FINGERTANGO INCORPORATED: IT PRODUCES COMPUTER GAMES FOR '*ADULT*' KIDS ... WHILE THE COMPANY'S CROUPIER RAKES IN THE MONEY

The Company Has No Need Of Bank Borrowings

It might be difficult for most people to believe that a company, just five years old, could produce annual revenues and net profits that, to experienced managements of most companies, anywhere in the world, managements, having been in business for many years, are almost unimaginable.

But in the case of FingerTango Incorporated () (Code: 6860, Main Board, The Stock Exchange of Hongkong Ltd), it has been, for the rather youthful senior Management of this publicly listed company, a dream come true.

This Company's Annual Revenue has risen from 275,789,000 renminbi (about \$HK323,175,065) in respect of the 2015 Financial Year to 1,197,230,000 renminbi (about \$HK1,402,938,058) in respect of the 2017 Financial Year!

With regard to the Net Profit Attributable to Shareholders, the Company recorded the figure of 3,392,000 renminbi (about \$HK3,974,813) in respect of the 2015-Year and 240,792,000 renminbi (about \$HK282,164,881) in respect of the 2017-Year.

For the Management of this Company, the yellow-brick road was, indeed, overlaid in gold leaf.

The Business Of FingerTango Incorporated

FingerTango Incorporated published and disseminated its Global Offering Prospectus on June 26, 2018.

In this 411-Page document, at Pages 142 and 143, a business '**OVERVIEW**' was given to prospective shareholders, as follows:

'We are a leading mobile game publisher in China. We ranked tenth among all mobile game publishers, and fifth among third-party mobile game publishers, in China as measured by 2017 gross billings, according to the CIC Report. As a pioneer in China's SLG (Simulation Games) game publishing industry, we ranked first among all SLG mobile game publishers in China with a market share of 9.8% as measured by 2017 gross billings, according to the top 20 SLG mobile games in 2017 in terms of average monthly gross billings, according to the same source.

'Capitalizing on our accumulated SLG publishing experience and amassed user data, we continue to build on our extensive and diversified collection of 40 officially launched mobile games since our inception in December 2013. As of the Latest Practicable Date (June 17, 2018), our game portfolio included seven major titles, which collectively accounted for approximately 96.2% of our total revenue for the year ended December 31, 2017. Among these seven titles, six generated average monthly gross billings of RMB10 million or above, and three generated average monthly gross billings of RMB20 million or above, in 2017. My Duty (), a more recent SLG title officially launched in January 2017 and still in its growth stage, already generated RMB20 million in monthly gross billings in December 2017. Moreover, Romance of Stars (), an MMORPG (Massive Multiple Online Role-Play Game) that was officially launched in January 2016 and is currently in the mature stage of its lifecycle, still generated more than RMB20 million in monthly gross billings in December 2017, demonstrating our ability to lengthen game lifecycles beyond the SLG genre. We continue to invest significant resources in the expansion of our game portfolio. As of the Latest Practicable Date, we had a robust pipeline of games, of which we expect to officially launch eight new titles in 2018 (one of which was already officially launched in March 2018) and an additional six to eight new titles in 2019.

'We believe that our key success factors include our ability to publish games with high retention over long periods and to prolong the lifecycle of a game, reflecting our significant know-how and expertise as a game publisher. Game longevity is critical as it allows us to increase our ability to monetize a game's player base. Our flagship SLG title, Tank Frontline (), which has achieved a total player base of more than 20 million users and cumulative gross billings of more than RMB1.7 billion since its official launch in July 2014, remains one of our most popular games to date. As of the Latest Practicable Date, Tank Frontline () continued to generate significant revenue for us despite the fact that the game is almost in its fourth year after its official launch, which is substantially longer than the industry average lifecycle of six to 12 months for all mobile games and 18 to 24 months for SLG mobile games, according to the CIC Report. In addition, notwithstanding that we have been operating for only four years, among our 40 officially launched mobile games as of the Latest Practicable Date, 27 have enjoyed long lifecycles of more than two years, of which 12 have enjoyed lifecycles of more than three years. Moreover, supported by our data volume and analytics capabilities, we have been able to convert a significant number of active users into paying users. Our overall conversion rate for all games in operation was 5.9% in 2017, significantly higher than

the industry average for all game genres of 3.3% for the same year, according to the CIC Report ... <u>CLICK TO ORDER FULL ARTICLE</u>

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