



2022 Interim Results Presentation

➤ August 31, 2022



Disclaimer

This Presentation is for reference only and shall not constitute an offer or invitation to purchase or sell any securities of Vobile Group Limited (“ the Company ”). No part of this presentation material shall form the basis of any contract or commitment. Do not rely on any part of this presentation material for any contract or commitment.

This material contains certain forward-looking statements relating to the business, financial performance, strategy and results of the Company. Forward-looking statements are statements concerning future circumstances and results and any other statements that are not historical facts. Forward-looking statements are statements concerning future circumstances and results, and any other statements that are not historical facts, sometimes identified by the words, “expects”, “predicts”, “intends”, “plans”, “targets”, and similar expressions. The forward-looking statements contained in this material are based on multiple assumptions and are subject to risks, uncertainties. Therefore, neither the Company nor its affiliates or advisors or representatives nor any of its or their parent or subsidiary undertakings or any such person’s officers or employees guarantees that the assumptions underlying such forward-looking statements are free from errors nor does either accept any responsibility for the future accuracy of the forward-looking statements contained in this Presentation or the actual occurrence of the forecasted developments. As a result, the Company expressly disclaims any obligation or undertaking to release any update or revisions to any forward-looking statements in this Presentation as a result of any change in expectations or any change in events, conditions, assumptions or circumstances on which these forward-looking statements are based. The Company shall not be liable for any errors, omissions or inaccurate statements in this material.

By attending this Presentation you acknowledge that will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company’s business.

Do not use, copy, distribute, share or disseminate this material in any other way.

Financial Highlights

+ Robust Revenue Growth

Revenue grew 74% YoY to HKD556MM in 1H/22

- + Steady growth in both subscription and value-added services:
 - Subscription services revenue grew 136% YoY to HKD201.8MM, accounting for 36% of total revenue
 - Value-added services revenue grew 51% YoY to HKD352.9MM, accounting for 63% of total revenue
- + Revenue increased in all major markets: Revenue in China grew 240% YoY to HKD226MM, accounting for 41% of total revenue
 - Revenue in the United States grew 31% YoY to HKD328MM, accounting for 59% of total revenue
 - Revenue in other regions grew 21% YoY to HKD3MM, accounting for <1% of total revenue
- + Continued to attract new clients and deepened the penetration of IP rights library of our existing clients: monthly recurring revenue (MRR) and average monthly active assets (AMAA) improved in 1H/22
- + Total revenue has consolidated the revenue from Particle Technology (“Particle”) in May and June (HKD 108.5MM)

+ Accelerated Cash Flow and Profitability

Achieved a positive net profit in 1H/22, an increase of 26% YoY

- + Adjusted EBITDA was HKD 131MM in 1H/22 with an EBITDA margin of 23%, expanding from 21% in 1H2021
- + Net profit was HKD29MM with a net margin of 5%
- Gross profit was HKD230MM with a gross margin of 41% (51% in 1H/21)
 - The lower gross margin in 1H/22 is mainly due to the consolidation of Particle as the gross profit of Particle’s existing products is lower than Vobile’s

+ Track Record of Scaling Operation

Continued to focus on expanding our capabilities, team, and scale while optimizing the operating efficiency

- + Total employees increased to 546 staffs from 293 staffs as of December 2021
- + EBITDA margin expansion with operating expense as % of revenue dropped by 8% compared to 1H/21
- + Integration of key investments including ZEFR’s businesses and Particle for market expansion and revenue synergies

Business Highlights

+ Increased Our Client Coverage

- Total 303 clients in 1H/22, including 179 content clients and 124 platform clients
- Continued to upsell and increase our service offerings for large-scale content clients, given the industry DTC transformation and the rapid development of digital assets
- Extended our service coverage for mid/small IP rights holders and creators through in-depth partnerships with platform clients

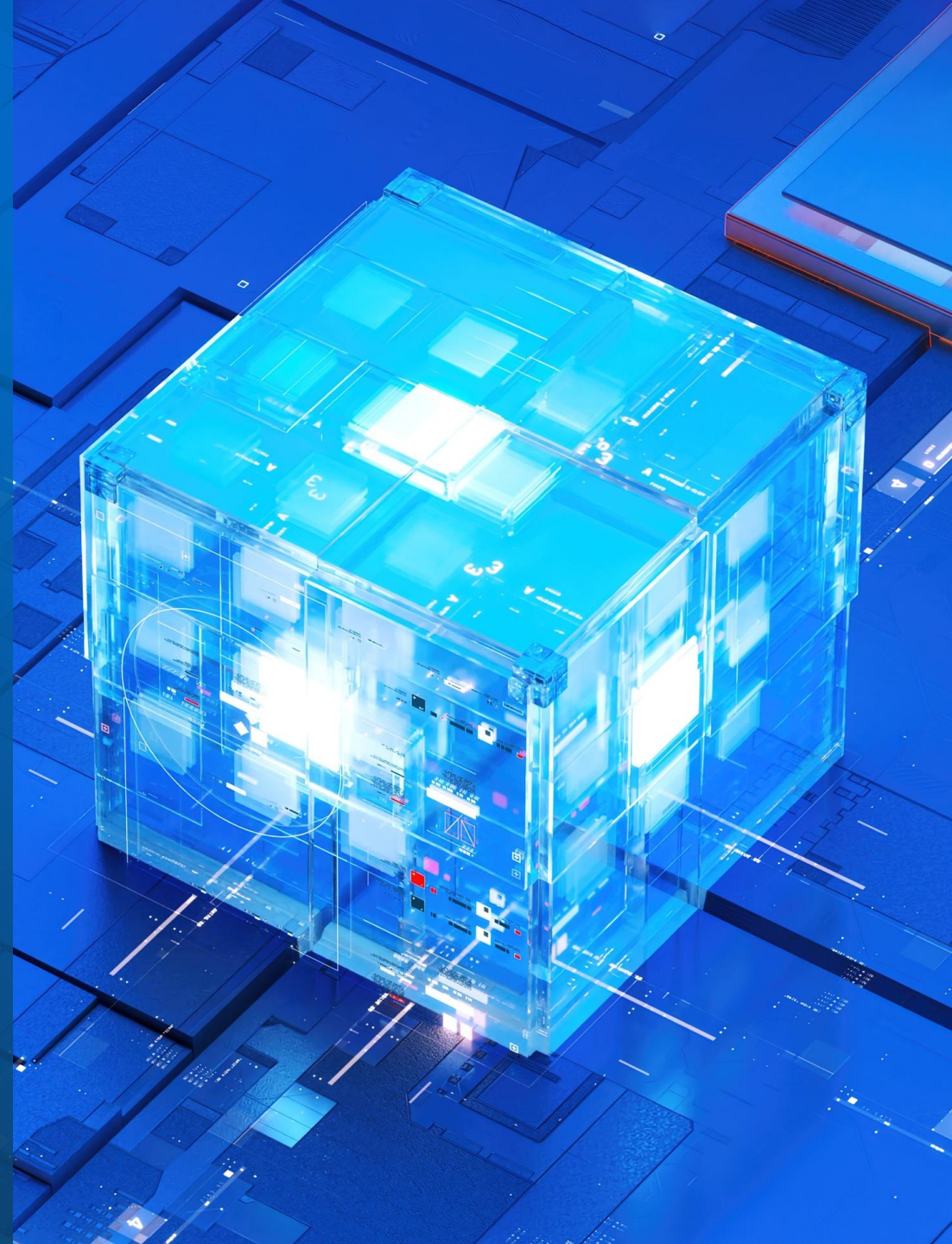
+ Accelerated Technology Innovation

- Testing of DTC protection solutions made good progress and is near to commercialization and applications
- Established R&D and operations centers close to top universities in China and US, further enhancing our R&D capabilities by leveraging universities' resources
- Built cooperative relationships with major platforms in Metaverse and NFT to address the increasing demands from clients on digital assets transaction in these scenarios

+ Localized Service Capabilities in China

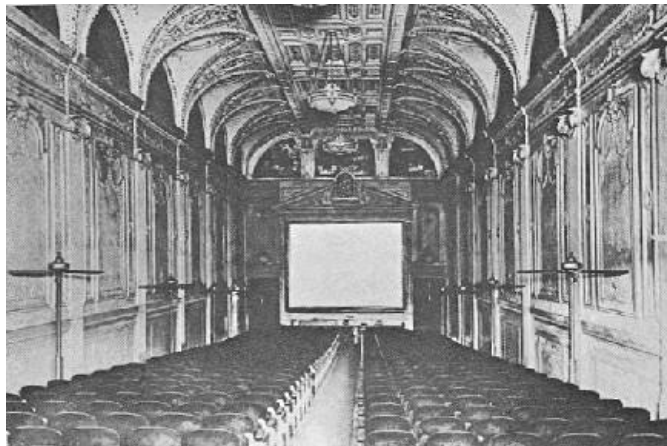
- Completed acquisition and integration of Particle in 1H/22
- Started to realize synergies in client acquisition, cross-selling opportunities, and local team capabilities
- Participated in China's digitization and cultural development grand scheme, building the technology infrastructure through API service

The protection and transaction
of digital content assets
are key to the digital cultural
industry value-chain



IP Rights Protection and Transaction as a Key Theme Throughout the Technology Revolution

- Over 120 years of development, the global annual box office reached a peak of USD42.5B in 2019 ⁽¹⁾
- Over 74 years of development, Pay TV reached a peak of over 100MM subscribers in North America in 2010, accounted for a revenue of USD9.74MM ⁽²⁾
- After 10 years of development, the revenue of DVD disc reached a peak of USD22.8B in 2005 ⁽³⁾
- After 15 years of streaming service development, Netflix achieved over 220MM global subscribers in 2021 with a revenue of USD29.7B ⁽⁴⁾



First Movie Theatre - Vitascope Hall



John Logie Baird Invented Television

Sources:

1. Comscore
2. Digital TV Research
3. Digital Entertainment Group
4. Netflix's disclosure

Our Mission

Build the essential technology infrastructure to protect and transact global digital content assets, and improve the efficiency of value distribution across the ecosystem



- 2022** Enhanced our IP rights service capabilities in China 
- 2021** Established blockchain-enabled IP rights services 
- 2019** Increased our social media platform monetization capabilities 
- 2018** Improved our P2P infringement tracking technology
- 2007** Commercialized VDNA technology 
- 2005** **Founded Vobile** 
The pioneer of online infringement tracking technology

Maximize IP Rights Value: Subscription and Value-added Services



Value-added Services

- Social Media Platforms Revenue Sharing**
Rights ID, Channel ID
- VOD Platforms Revenue Sharing**
TVOD, Operator Value-added Services
- Business Intelligence**
- NFT / Digital Collection**

...More Value-added Services

Subscription Services

- VideoTracker**
- DTC Platform Services**
- Channel ID**
- API Services**
- OTT Subscription Services**



Our Strategic Priorities



-
- 1 Continue to Grow Existing Business and Enhance Long-term Trusted Partnerships**

 - 2 Capitalize on Market Expansion Opportunities**

 - 3 Expand Portfolio of Value-added Services:**
 - Enable DTC for IP Rights Holders
-

Continue to Grow the Existing Business and Enhance Long-Term, Trusted Partnerships



Enhanced and Growing ARPU

- ARPU increased to \$54.5K in 1H22 (annualized figure after the consolidation of Particle)
- Increased our penetration of clients' IP rights library, as well as increasingly providing diversified value-added services to maximize the monetization of IP for our clients
- As our Platform clients enhance their scale and reach, demand for our services continues to grow



Long-Term Trust is the Basis of Our Client Relationships - Ensuring the Growth and Quality of Our Revenues

- Our products and services have been deeply integrated into clients' operations, resulting in deep, strategic, sticky relationships
- Because of the trusted relationships, as our client's expand their IP or offerings, we grow together with our clients, customizing value-added services for our client's specific strategic needs, ultimately allowing us to better monetize IP for our clients



Multiplier Effect of Increasing the Portfolio of Value-added Services

- Launched new partnerships with major clients on YouTube to continue to drive growth and scale in social media monetization business
- Enhanced coverage of clients' content assets and expanded portfolio of value-added services to drive more active assets monetized on different platforms

Long-Term Trust by Clients Ensured Revenue Quality

**Monthly Recurring Revenue
(MRR)**

51,069 HKD'000

**Net Revenue Retention
(NRR) ⁽¹⁾**

~ 132%

Customer Retention ⁽¹⁾

~ 98.1%

Notes:

1. NRR and Customer Retention rates exclude the consolidation with Particle

Monthly Active Assets

Monthly Active Assets:

video-based content assets that can continue to generate revenue during a definite period



Social Media Platforms
Monthly Active Assets

2.1MM



VOD Platforms
Monthly Active Assets

1.93MM hours



Our Strategic Priorities



-
- 1** Continue to Grow Existing Business and Enhance Long-term Trusted Partnerships
 - 2** Capitalize on Market Expansion Opportunities
 - 3** Expand Portfolio of Value-added Services:
 - Enable DTC for IP Rights Holders
-

Market Expansion Opportunities - With Enhanced Capabilities and Track Record, Vobile Well Positioned to Drive Global Reach

Accelerated Market Expansion in China

- Momentum in cultivating and onboarding new clients in China in 1H22:
 - Example: Provide IP tracking SaaS services via API to support platform client's IP rights management initiatives
- Scaled IP rights global distribution business as we cultivated more premier Chinese content partners
 - Example: Provide operation, technology and data services for local client to distribute IP globally
- Our strategic cooperation with Ant's IP rights platform continues to demonstrate strong growth; additionally, we have further expanded on our strategic cooperation with Ant by launching new value-added services, global content distribution business for Chinese IP

Completed the Acquisition and Integration of Particle

- Successful Integration of Particle, with synergies already beginning to take place in 1H22
- Leveraging Vobile's deep experience and technology, Particle initiated the construction of a new IP rights management platform to address the industry opportunities in the digital economy
- Provides enhanced and proven distribution capabilities for global IP owners

Innovation in Hong Kong

- Headquartered in Hong Kong, where there is a rich history of film and content production, we enhanced our reach and commercial relationships in the region by incubating the first Extended Reality (XR) studio in the Greater Bay Area, allowing us to be aligned with the next generation of IP creators / owners / distributors
- Developed strong relationships with the Hong Kong government and the local entertainment and technology industry, and together will promote and develop a leading regional IP rights transaction hub

Expansion in Other Strategic Regions

- We continue to invest in our European business and team, positioning Vobile for a strong share of the market
- Additionally, Vobile Japan is positioned to expand and tap into a deep and large market

Successfully Integrated Operations with Particle to Capture Massive Opportunities in China

Initiated Construction of IP Rights Management Platforms



- Provide IP rights protection services and API service



- Partnership to distribute local IPs globally
- Provide comprehensive one-stop IP rights design, operation, protection and transaction solutions

Started to Show Multiple Synergies



- Cross-sell opportunities between Particle's media management technology products and Vobile's IP rights protection and transaction value-added services



- Leveraging Vobile and Particle's capabilities, we are now driving distribution of global content in China across 60+ platforms

Expanded New Businesses



- Launched "Mingjing Cloud" business to provide customers with cloud services such as intelligent auditing, content discovery and video SDK



- Established partnership with China Mobile, empowering major Chinese IP owners to distribute content globally

Established Industry-university-research Cooperation



- Moved in Zhejiang University Alumni Enterprise Headquarters Economic Park in May 2022
- Partnered with Zhejiang University School of Media and International Culture to build a global digital cultural industry research center together
- Leveraged the university's resources and scientific research capabilities to facilitate the development of cultural digitalization



Our Strategic Priorities



-
- 1 Continue to Grow Existing Business and Enhance Long-term Trusted Partnerships**

 - 2 Capitalize on Market Expansion Opportunities**

 - 3 Expand Portfolio of Value-added Services:**
 - Enable DTC for IP Rights Holders
-

Enable DTC for IP Rights Holders



Major DTC platforms'
latest total subscribers

853MM



Devices (PCs, tablets, and mobile phones)
used globally

6.2B

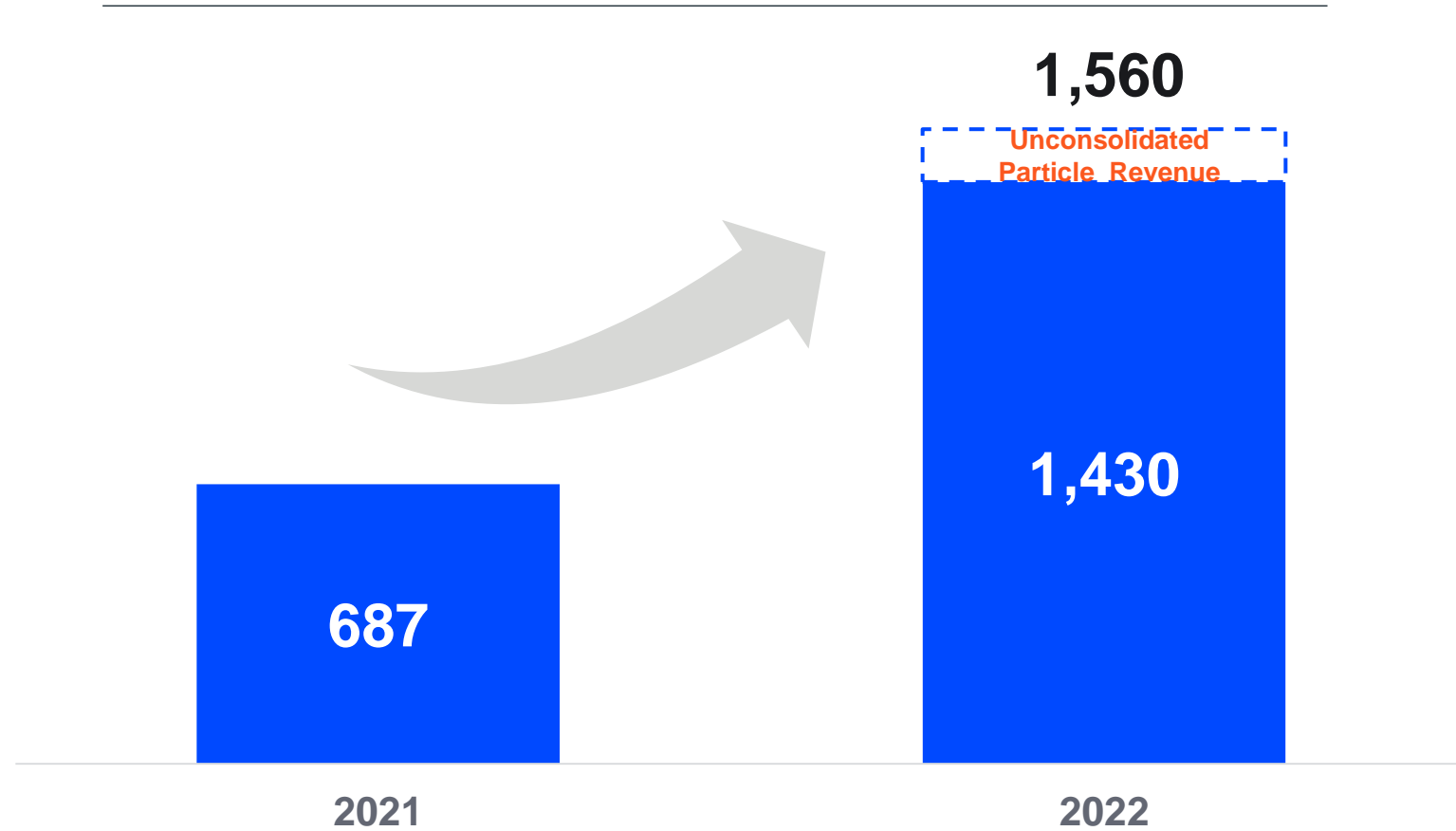
Provide IP Rights Protection
Solutions for DTC platforms

Provide DTC Distribution Model
to Increase IP Rights Value

**DTC Distribution Model will be Essential to the
Digital Content Industry Revolution**

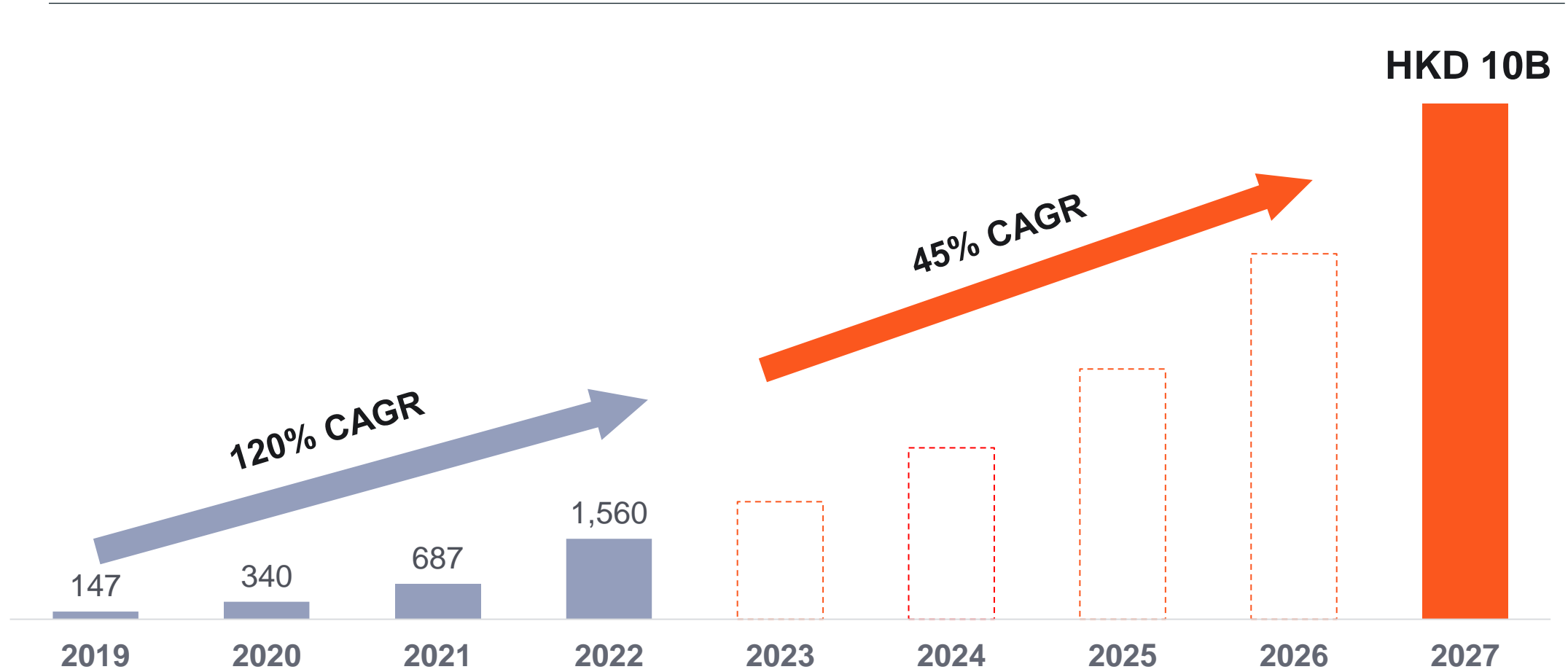
2022 Guidance

Total Revenue (HKD MM)



5-Year Outlook

Total Revenue (HKD MM)



Q&A



Unleash Your Boundless Creativity