



IGG INC

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 799.HK)

Annual Profits Reached New Record Lords Mobile's Monthly Gross Billing Hit All-Time High Total Dividends of HK53.4 cents per Ordinary Share Declared

2020 Annual Financial Highlights of IGG Inc:

- For the year ended 31 December 2020, IGG achieved revenue of nearly HK\$5.5 billion, representing an increase of 5% year-on-year. Revenue in the second half of 2020 was more than HK\$3.0 billion, an increase of 25% over the first half of 2020 as well as year-on-year. The growth was primarily due to the outstanding performance of the flagship title, "Lords Mobile". During the year, "Lords Mobile" repeatedly set new records with the highest monthly gross billing topping HK\$500 million.
- For the year ended 31 December 2020, IGG's net profit hit a record high of HK\$2.1 billion, surging 64% year-on-year, primarily attributable to the outstanding performance of the Group's game business and global investments. The Group's gain on investments¹ leapt to HK\$980 million, representing an increase of 381% year-on-year.
- The Board of Directors declared a second interim dividend of HK26.7 cents per ordinary share and a special dividend of HK26.7 cents per ordinary share. Total dividends for the period amounted to HK53.4 cents per ordinary share, representing approximately 60% of the net profit for the second half of 2020. The Group repurchased over 56 million shares, which accounts for 4.7% of issued shares, for a total consideration of nearly HK\$390 million. The full year dividends declared plus share buy-backs accounted for 79% of annual net profit.

¹ Gain on investments: arise from other financial assets, including fair value gain on investments, gain on disposal of other financial assets and dividend income.

(4 March 2021 – Hong Kong) IGG Inc (“IGG” or “the Group”, stock code: 799.HK), a leading global developer and publisher of mobile games, is pleased to announce the audited consolidated financial results of the Group for the year ended 31 December 2020.

In 2020, the COVID-19 pandemic posed challenges across countries and industries. The pandemic has also created a new “work from home” normal and catalysed the emergence of the “home-based” economy. IGG seized the opportunity to enhance the global operation and marketing for “Lords Mobile”. At the same time, the Group acquired nearly 100 million users for its mobile apps and succeeded in creating a platform synergy effect, boosting the flagship title “Lords Mobile” to repeatedly hit new record highs in monthly gross billing and leading to growth in annual revenue and net profit.

For the year ended 2020, the Group recorded total revenue of nearly HK\$5.5 billion, an increase of 5% year-on-year. Revenue in the second half of 2020 was more than HK\$3.0 billion, representing a 25% increase over the first half of 2020 as well as year-on-year. Revenue growth was primarily due to the outstanding performance of the flagship title “Lords Mobile”, which repeatedly hit new record highs. During the year, revenue generated from markets in Asia, North America and Europe accounted for 39%, 31% and 23%, respectively, of the Group’s total revenue.

IGG’s net profit reached a record high of HK\$2.1 billion in 2020, soaring 64% year-on-year, primarily attributable to the outstanding performance of its game business and global investments. Led by the remarkable performance of the Group’s investments in online mobile game companies and funds, gain from the Group’s investments rose to HK\$980 million. During the year, IGG achieved a net profit of HK\$1,130 million from its core game business², representing a 4% increase year-on-year. As at 31 December 2020, the Group’s mobile games and apps are available in 23 different languages worldwide, with over 1 billion users in total³ and nearly 39 million monthly active users (“MAU”) across more than 200 countries and regions. The Group has been listed as one of the “Top 52 Publishers” globally by App Annie for seven consecutive years.

“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. As at 31 December 2020, it has over 370 million registered users worldwide and over 13.7 million MAU. With regular updates and streamlined game operation, “Lords Mobile” set a new revenue record in 2020, with monthly gross billing rising to over HK\$500 million. As at 31 December 2020, “Lords Mobile” was among the top five grossing games in 15 countries and regions and top 10 in 47 countries and regions on

² Net profit for core game business: excluding gain on investments and share of result of associates and joint ventures. Gain on investments arise from other financial assets, including fair value gain on investments, gain on disposal of other financial assets and dividend income.

³ Users in total: historical accumulated registered users, including game and mobile app users.

Google Play, and among the top five grossing games in 7 countries and regions and top 10 in 22 countries and regions on Apple's App Store⁴.

In 2021, IGG is partnering up with a well-known Japanese animation studio, TOEI ANIMATION CO., LTD, to introduce their smash hit, Saint Seiya into Lords Mobile, bringing players a refreshing gaming experience.

IGG has achieved a breakthrough in diversifying its game portfolio beyond its core strategy games genre. "Dress Up! Time Princess" is a meticulously crafted female-oriented dress-up game, offering a unique combination of interactive stories with character costume customisation. The game has been well-received by gamers since its debut and was featured by Apple's App Store and Google Play multiple times in many countries. Its gross billing exceeded HK\$20 million in January 2021 after the Group increased marketing spending in the North America and Europe markets in December 2020. As at February 2021, it has over 6 million registered users worldwide and nearly 1.8 million MAU. The Group will be launching more new titles including strategy and action games in 2021, to cater to different segments of the market.

During the year, the Group focused on investing in mobile internet and gaming related companies and funds. Several of these investments have performed well. IGG has entered into strategic investment agreements with dozens of gaming companies across the world to strengthen its competitiveness in 2020. Investment and partnership models include outsourced game development and licensing deals that will enrich the Group's game portfolio and create momentum in the long run.

Throughout the year, IGG continued to strengthen its R&D and operations in China. The Group acquired the land use rights of a parcel of land for a new office building in Fuzhou, China, to fulfil its long-term development plans. It has also set up R&D centres in Beijing, Shanghai and Chengdu, which are well-known TMT talent hubs. The Group will continue to recruit R&D talents in these hi-tech hubs of innovation to further drive long-term growth. Embracing the corporate spirit of "Innovators at Work, Gamers at Heart", IGG will relentlessly pursue its strategy of quality, innovation and excellence to create innovative yet classic games.

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⁴ 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 local offices in the United States, China, Canada, Japan, South Korea, Thailand, Belarus, the Philippines, the United Arab Emirates, Indonesia, Brazil, Turkey, Italy and Spain. 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", "Castle Clash", "Mobile Royale" and "Dress Up! Time Princess".