





# 01 COMPANY PROFILE

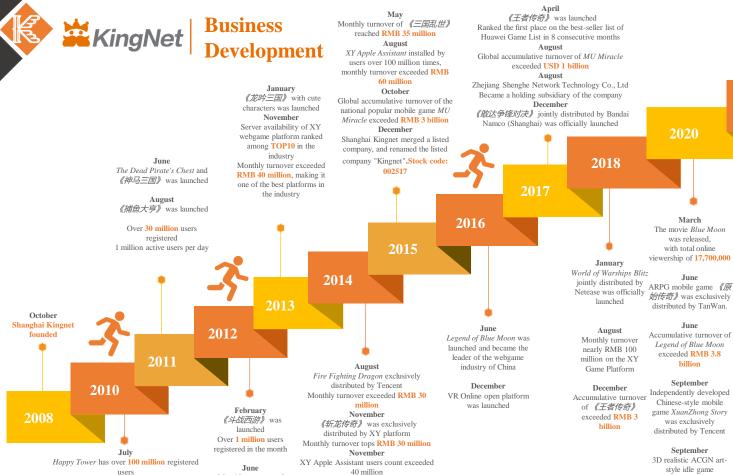


Kingnet Network Co., Ltd. (SZ.002517) is a well-known **listed online game company** in China. The company's main business covers R&D as well as the operation and publishing of quality entertainment content, including mobile games, webgames and PC games. It also engages in the operation of webgame platforms and mobile apps distribution platforms. In addition, Kingnet is actively developing its overseas business in hopes of creating an international market through its strong R&D capacity and market development capability, thus pushing the company's performance to the next level.

The company has always held fast to the principle of providing higher quality and better service, with user value at the core of what Kingnet is about. The company continual improves upon its games in every way, values the sustained profitability of its products, and strives to provide users with the best gaming experience possible. Kingnet operates under a core strategy that involves focusing on the game industry and conducting three core businesses that cover R&D, publishing and investment + IP. In doing so, it endeavors to build a multi-dimensional R&D system and a complete publishing system, while also seeking out and introducing quality IPs. Kingnet intensively investigates the brand potential of different IPs and strives to tap and enhance the brand value of its IPs to their full potential. By drawing on its superior technological strength and excellent R&D team, the company has expanded its product line and created next-gen quality games. Now, the company's strength in acquiring and creating quality IPs has become a part of its core competitiveness. This advantage generates strong momentum for the company to develop new games. The MU Miracle stands as a pioneer and successful example of a mobile game IP adapted from a client game IP. Shanghai Kingnet and Zhejiang Shenghe, which are under the Kingnet banner, have developed and operated numerous popular games including Happy Tower, Shushan Legend, MU Miracle, Legend of Blue Moon, 《政治学锋对决》, World of Warships Blitz, 《王者传奇》 and Figure Story. The XY.COM, which is also part of the company's brand, is a domestically well-known game platform that operates quality mobile games, H5 games and webgames. Since its launch, this platform has rolled out over a hundred quality games, including RPGs, simulation games, casual games and strategy games.

Kingnet always persists in focus on the main business of developing games as its core strategy for corporate development. It follows the principle of creating quality games that meet market demand, operates three business systems including **R&D**, **publishing and investment** + **IP**. With user value at its core, Kingnet continuously provides users with quality content and services as well as a fulfilling gaming experience and strives to be an outstanding listed online game company.





Monthly turnover nears RMB 40 million

December

Omni-channel launch of MU Miracle

Pay on first day reaches RMB 26 million

Monthly turnover of

Shushan Legend

exceeded RMB 45

million

15 million users logged in per day

October

maximum active users exceeded 1.5 million

《恐龙时代》 was launched, average daily

February

ARPG mobile game Legend of Blue Moon 2 exclusively distributed by Tencent and independently developed by Kingnet was officially launched

2021

#### June

MMORPG mobile game 《刀劍神 域黑衣剑士: 王牌》 exclusively distributed by Bilibili and independently developed by Kingnet was officially was launched

#### June

Kingnet established strategic partnership with China Internet Writers Village and contracted the famed writer Luo Chengdong. The original novel Blue Moon Era started publishing in instalments on iReader in September and its printed version was published in December.

#### June

game 《廣神英雄传》 licensed by SUNRISE and independently developed and distributed by Kingnet was officially launched

#### December

by Renren Games and exclusively distributed by Kingnet was officially launched

2022

RPG mobile game War of Angels independently developed by Kingnet was officially launched

January

#### February

Mobile game XuanZhong Story developed by Kingnet and exclusively distributed by Tencent was officially launched

3D turn-based adventure card mobile

Mobile game Zero Arms developed

Figure Story was

officially launched





# **02 CAPACITY**





























- Kingnet has advanced independent R&D technology platforms and top-class production and operation teams **comprised of nearly a thousand excellent game R&D professionals in the industry**. In the recent years, Kingnet has been increasing its investment in R&D. Its **seven professional studios and other project teams** conduct production of over ten independently developed products and they are doing their best to offer players quality games.
- By drawing on its ample technical experience and strong R&D capacity, Kingnet 's R&D team has obtained nearly 20 patents including "cross-network domain resources access method and device" and "3D game rendering engine method". While improving its product quality, Kingnet also contributes to development of the game industry.

Genie Studio 王者工作室 Bluemoon Studio Flying Bird Studio

Genie Studio Arclight Studio Dominator Studio Other project teams



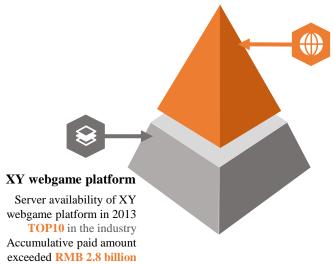
• Strong products of social games

2011-2017: won the excellent partner award of Tencent for several consecutive years

2010: Happy Tower launched, daily active users over 15 million, total registered users over 300 million

2011: 《恐龙时代》, The Dead Pirate's Chest, 《神马三国》 and 《捕鱼大亨》 launched in succession, daily active users over 5 million

Webgames and webgame platforms catapult Kingnet into the "RMB 100 million turnover" club



#### **Top-class webgames**

2012: Shushan Legend, monthly turnover exceeded RMB 45 million, accumulative turnover RMB 1 billion

2013: Fire Fighting Dragon, monthly turnover exceeded RMB 35 million, accumulative turnover RMB 600 million

2014: 《三国乱世》, monthly turnover exceeded RMB 35 million, accumulative turnover RMB 1.2 billion+

2016: Legend of Blue Moon, monthly turnover exceeded RMB 200 million, turnover in the year exceeded RMB 1.1 billion

As at the date of financial report of 2018, *Legend of Blue Moon* has ranked the 1st place on the server availability list for 22 consecutive months; as at June 30, 2020, its accumulative turnover has exceeded **RMB 3.8 billion** 

2019: 《三国乱世》 and Battle City win QQGAME Long Excellence Award

2020: Figure Story launched domestically, turnover in the 1st month exceeded RMB 100 million



Turnovers of Mobile games and mobile game platforms exceeded the USD 1 billion mark, with one hot game every year.

## 2018 World of Warships Blitz

Recommended by App Store globally, recommended by national Google Play in 220 countries

### 2020 Figure Story

Turnover exceeded RMB 100 million in the first month of domestic release



### 2017 《王者传奇》

list for 8 consecutive months



### 《敢达争锋对决》

TOP1 3D FTG Gundam game of China recommended by App Store multiple times

Ranks the 1st place on the Huawei best-seller



### 2014 MU Miracle

Domestic accumulative users count exceeded 210 million, global accumulative turnover exceeded RMB 8.3 billion

#### 《魔神英雄传》 2021

Ranked the 1st place on the iOS free games list and 7th place on the best-seller list on the first day of release





# KingNet | Investment strategy

• Now the core purpose of Kingnet's industrial investment is to achieve high level of strategic synergy and back feed the industry. The investment + IP division mainly supports the two core divisions of R&D and publishing around products, in order to eventually the game division which is Kingnet's main division.



■ Figure Story



■ Xuanzhong

**■** Chronicles



■ Yokai: Spirits Hunt 1

■《喵话西游》

■ 《妖怪事务所》

■ Yokai: Spirits Hunt 2



■ *《王牌星舰》* 

■ Hegemony of the Dune



■ Endless Galaxy

■ Nofland



■ Crazy Ones



■ Forward! Occupation! ■ Grok!



# **KingNet** IP strategy

Kingnet executes its IP strategy through three major initiatives. 1) Introducing top-class IPs that match the categories in which Kingnet's self-research capacity specializes and exploring the highly cost-effective IPs with great potential. 2) Incubating the proprietary benchmarking IPs including "Blue Moon". 3) Investing in the studios that are capable of IP incubation. These can provide IP support for the Kingnet's R&D system and empower strategic investment enterprises to grow at high speed.

**IP Reserves** 



Through its IP introduction strategy, Kingnet has obtained many IP licenses by now, including "The World of Legend", "Sword Art Online", "《魔神英雄传》", "《敢达争锋对决》", "The Westward", "The Investiture of the Gods", "Heaven Sword and Dragon Sabre", "Chinese Paladin", "Grave Robber's Chronicles" and "Doula Continent", which can help Kingnet diversify its products. In 2021, Kingnet has established strategic partnership with China Internet Writers Village. The two entities will collaborate in the business lines including core games, literature IPs and original IPs incubation, to create a new generation of high-quality IP matrix.





















# **03 PRODUCTS**



# Legend of Blue Moon

Webgame

Massive multiplayer APRG

Exclusively distributed by Kingnet

Accumulative turnover tops RMB **3.8 billion** 



# 《传奇世界网页版》

Webgame

Genuine licensed "World of Legend" IP, reproduces the classic gameplay of client game

Exclusively distributed by TanWan



### MU Miracle

Mobile game

#### 3DMMORPG melee

Developed and distributed jointly by Beijing Tianma Shikong and Kingnet

Nearly **210 million** active users in total

Global accumulative turnover tops RMB **8.3 billion** 



# Legend of Blue Moon 3D

Mobile game

RPG mobile game

Developed by Shenghe Network

Maximum monthly turnover tops RMB **141 million** 



# Legend of Blue Moon 2

Mobile game

ARPG mobile game

Developed by Kingnet and exclusively distributed by Tencent

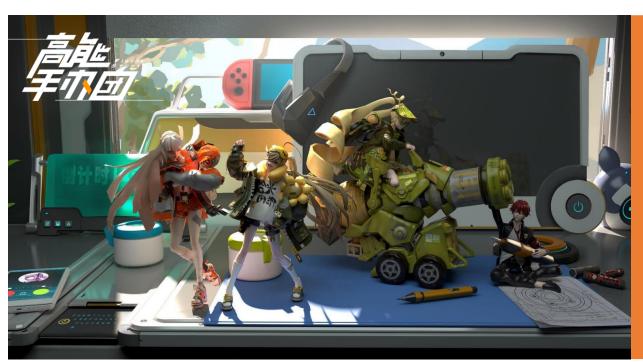


# 《敢达争锋对决》

Mobile game

Genuine Gundam action melee mobile game

Developed and distributed jointly by Bandai Namco (Shanghai) and Kingnet



# **Figure Story**

Mobile game

Figure-themed idle card mobile game

Distributed by Shenghe Network, developed by Reflex Fox Studio

Turnover tops RMB **100 million** in the first month of domestic release



## 《刀剑神域黑衣剑 士:王牌》

#### Mobile game

MMORPG mobile game
Genuine IP Licensed by Bandai Namco
(Shanghai)
Independently developed by Kingnet
and exclusively distributed by Bilibili
Ranked the 2nd place on the iOS free
games list and 7th place on the

best-seller list on the first day of release



# 《魔神英雄传》

### Mobile game

3D turn-based adventure card mobile game

Licensed by SUNRISE, Independently developed and distributed by Kingnet

Ranked the 1st place on the iOS free games list and 7th place on the best-seller list on the first day of release



# 《原始传奇》

Mobile game

ARPG mobile game

Developed by Kingnet and exclusively distributed by TanWan



## Hot Blood

Mobile game

Genuine "Legend" licensed mobile game, exclusively distributed by TanWan



## Zero Arms

Mobile game

Casual idle mecha card mobile game

Developed by Shanghai Renren Games and exclusively distributed by Kingnet



# War of Angels

Mobile game

RPG

Exclusively distributed by Kingnet Software



# XuanZhong Story

Mobile game

Chinese-style MMO mobile game

Exclusively distributed by Tencent



# Yokai: Spirits Hunt 2

Mobile game

Chinese-style idle card RPG mobile game

Developed by Digital Raccoon Interactive Entertainment Technology

(Beijing) Co., Ltd., a company receiving strategic investment from Kingnet





# **04 HONORS**



## **Company honors**







"Professional, Fine, Specialized and New Enterprise of Minhang District, Shanghai" in 2021

"Star of Hope of Lingang Industry Area" in 2021

White horse award at China Game Capital Summit" of 2021

"Responsible Internet Company" of 2021

"Excellent Volunteer Service Project at the CSR China Education Award" in 2021

"Sincere Cooperation Award" of 2021



"Lighting China Social Responsibility Award" of 2021



"Ten Best Global Publishers" of 2021

"Most Influential Game Enterprise" of 2021

Corporate Social Responsibility Paragon Award" of 2021

P "Excellent Public Welfare Project Award" of 2021

"Best Responsible Corporate Brand" of 2021

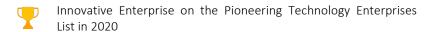
"Listed Company with Growth Potential" of 2021

Ten Best Overseas Cultural Export Companies" of 2021



## **Company honors**











"Most Influential Mobile Game Publisher" in 2019 and 2020

"Most Influential Game Enterprise" in 2019 and 2020

Top 100 Internet Enterprises of China" in 2018 (25th place)

Top 10 Game Publishing and Operating Enterprises in China" of 2018

"Most Influential Game Company" of 2018



"Top 100 Service Enterprises of Shanghai" and "Top 100 Private Service Enterprises of Shanghai" in 2018, 2017 and 2016



"Top 10 Mobile Game Operators in China" of 2017



"Municipal-level Enterprise Technology Center of Shanghai" in 2016



"Best Reputed Game Company" of 2016



"Most Influential Brand of Mobile Game at the Golden Apple Award" of 2015



"Top 10 Game Enterprise Brands" of 2015



"Top 10 Cultural Enterprises in Shanghai" of 2015



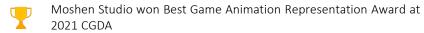
"Little Giant Technology Enterprise in Shanghai" of 2013



"Top 10 Webgame Development Companies" in 2013 and 2012



### **Product honors**



《魔神英雄传》 recognized as "Players' Favorite Mobile Online Game" at 2021 Golden Plume Award

**早** 《**魔神英雄传》** won Classic IP Game Award at 2021 Star Awards

《魔神英雄传》 recognized as "Players' Most Anticipated Mobile Online Game" at 2021 Talent Award

Zero Arms recognized as "Best ACGN Game of the Year" at 2021 vivo Developers Conference

Sword & Knife Studio won "Best Game Audio Design Award" at 2021 CGDA

Zero Arms recognized as "Players' Most Anticipated Mobile Online Game" at 2021 Golden Plume Award

《狂暴传奇》 recognized as "Most Popular MMO Game of Hardcore Year" at 2021 Blackstone Awards

《狂暴传奇》 recognized as "Star Game of Hardcore Month" at 2021 Blackstone Awards

Legend of Blue Moon 2 won the "Most Popular Game Award of the Year" at 2021 Star Awards

《魔神英雄传》recognized as one of the "Best Online Mobile Games of the Year" at 2021 CICADA Awards

《魔神英雄传》 recognized as "Most Attractive New Game of the Year" at 2021 WANYOUYI Award

Figure Story recognized as one of the "Best Online Mobile Games of the Year" at 2020 Golden Gyro Awards

Figure Story recognized as "Best Mobile Game of the Year" at 2020 Golden Tea Awards

《魔神英雄传》 recognized as "Players' Most Anticipated Mobile Online Game" at 2020 Golden Plume Award

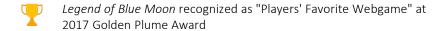
Figure Story recognized as "Players' Favorite Mobile Online Game" at 2020 Golden Plume Award

《魔神英雄传》 recognized as "Best ACGN Mobile Game" at 2019 Golden Plume Award

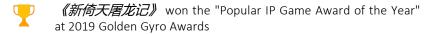
《新倚天屠龙记》 won "Excellent H5 Game Award of the Year" at 2019 Golden Gyro Awards



### **Product honors**







Legend of Blue Moon recognized as "Players' Favorite Webgame" at 2018 Golden Plume Award

《传奇来了》recognized as "Players' Favorite H5 Game" at 2018 Golden Plume Award

《王者传奇》 recognized as "Players' Favorite Mobile Online Game" at 2018 Golden Plume Award 《敢达争锋对决》 recognized as "Players' Most Anticipated Mobile Online Game" at 2017 Golden Plume Award

MU Miracle recognized as "Best Overseas Mobile Game" at 2017 Golden Plume Award

MU Miracle recognized as "Players' Favorite Mobile Online Game" at 2016 Golden Plume Award

XY Game Platform recognized as one of "Ten Best Webgame Platforms" in 2015 and 2014

MU Miracle won the "Best Ported Mobile Game Award of CGWR Chinese Games List" in 2014

Shushan Legend recognized as "Excellent Software Product in Shanghai" of 2013



### Implement the governmental policy to let Chinese culture "go global"



Strategy on overseas games publishing, marketing and operation and revenue and expenditure of overseas business, recognized as "key national cultural export enterprise" in 2021-2022.





# **KingNet** Social Responsibility









#### Participate in public benefit activities, increase non-commercial contribution of the company



### Protect healthy growth of minors and build a harmonious online gaming environment







The company has established the "game age reminder system" and "anti-addict system", gradually establishes the minors protection system, and works with many enterprises to promote healthy development of the industry and to guide minors to play online games in a healthy manner; The company has vigorously participated in formulation of the standards for minors protection, participated in the discussions over the *Initiative for Preventing Minors from Becoming Addicted to Internet* initiated by Internet Society of China, and participated in formulation and enactment of the *Framework for Network Operators of Protecting Minors from Harmful Content*.



# **KingNet** Social Responsibility



The company consistently commits its personnel and technologies to create a multi-dimensional comprehensive protection system that covers application security, network security, APP security and data security and enhances its level of information security, in order to protect personal information and privacy of users. The XY platform and MG platform in the company's business system have received Class III national certification for information security protection.



Intensify intellectual properties protection, and protect the rights and interests of consumers and investors



The company has joined the Alliance for Intellectual Property Protection of Listed Companies of China and become one of its earliest members. The company intensifies protection of the foreign and domestic brands, participates in protection of IP rights, and has obtained many technological patents.





# THANK YOU