

Leyou Technologies Holdings Limited ("Leyou") is a video game company listed on the main board of the Hong Kong Stock Exchange. It is primarily engaged in the development and publishing of PC and console games, and the market leader for global multiplayer online free-to-play games.

Headquartered in Hong Kong, Leyou owns/invests in several renowned game development studios and affiliates across the world, such as Digital Extremes, Splash Damage and Certain Affinity. By the end of 2019, Leyou had total assets of US\$323 million; the Group recorded total revenue of US\$214 million for 2019 and hired nearly 1,000 full-time employees.

The core strategy of Leyou is to develop and publish high-quality free-to-play video games for gamers around the world by combining the edge-cutting, highly social free-to-play game design philosophy, with the video game development expertise in the West. With such combination and "Game as a Service" operating model which keeps evolving gameplay and providing well-made game content, Leyou creates fun, long-life-span free-to-play game experience for global gamers.

Leyou has successfully published a number of highly acclaimed multiplayer online free-to-play games worldwide. Warframe, one of Leyou's flagship product, is a sci-fi themed, cooperative third-person action game, developed and published by Digital Extremes (one of Leyou's game studio). Warframe was initially launched in March 2013 and is currently available on official site, Steam, PlayStation, Xbox and Switch, with 14 language versions, and hits a total registered players of about 50 million worldwide by March 2019. Having celebrated its sixth anniversary, Warframe has been ranked as a top 10 games among all categories of video games on Steam platform, and a top 3 free-to-play game. The game has won the platinum best sellers and games with most simultaneous players for consecutive two years in 2017 and 2018, and is also one of the best-selling free-to-play games on PlayStation and Xbox platform. In addition, Leyou persistently invests in R&D and innovation, and maintains a strong product pipeline, which comprised of multiple AAA free-to-play games with blockbuster IP such as Transformers, Civilization and The Lord of the Rings, and other unannounced projects.

Looking ahead, Leyou will continue to update its live games to provide players with additional exciting game content and gameplay and is dedicated to launching on more platforms to cater to a greater range of players, thereby building up the growth momentum and profitability of the live games. On the other hand, Leyou will strive to fully propel the development of new products and to launch with AAA quality and established schedules. In addition, Leyou intends to extend its existing game business into other pan-entertainment industries, while seeking new opportunities for content production and IP development, amongst others.



Share data		10/03/2020	
Currency	HKD	Number of shares (mln)	3,084.93
Volume	9,005,975	Change (%)	0.00
Previous Close	3.07	Market capitalisation (mln)	9,470.73

Key figures (US\$ '000)	2017	2018	2019
Revenue	166,736	227,720	214,235
Gross profit	110,774	141,487	121,781
Profit/(loss) for the year	10,246	20,367	-6,489
EBITDA*	48,084	66,982	49,620
Adjusted EBITDA**	66,438	85,292	83,240
Basic earnings/(loss) per share (US cents)	0.30	0.67	-0.27
Net cash generated from operating activities	86,798	81,965	57,637
Net cash (used in)/generated from investing activities	-53,241	-141,153	-54,468
Net cash (used in)/generated from financing activities	-2,047	42,280	-13,549
Total assets	313,431	310,703	322,848
Total liabilities	87,437	79,961	71,042
Total equity	225,994	230,742	251,806
Current ratio	3.99	1.50	1.57
Gearing ratio*** (%)	0.2	13.8	8.0

*EBITDA = Earnings before interest income, interest expense, taxation, depreciation and amortisation

**Adjusted EBITDA = EBITDA less impairment losses and equity-settled share-based payment expenses

***Gearing ratio = Total interest-bearing borrowings/Total assets

