

For Immediate Release

28 August 2016



IGG INC

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: **799.HK**)

Lords Mobile Surpassed HK\$100 Million Monthly Gross Revenue

Castle Clash Achieved Another 21% YoY Growth

2016 Interim Financial Highlights of IGG Inc

- For the half year ended 30 June 2016, IGG achieved revenue of approximately HK\$979 million, up 21% Year-Over-Year from approximately HK\$805 million in the same period of 2015, primarily due to the outstanding performance of the new game “Lords Mobile”.
- For the half year ended 30 June 2016, adjusted net income was approximately HK\$211 million, up 3.4% Year-Over-Year from approximately HK\$204 million in the same period of 2015. The adjusted net income growth rate is lower comparing to revenue growth primarily due to increased advertising and marketing spend for “Lords Mobile”.
- The Board of Directors declared an interim dividend of HK4.3 cents per ordinary share, accounting for approximately 30% of the net profit for the first half of 2016.

(28 August 2016 - 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 unaudited consolidated financial results of the Group for the half year ended 30 June 2016.

In 2016, The Group continued to rapidly expand into several strategic regions in the global mobile games market. As at 30 June 2016, the Group has over 340 million registered users with about 18.6 million Monthly Active Users (MAU) from more than 200 countries and regions around the world. In the first half of 2016, approximately 34%, 32% and 28% of the Group's revenue came from users in North America, Europe and Asia (based on IP address), respectively.

In March 2016, the Group released its latest real-time strategy game, Lords Mobile, with very exciting results. A new blockbuster title for the Group, Lords Mobile’s revenue growth is the fastest in the Group’s history, expected to cross

the HK\$100 million monthly revenue milestone in August, just six months after launch. The game is currently available in 16 different languages, with approximately 620,000 daily active users as of 20 August 2016. According to independent third party analysis platform App Annie, on 20 August 2016, the game's gross revenue on Google Play ranked top 5 in 5 countries, top 10 in 18 countries and top 20 in 44 countries. Lords Mobile made three significant breakthroughs for the Group. Firstly, it is the Group's first cross-platform, multi-language, global server game; secondly, more than 50% of the game's revenue came from iOS as of 31 July 2016, significantly higher than other games of the Group; and thirdly, the title received a higher proportion of revenue from fast-growing Asian market compared to other IGG games.

In the first half of 2016, mobile games contributed to 97% of the Group's total revenue. The Group's three-year-old hit game "Castle Clash" maintained a 21% Year-over-Year revenue growth with average monthly gross revenue over HK\$93 million. According to App Annie, on June 30 2016, the gross revenue of "Castle Clash" ranked top 5 in 13 countries and top 10 in 36 countries on Google Play; and top 5 in 1 countries and top 10 in 4 countries on Apple's App Store. The game has more than 10 million monthly active users and 15 different language versions. The "Clash of Lords" series and "Deck Heroes" also both achieved slight increases and generated about HK\$23 million and HK\$10 million in average monthly revenue, respectively.

The Group's global expansion efforts over the past year to establish local presence in key markets is starting to pay off. After setting up new offices in Japan, Korea, Thailand and Belarus, and a business unit for the Middle East market, revenue is on track to grow further. Lords Mobile, for instance, currently ranks high in Eastern European countries, such as Russia and Belarus, and in Southeast Asian countries such as Singapore, Thailand and Malaysia. It also performed well in East Asia, including China, Korea and Taiwan. In addition, the Group's Middle East business unit was created to investigate the culture, religion and tastes of the Middle East and North Africa (MENA) region from the gaming perspective, in order to produce localized and popular games for players in countries like Egypt, Turkey, and Saudi Arabia.

Looking ahead to the second half of this year, the Group's development plans remain on track. Major products in development include several online multiplayer real-time war strategy games with different backgrounds and themes, a tile-matching game, a casino game and several other strategy games. Meanwhile, the sequel to Castle Clash and Clash of Lords, and the sandbox game TUG, are all under development and will likely be unveiled next year. The Group will also pay close attention to the application of LBS (location based services) and AR (augmented reality) in mobile games, with a view to further improve the online and offline interaction among players.

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About IGG Group

Established in 2006, IGG Group is a global leading mobile games developer and operator with headquarters in Singapore and regional offices in the United States, Mainland China, Hong Kong, Canada, Japan, Korea, Belarus, Thailand and the Philippines. We offer multi-language and multifarious products to users around the world. In addition to the main partners of Apple, Google, Microsoft and Amazon, the Group has established long-term partnerships with more than 100 other game promotion platforms worldwide, to execute its global marketing strategy in an effective manner. IGG's most popular games include "Castle Clash", "Lords Mobile", "Clash of Lords II" and "Deck Heroes".

This press release is issued by **Wonderful Sky Financial Company Limited** on behalf of **IGG Inc.**

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