

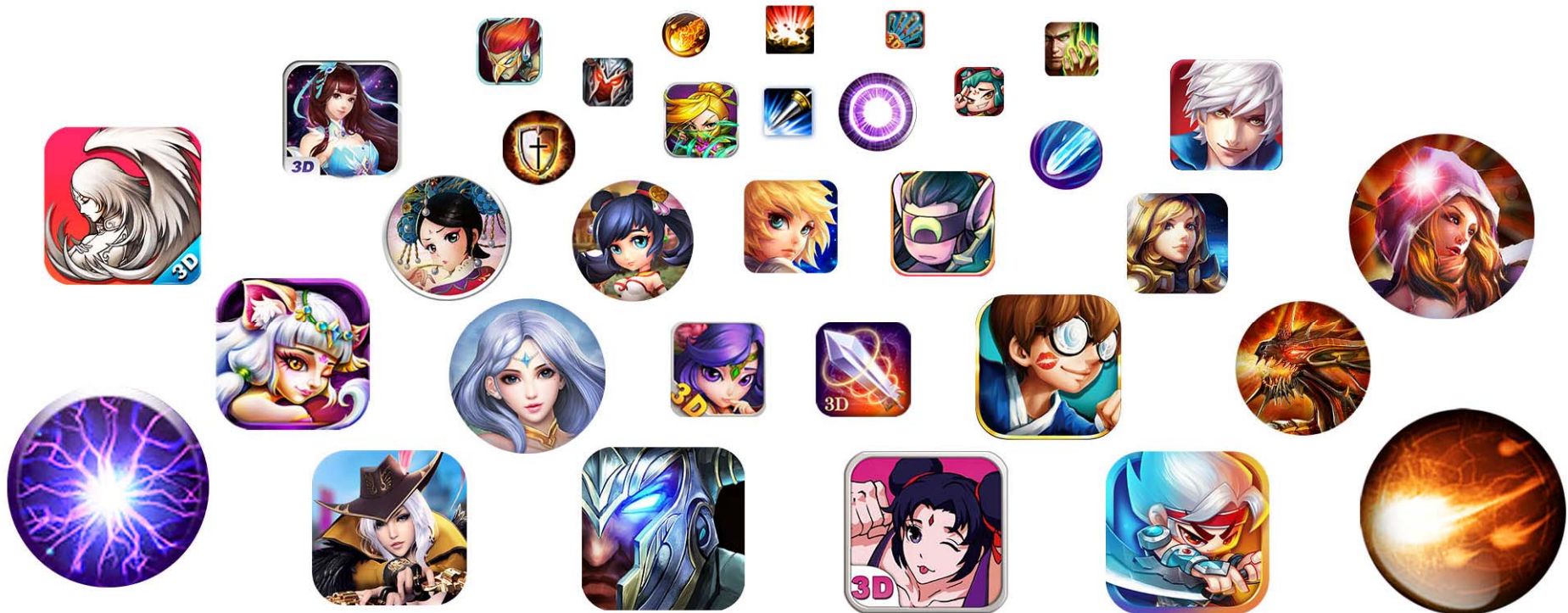
LINEKONG

藍港互動

Linekong Interactive Co., Ltd.

(Stock code: 8267.HK)

2015 First Quarter Results



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2015 Q1 Results Highlights

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1) Decrease in revenue

- Revenue amounted to approx. RMB 113.4m as compared to approx. RMB 169.6m for 2014 Q1

2) Adjusted Net loss

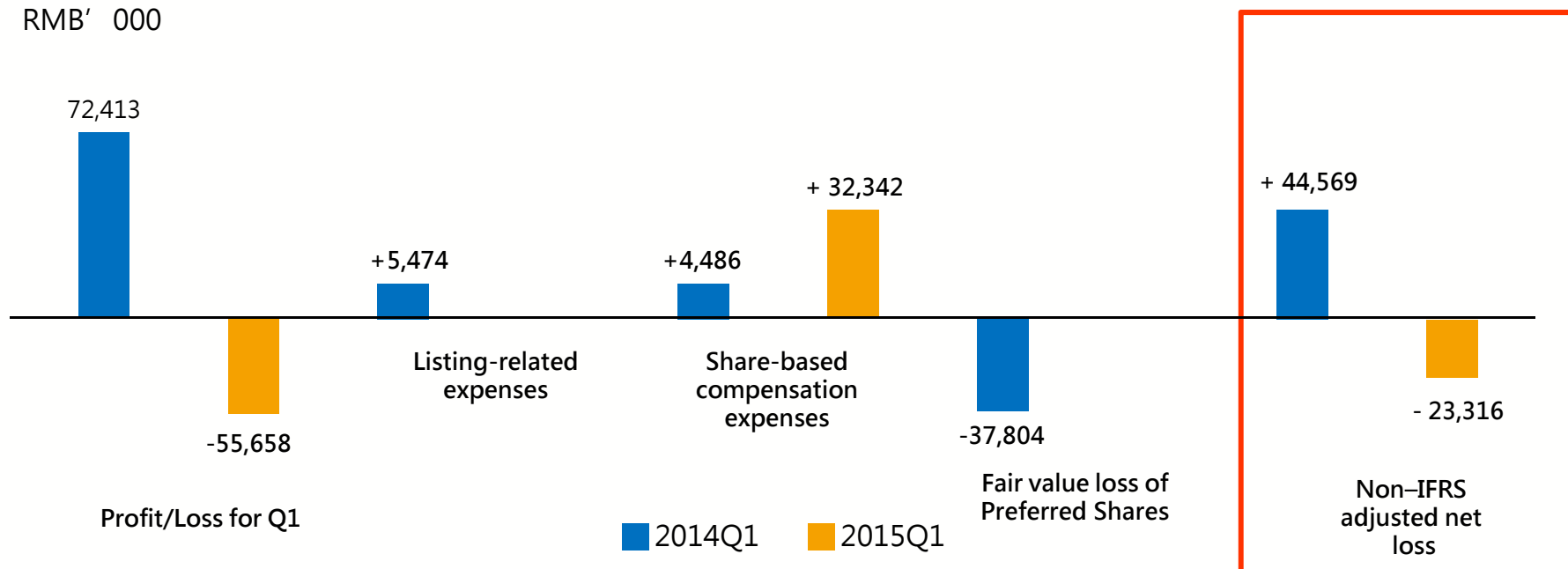
- Non-IFRS adjusted net loss amounted to approx. RMB23.3 million as compared to the adjusted net profit of approx. RMB44.6m for 2014 Q1

1st Quarter Developments

- Establishing a business system of “Two researches& two developments” (two game business departments and two distribution centers in Beijing and Shanghai)
- Synergizing the self-developing and publishing business, promoting the “Great Entertainment” strategy, and proactively proceeding with the construction of IP ecological system
- the Group invested RMB23 million to Beijing Chunqiu Yongle Culture and Communication Co., Ltd. (“Yongle”) and US\$5 million to SMI Holdings Group Limited (“SMI”).

Non-IFRS Measure – Adjusted Net Loss

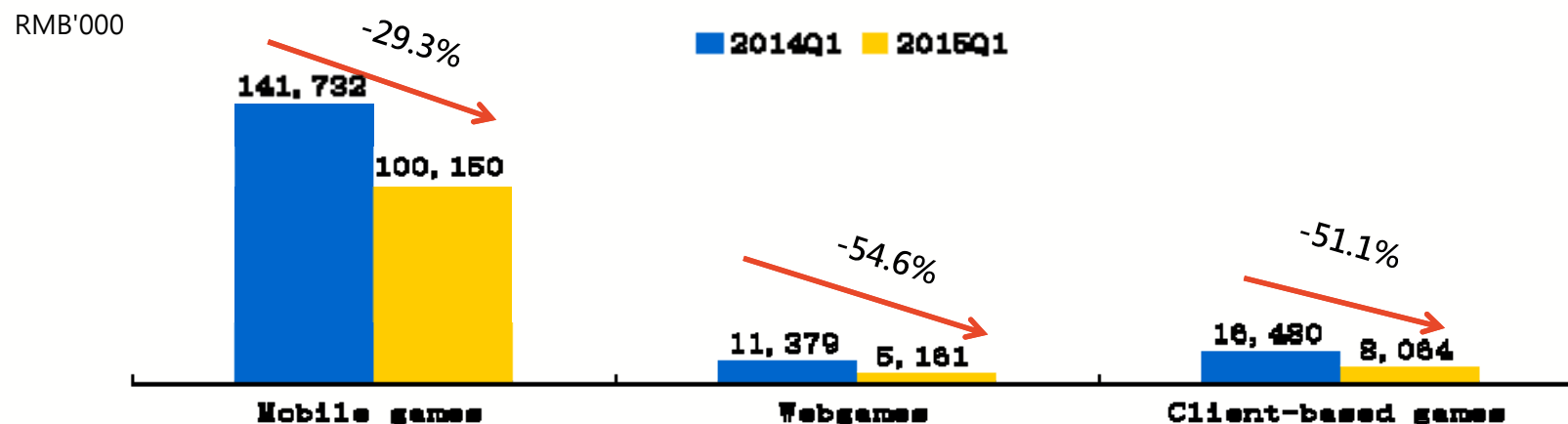
RMB' 000



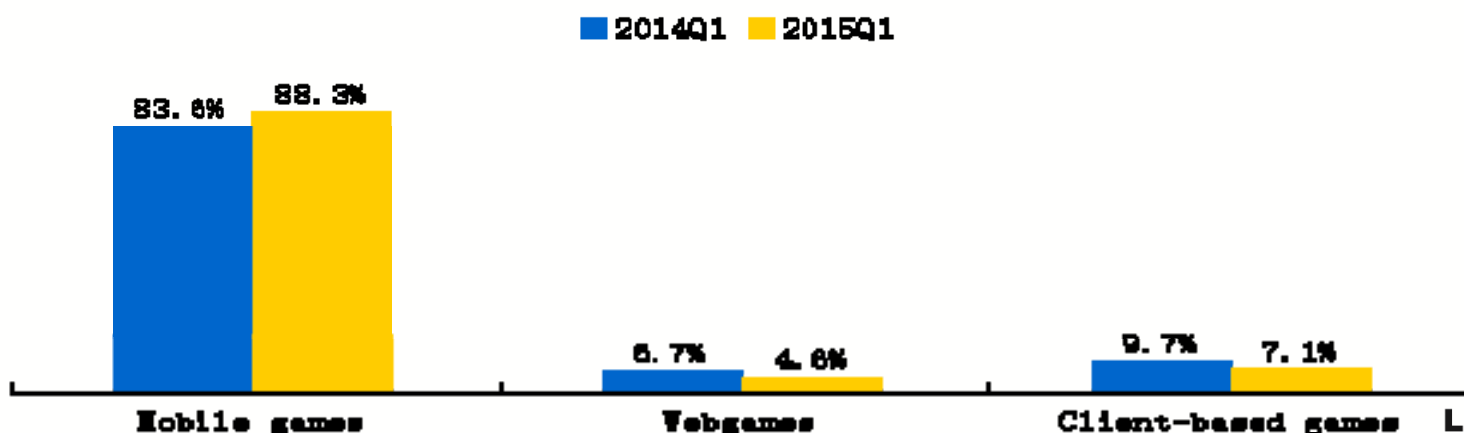
RMB' 000	For the first quarter	
	2014Q1	2015Q1
Profit/Loss for the year	72,413	(55,658)
Add:		
Share-based compensation expenses	4,486	32,342
Listing-related expenses	5,474	-
Fair value loss of Preferred Shares	(37,804)	-
Non -IFRS adjusted net profit	44,569	(23,316)

2015Q1 Revenue Breakdown - by Game Types



Revenue by game types



% of Revenue by game types



2015 Q1 Revenue Breakdown - by Key Games

		RMB'000		
		2014Q1	2015Q1	Changes
Sword of Heaven (蒼穹之劍)	 3D RPG Self-Developed	79,107	21,680	-72.6%
Blade of God (神之刃)	 3D CCG Licensed	11,689	25,685	119.7%
Excalibur (王者之劍)	 2D ACT Self-Developed	50,921	14,378	-71.8%
Sword of Heros (英雄之劍)	 2D ACT Self-Developed	-	22,783	100.0%
One Hundred Thousand Bad Jokes (十万个冷笑话)	 3D CCG Licensed	-	8,007	100.0%

2015 Q1 Expenses Analysis

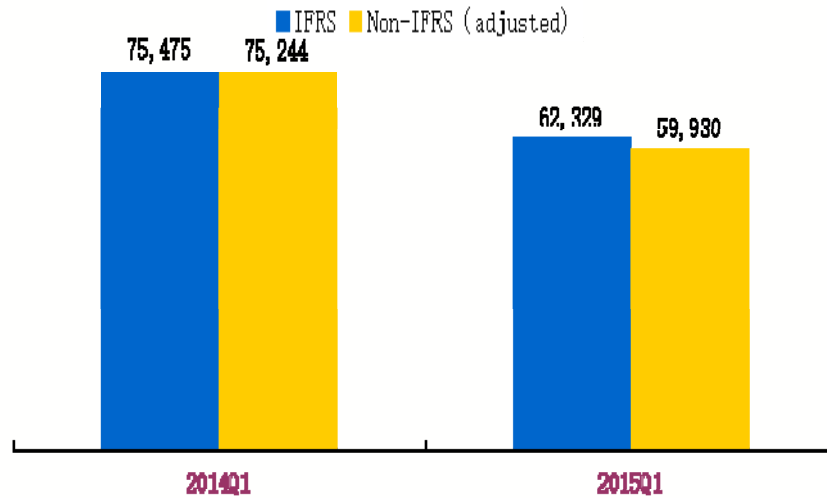
Cost of Revenue

% of Revenue	2014Q1	2015Q1
IFRS	44.5%	55.0%
Non-IFRS(adjusted)	44.4%	52.9%

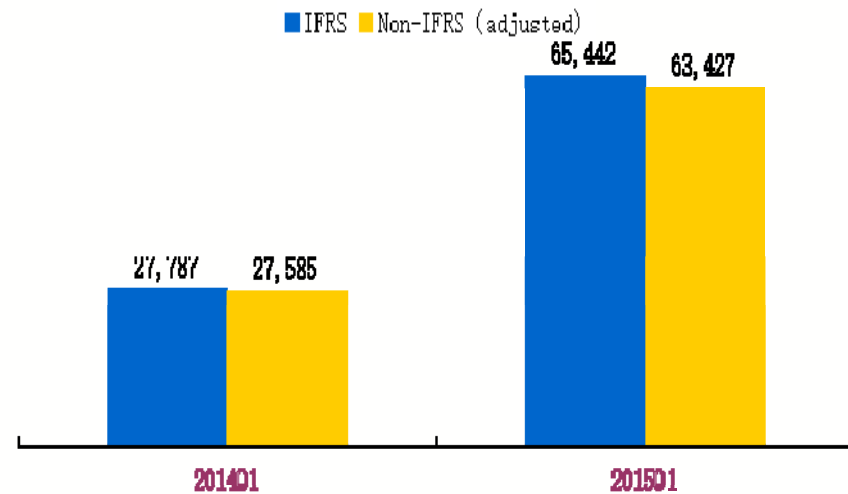
Selling and Marketing Expenses

% of Revenue	2014Q1	2015Q1
IFRS	16.4%	57.7%
Non-IFRS(adjusted)	16.3%	55.9%

RMB' 000



RMB' 000



2015 Q1 Expenses Analysis

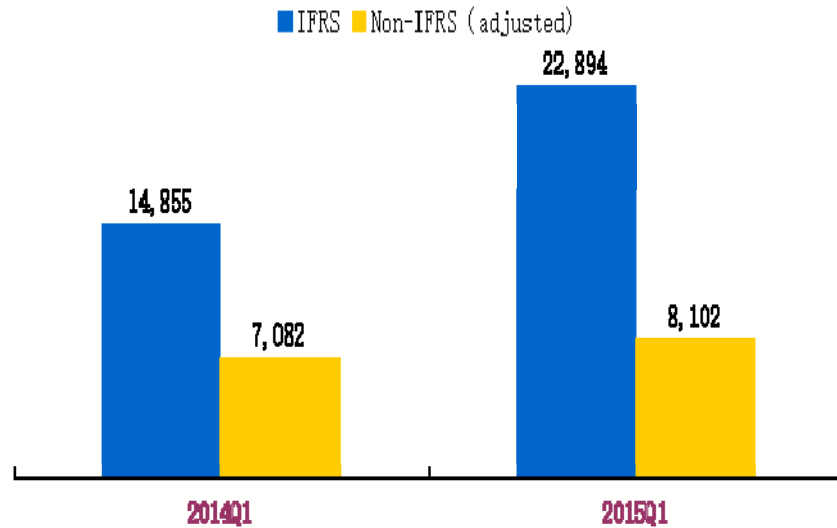
Administrative Expenses

% of Revenue	2014Q1	2015Q1
IFRS	8.8%	20.2%
Non-IFRS(adjusted)	4.2%	7.1%

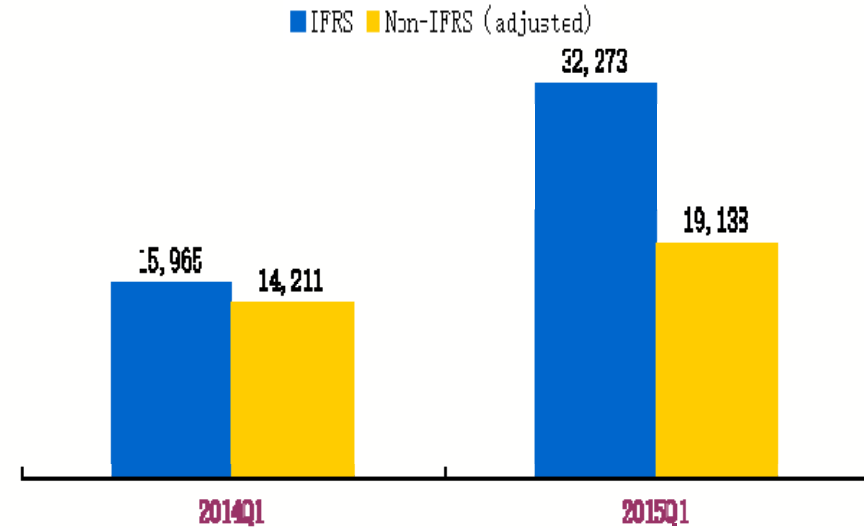
Research and Development Expenses

% of Revenue	2014Q1	2015Q1
IFRS	9.4%	28.5%
Non-IFRS(adjusted)	8.4%	16.9%

RMB' 000



RMB' 000



2015 Q1 Operational Matrix

All Games			
	2014Q1	2015Q1	Changes
Monthly Active Players ("MAUs") ('000)			
<u>Mobile games</u>	<u>4,996.4</u>	<u>3,686.6</u>	<u>-26.2%</u>
Web-based games	221.6	44.9	-79.7%
Client-based games	424.6	300.6	-29.2%
Total	5,642.6	4,032.1	-28.5%
Daily Active Players ("DAU") ('000)			
<u>Mobile games</u>	<u>570.4</u>	<u>477.0</u>	<u>-16.4%</u>
Web-based games	51.3	11.9	-76.8%
Client-based games	136.6	91.6	-32.9%
Total	758.3	580.5	-23.4%
Average Monthly Paying Players ("MPU")			
<u>Mobile games</u>	<u>230,891</u>	<u>260,788</u>	<u>12.9%</u>
Web-based games	5,349	1,550	-71.0%
Client-based games	11,869	4,972	-58.1%
Total	248,109	267,310	7.7%
Monthly Average Revenue per Paying Player ("ARPPU")			
<u>Mobile games</u>	<u>204.6</u>	<u>128.0</u>	<u>-37.4%</u>
Web-based games	709.1	1,109.9	56.5%
Client-based games	462.8	540.6	16.8%
All games	227.8	141.4	-37.9%

Q&A

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