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## GLOSSARY

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*This glossary contains certain definitions and technical terms used in this prospectus in connection with our Company and our business. As such, some terms and definitions may not correspond to standard industry definitions or usage of such terms.*

“ARPG”	action role-playing games, also known as real-time combat role-playing games, in which player characters’ actions in the games are instantaneous as per the players’ input, either through a click of the mouse or hitting certain keys on the keyboard
“ARPPU”	average revenue per monthly paying user, calculated by dividing total revenue during a certain period by the number of paying players during the same period
“client-based games”	online games that require game software to be downloaded and actively installed by players before they can log on and play the games
“console games”	video games that are played through a console as opposed to a personal computer
“gross billings”	monetary value of all virtual items sold during a certain period
“item-based revenue model”	under the item-based revenue model, players can play the basic features of the games for free. Game developers and publishers generate revenues when players purchase virtual items that enhance their in-game experience
“MAUs”	monthly active users, which is the number of players who logged into a particular game in the relevant calendar month. Under this metric, a player who logged into two different games in the same month is counted as two MAUs. Similarly, a player who plays the same game on two different publishing platforms in a month would be counted as two MAUs. Average MAUs for a particular period is the average of the MAUs in each month during that period
“mobile games”	games that can be played on mobile devices. “Mobile games” in this prospectus refer to games that can be played on smartphone and tablet devices only and do not include feature phone games
“MPUs”	monthly paying users, which is the number of paying players in the relevant calendar month. Average MPUs for a particular period is the average of the MPUs in each month during that period
“paying players”	players who purchase virtual items at least once during a certain period. If a player made a payment in our games on two separate publishing platforms or two different games published on our publishing platform in a period, the player would be counted as two unique payers for the game development business or the game publishing business, as the case may be, in that period. In addition, a

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	player who plays our games on <i>9Iwan</i> and purchases virtual items will be counted as a paying player for both our game development business and our game publishing business
<i>“retention ratio”</i>	percentage of players that continue to be active on a platform or in a game, as the case may be, after having logged into a platform or a game for the first time
<i>“RPGs”</i>	role-playing games, which involve a large number of players who interact with each other in an evolving fictional world. Each player adopts the role of one or more “characters” who develop specific skill sets (such as melee combat or casting magic spells) and control the character’s actions. There are unlimited possible game scenarios where the evolution of the game world is determined by the actions of the players, and the storyline continuously evolves even while the players are offline and away from the games
<i>“social games”</i>	online games that can be played on social network platforms
<i>“turn-based RPGs”</i>	turn-based role-playing games, where the flow of combat is split into turns and each player is allowed a designated time period to formulate his or her game actions. One round is considered to be completed once every player has taken his or her turn, after which the next round begins
<i>“users”</i>	with respect to games, users refer to players
<i>“virtual items”</i>	in-game items that enhance players’ in-game experience, by, for example, enhancing the powers, abilities, attractiveness and social interaction of their characters, or enabling them to advance in the game more quickly
<i>“webgames”</i>	online games that can be played within a web browser with flash support and which do not require active installation of client software. Webgames and mobile games, collectively, are also known as “cloud-based games”