

# Vobile Group SEHK 3738

**Company Presentation** 



## **Vobile**

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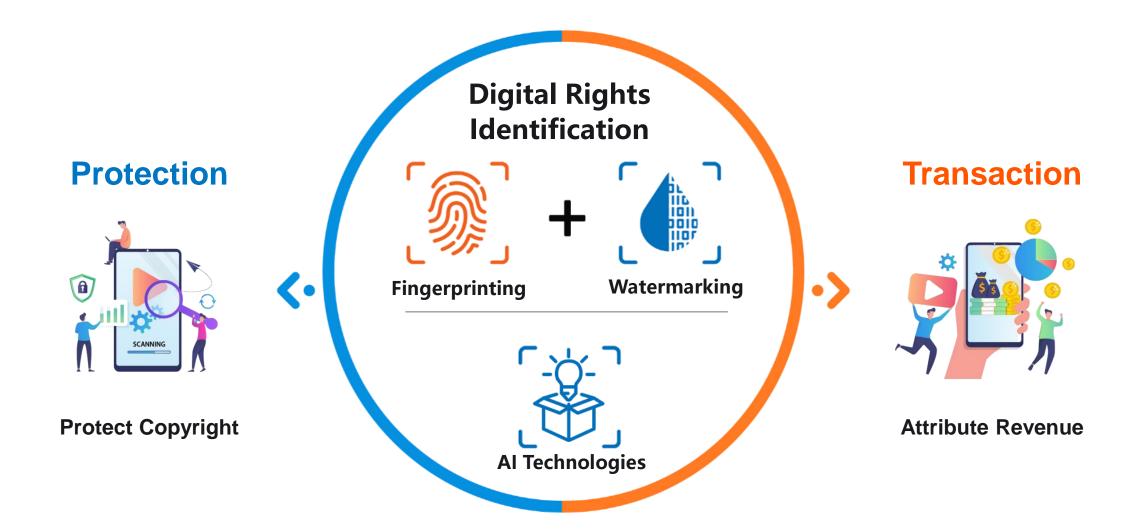
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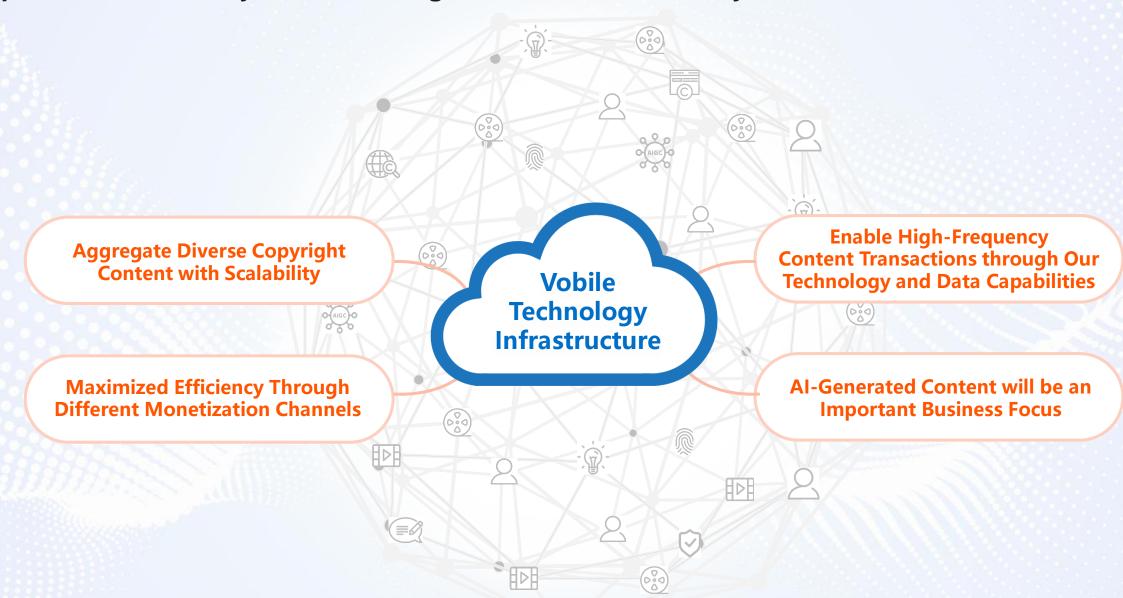


#### The Leading Global Provider of Digital Content Asset Protection and Transaction



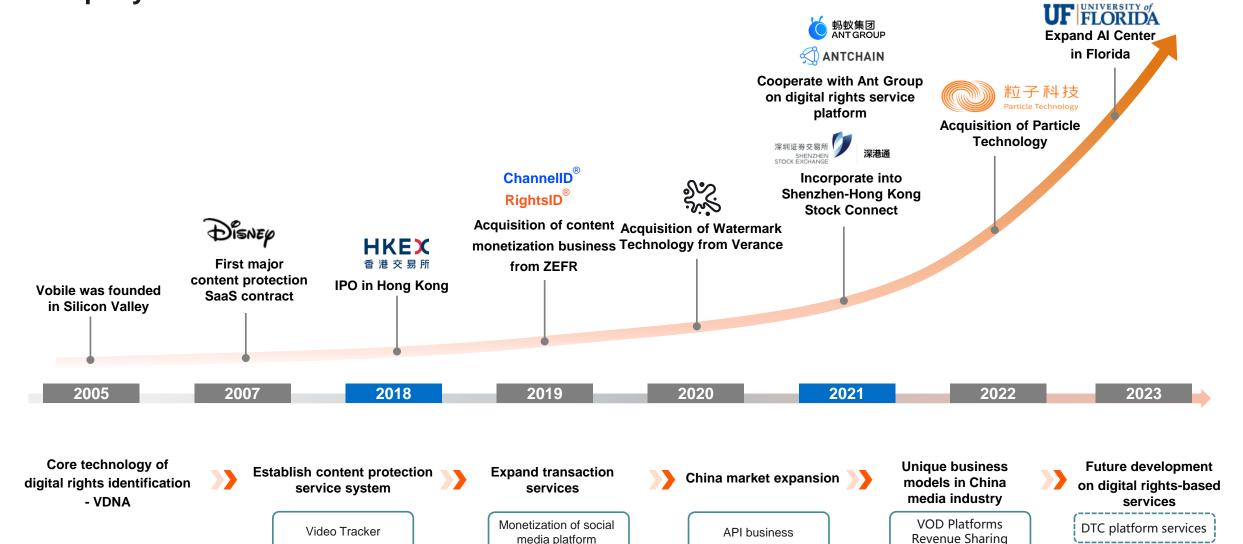


#### Improve the Efficiency of Distributing Value across the Ecosystem



#### **Company Evolution**





media platform

NFT / Digital Collection

User Subscription

Services



#### Continuous Rapid Growth Since IPO with a Highly Scalable Business Foundation

#### **Excellent Track Record**

**76%** 

CAGR of Revenue Growth Since IPO (18'–23')

## >HK\$2 billion

Achieved Performance Breakthrough in 2023

#### HK\$320 million

EBITDA of FY23 Doubled since 2021 578 Staff

Highly Competitive and Efficient Team

# R

**Building Core Technology Capabilities** for Digital Rights Identification

Extended from content protection to Content transaction

#### **Powered by Our Advanced Technology**

Hundreds of thousands

Websites covered

Tens of millions

VDNA assets managed

**Hundreds of billions** 

**Cumulative VDNA Searches** 



**Achieving Globalization Through Strategic Expansion** 

Expanded in China market through Ant's partnership and acquisition of Particle





#### **Unique Competitive Advantages Establishing Industry Leading Position**

#### **Leading Technology**

## #1 Industry's Best Copyright Protection Technology

Ranked #1 in the video content recognition technology evaluation of 13 global companies organized by the Motion Picture Association of America and Movielabs

**?∩** Patents and IPs

Online rights management, Al content recognition, audiovisual search and other technologies to maximize the value of digital assets



## 69th Technology & Engineering Emmy Award



## Empowered by Data and Analytics Capabilities



## Global Leading VDNA Database

Certified database managing over tens of millions VDNA assets



## **Hundreds of Billions Cumulative VDNA Searches**

Over 15 years of accumulated searches and algorithm improvement, with cloud servers deployed globally in 26 regions, provides solid support for big data analysis



## Most Efficient Search and Identification

Real-time direct access to platforms' database and high accuracy in content identification

#### **Long-term Trusted Relationships**

353

#### **Global Premier Clients**

Long-term relationships with top global content clients, including Hollywood studios, major operators, and digital rights platforms



## Over 15 Years of Partnership

Based on long-term trust and reliance, Vobile is always the preferred choice for clients facing new industry challenges



## Integrated into Clients' Daily Workflows

Deeply integrating into the customer's internal decision making process and daily workflows, communicating frequently with the clients to provide the best solutions

#### **Our World's Top Digital Asset Partners**



#### **Content Partners**











LIONSGATE



































China



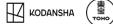














































TV station & new media platform

China IPTV and provincial platform

**Telecom operator** IPTV / OTT platform

China Mobile, China Telecom, China Unicom Overseas telecom operator platform

Hong Kong & Macao

5G video platform

Migu Video, E-surfing Media, Wo Video









Subscription-based services to generate recurring revenue from the world's top IP rights holders















QIYI爱奇艺

#### **Value-added Services**



**Business Intelligence** 

🔍 Rights ID



**VOD Platforms Revenue Sharing** 

Operator

Value-added Services



NFT / Digital Collection

... More Value-added Services

#### **Subscription Services**



Video Tracker



OTT Subscription Services



**DTC Services** 



**API Services** 



# Continue to Improve Content Penetration and Customer Coverage through our Strong Expansion Business Model

Continue to increase the penetration rate of our large content clients











- Focus on upgrading service contracts for large international media groups
  - **12**<sub>x</sub>

The client's contract revenue contribution annually increased

**10**<sub>x</sub>

The client's active assets under management size annually increased

Vobile Technology Infrastructure

## Be capable to reach content creators of all sizes

Protect and monetize high-value assets for large content clients



217

**Content Clients** 





中版链





136



**Platform Clients** 

→ The ability to serve every content individual in the AIGC era



Vobile 阜博集團 Seize the Major **Opportunities of Industry Change** 



#### **Generative AI Driving Content Production and** Distribution into a New Era

Monthly Visit Counts to a Major Model Website

>1.6B

**Total Monthly Active** Video Platforms

Users on Global Short **SOPEN AI** SORA

~10.1B

Number of Movie Screens >200K

**Annual Sales Volume During DVD's Peak** Period >100M units Number of Digital TV Subscription Users

~900M

Number of Paid

Subscribers on Major

Streaming Platforms

DISNED+ NETFLIX













OpenAI ChatGPT**4.0** 





>1.1B















PIKA















stability.ai



# **Key Challenges and Needs of The Digital Content Asset Industry Create Unique Opportunities**



## >500 hours

YouTube users post videos in every 1 minute<sup>1</sup>

## ~15 Bn

The number of images created by AI in just 1.5 years has surpassed the number of images captured by photographers in 150 years<sup>2</sup>

## >7 hours

Average daily digital media usage time worldwide<sup>3</sup>

## >3 Bn

Global digital video audience size4

#### Sources: IMDB, eMarketer, Public news, DataProt, Statista

- 1. From Statista, as of February 2020; the same data has also been mentioned in other public news.
- From Adobe, as of August 2023, more than 15 billion Al-created images have been generated using Stable Diffusion, Adobe Firefly, Midjourney, and DALLE-2.
- From dataportal, and also covered by Forbes News.
- 1. From eMarketer, reported in September 2021.



#### **Huge Growth Space of Ecological Chain of Digital Assets in China**



#### **Policy Support:**

"the 14th Five-Year Plan"

"Outline for Building a Powerful Intellectual Property Country (2021-2035)"

- "Opinions on Promoting the Implementation of the National Cultural Digitization Strategy"
- "Opinions on Establishing a Data Base System to Maximize a Better Role of Data Elements" (Twenty items of data)

"the Overall Layout Plan for the Construction of Digital China"

Accelerate the establishment of data property rights system

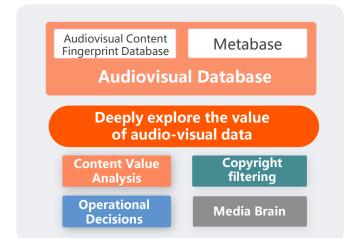
Promote the digital development of national culture

Build a national cultural big data system

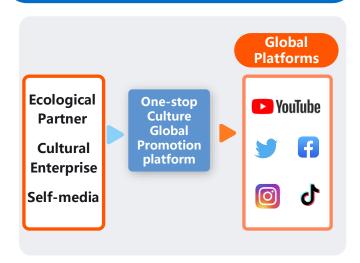
#### Deepen Services to the Digital Content Ecosystem

Provincial Mainstream Media SaaS Service **Platforms** Model **Full Life** Cultural Cycle Exchange **API Service** Services of Model Copyright Ant Ecology Mainstream Short Video Platform

## Build the World's Largest Audiovisual Content Fingerprint Database



#### Create a One-stop Platform for Culture Global Promotion





#### Strategic Investments in Innovation to Power Our Growth Trajectory







2020 Watermarking Technology





2022 AIGC



#### **New Al Center in Florida**





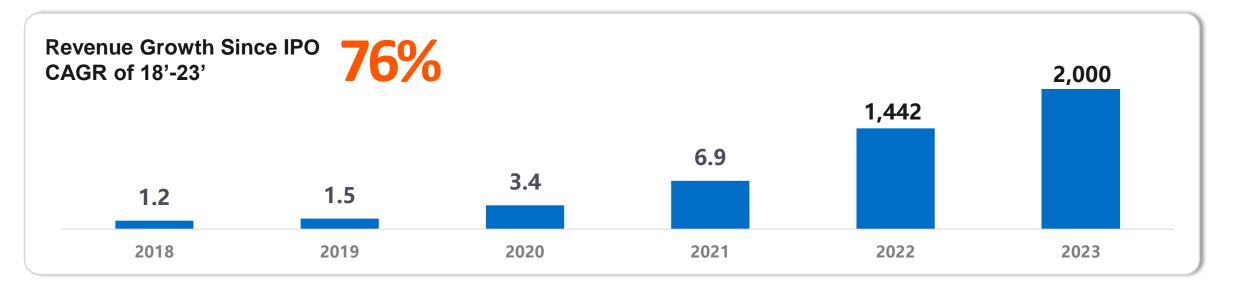
MALACHOWSKY HALL



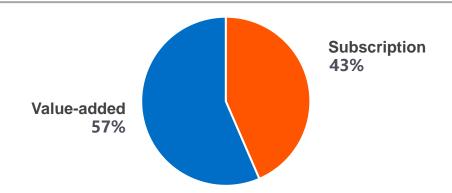
# **Vobile Financials**



#### **Robust Track Record with Strong Growth Momentum**

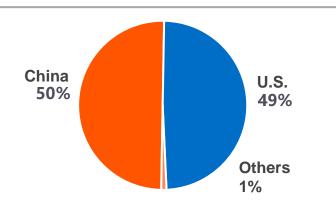


FY23 Revenue Breakdown by Business Segments



Subscription Services increased 58% YoY Value-added Services increased 27% YoY

FY23 Revenue Breakdown by Regions



U.S. business increased 33% YoY
China business increased 51% YoY

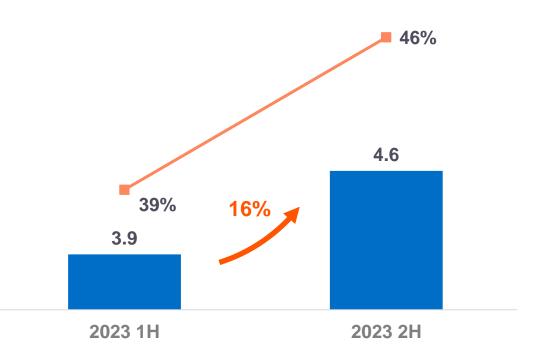


#### Improve Revenue Quality with Steady Gross Margin Growth





## Gross Margin increased with 7 pct



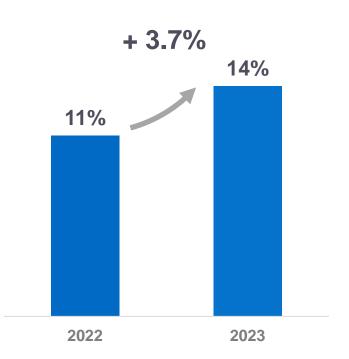


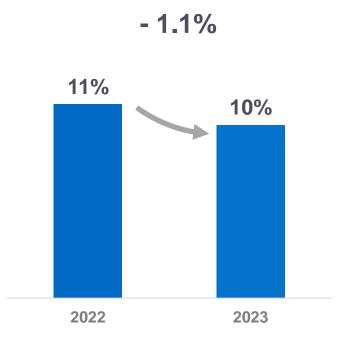


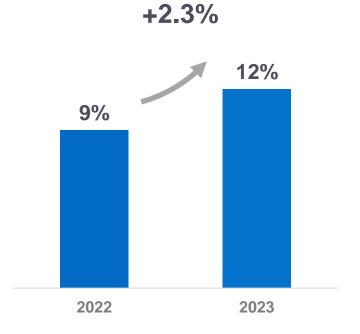
Sales and Marketing Expenses (as a % of Revenue)

Administrative Expenses (as a % of Revenue)

R&D Expenses (as a % of Revenue)

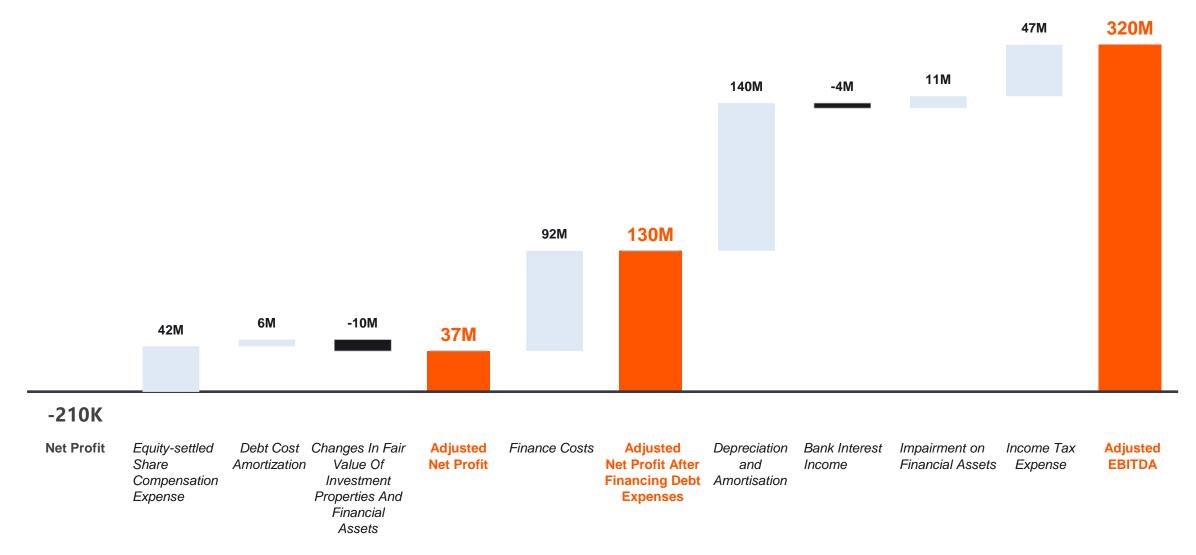








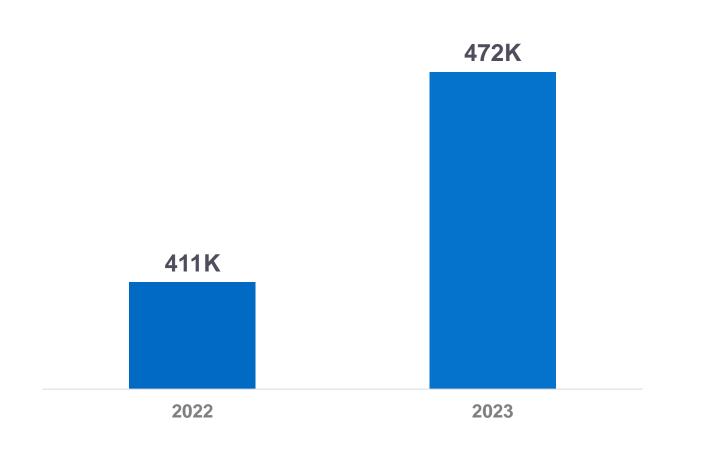








#### ARPU (in HKD)











Monthly Recurring Revenue 72 In HKD



**Net Revenue Retention** (NRR)

135%



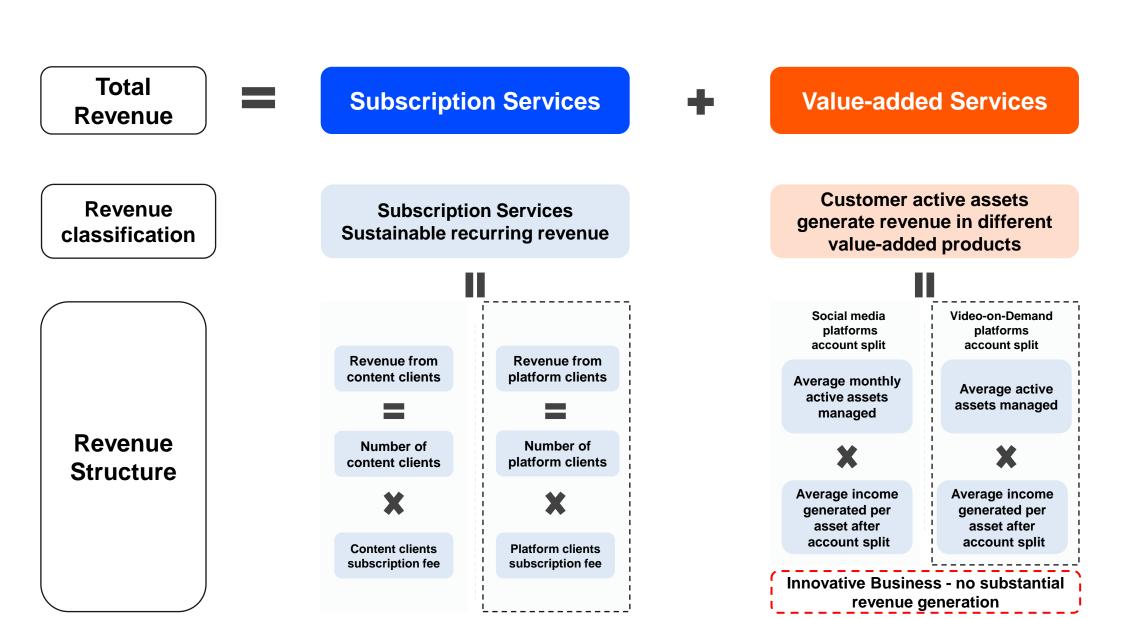
Customer **Retention Rate**  98.1%





#### **Revenue Structure**





#### **Selected Subscription Services**



**Fingerprinting** 





Register fingerprint into

VDNA database



Video Tracker scans Internet for potential infringements



VDNA identifies infringing video with high precision



Real-time business intelligence reports



Send take-down notice and provides electronic evidence

#### Watermarking



Insert unique watermark to contents in different contexts



Extract watermark to identify and trace source of infringing content

- Efficiently identifies a video source
- Provide evidence for direct intervention

#### **Selected Value-added Services**















**Channel ID**®

Managing
Branded Channels

- Video Uploading and Optimization
- Content Strategies
- Data Analytics and Reporting

- Custom Thumbnails
- Metadata optimization

VOD Platforms
Revenue Sharing

>350 Local staff with a full-suite of operation and distribution capabilities

120+ diversified content distribution channels



Telecom Operators



**Platforms** 

TV Stations IPTV, OTT

**Business Intelligence** 

Leverage proprietary technology that meta-searches videos on social media platforms in order to analyze data and design content strategies for clients to achieve goals

# Particle Technology Business Introduction - China's Network Audio-visual Industry Chain



#### **Content Producer**

- Movie & TV Play
   Moive & TV play
   production companies
- TV Program
  TV station
- Network Audiovisual Program
   Video websites
- Livestream Industry content
- PGC
   Professional video content
- Short Video UGC
  User generated content
- Non-video Content
   Music, education, game, electronic sports, picture book, VoiceBook etc.

#### Content and Service Providers

- TV Channel CCTV, satellite TV, local station
- Copyrighted Content Copyrighted content aggregator
- IPTV/ OTT/ Phone Content Content provider
- IPTV/ OTT/ Phone Platform Technology platform, product development, content distribution
- Services
   Product services, technical services, operation services, coverage promotion, advertising, content distribution, etc

### Integrated Broadcast Control Platform

- DVB CCTV, satellite TV broadcast control
- DVB Cable Network
   Cable network, 4 charged channel integration agencies
- IPTV Private Network
   General platform/provincial level platform
- OTT Public Network
   OTT licensee
- Mobile TV
  6 mobile TV licensees

#### Operator

- DVB
   Wireline network operator
- IPTV
   China Telecom, China Unicom, China Mobile (private network)
- OTT Public Network
   China Mobile and Public
   Internet Operators (Public Network)
- Mobile TV/ VR Business Telecom operator

#### **Terminal**

- DVB Set-top Box Set-top box manufacturers
- IPTV/ OTT
  Set-top box
  manufacturers
- Smart TV
  Television
  manufacturers
- Phone / PAD/ PC/ VR Manufacturers

• Online Videos

Internet enterprises

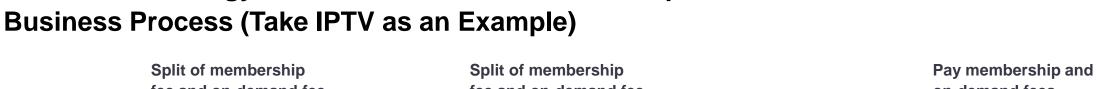
#### **Users**

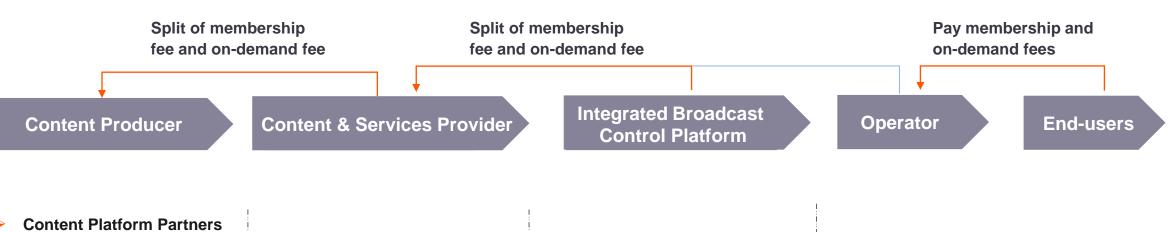
- Personal Users
- Family Users
- Industry Users

The Role of Particle

## Particle Technology Business Introduction - Subscription and Value-added Service Vobile











**Content Partners** 



- **Particle Technology**
- Huan.T **Technology**
- Ysten **Technology**

- Integrated broadcast control platform
- China IPTV
- Integrated broadcast control sub-platform
- South TV New Media (Guangdong)
- HICON (Shandong)
- Mango TV (Hunan)

- **China Mobile**
- China Telecom
- **China Unicom**