie for seven consecutive years, and received the “National Business Award (2021) for Internet / New Media” by Singapore Business Review.

“Lords Mobile”, IGG’s blockbuster title with innovative features, is the Group’s first cross-platform, multi-language, real-time game designed for global gamers. The game has been well-received by gamers since its launch in 2016 and continues to generate stable revenue for the Group. In the first half of 2021, the Group continued with content updates and released new features such as “Battle Pass – Kingdom Labors” and “Tower Defence – Vergeway”. IGG also embarked on its first ever IP collaboration with renowned Japanese animation studio, TOEI ANIMATION CO., LTD. in April, and introduced characters from their smash hit, Saint Seiya, into Lords Mobile. As a result, “Lords Mobile” set a new revenue record and repeatedly ranked among the top 3 grossing games in the United States on Google Play. For the period, “Lords Mobile” has 440 million registered users worldwide and hit a record 20 million MAU, up from 13.7 million at the end of 2020. The game’s huge user base lays a solid foundation for its long-term operation and revenue performance. As at 30 June 2021, “Lords Mobile” was among the top five grossing games in 13 countries and regions and top 10 in 39 countries and regions on Google’s Play Store,

and among the top five grossing games in 12 countries and regions and top 10 in 22 countries and regions on Apple's App Store³.

"Time Princess", another flagship title of the Group, has been well-received by gamers since its debut in the second half of 2020. In the first half of 2021, the game was released in new Asian markets. After its launch in May in Japan, "Time Princess" moved up to be the most downloaded casual game on Apple's App Store in the country. Recently, it was featured by both Apple and Google immediately after its official release in South Korea, and emerged as South Korea's most downloaded game on Apple's App Store. "Time Princess" has also obtained approval from the National Press and Publication Administration for release in mainland China and is scheduled to launch on 20 August. During pre-registration, the Chinese version attracted over 2 million gamers within few weeks, showing high growth potential. As at 30 June 2021, the game has over 9.8 million registered users worldwide and 1 million MAU.

Throughout the period, the Group continued to invest heavily in both in-house R&D teams and external gaming companies. Leveraging its twin growth engines, IGG has been pushing for both quality and quantity in its new games. In the first half of 2021, the Group has produced a number of idle games, including "Rage of Destiny" and project "Mythical Heroes". "Rage of Destiny" has shown high growth potential since its launch. In terms of genre, the game marked a major breakthrough for the Group beyond strategy games. "Rage of Destiny", jointly developed by an external invested company and IGG's global operation team, set a new paradigm to IGG's game development and operation model. In the coming months, "Rage of Destiny" will deliver better performance with its launch on Apple's App Store and release of new languages. Furthermore, a diverse line-up of new titles, including strategy games and more idle games, are scheduled for launch in the second half of the year.

The Group continued to invest in the mobile internet and gaming sector. During the period, led by the remarkable performance of the Group's investments in XD Inc. and other mobile game companies, gain on investments contributed over HK\$88 million to net profit. In the first of half of 2021, IGG entered into strategic agreements with dozens of gaming companies across the world to strengthen its competitiveness. Investment and partnership models include outsourced game development and licensing deals that will enrich the Group's game portfolio.

Embracing the corporate spirit of "Innovators at Work, Gamers at Heart", IGG will continue to strengthen its global R&D and operational capabilities. The Group will continue to invest heavily in its R&D and operation teams in Asia and North America, to relentlessly pursue its strategy of quality, innovation and excellence in creating innovative yet timeless games.

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³ Source of ranking information: the authoritative third-party App Annie

About IGG Inc

Established in 2006, IGG Inc is a leading global mobile games developer and operator with headquarters in Singapore and regional offices in the United States, China, Canada, Japan, South Korea, Thailand, Belarus, the Philippines, Indonesia, Brazil, Turkey, Italy, Spain, etc. IGG offers multi-language and multifarious games to users around the world. In addition to main partners Apple, Google, Microsoft and Amazon, the Group has established long-term partnerships with more than 100 other game promotion platforms worldwide. IGG's most popular games include "Lords Mobile", "Time Princess", and "Castle Clash".