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Investor Presentation

NQmobile

NQ Mobile (NYSE: NQ)

2015 Q2 Results

Aug 26, 2015


SAFE HARBOR STATEMENT

Please note that the discussion today will contain certain forward-looking statements made under the Safe Harbor provision of the U.S. Private Securities Litigation Reform Act of 1995.

These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from our current expectation. NQ Mobile does not assume any obligation to update any forward-looking statements, except as required under applicable law. Also, please note that some of the information to be discussed includes non-GAAP financial measures as defined in Regulation G.

The most direct comparable U.S. GAAP financial measures and the information reconciling those non-GAAP financial measures to NQ Mobile's financial results prepared in accordance with U.S. GAAP are included in our earnings release posted earlier today.

Conference Call

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- Speakers on the conference call:
 - Dr. Vincent Shi, Chairman & COO
 - Mr. Zemin Xu, CEO
 - Mr. Roland Wu, CFO
 - Mr. Matt Mathison, Vice President of Capital Markets.



Zemin Xu
CEO

I wish to thank all of our employees and management team for their dedication and commitment to the plans that we laid out at the beginning of the year. Our strict focus on cost controls and budgets is paying off and the benefits are starting to show up in our results. We will continue to focus on delivering results and executing our business plans. We look forward to continued progress on the monetization of our entertainment applications and businesses which in turn will help us to drive the over all consumer portion. We made solid progress in the second quarter. We have a long ways to go still, but we are determined to see this through.



Business Update

FL Mobile - Game Publishing



- One of the leading mobile game publishers and operators in China.
- Key strengths in our FL Mobile franchise is that our gamers are much more mid/hard core versus light/casual gamers.
- Games have a relatively longer life cycle than is normal in our industry.
- We launched co-marketing campaign with Taxi and Car Rental Companies in late Q2.



Dragon War Song



God Killer



Attack Cities and Capture Territories

Advertising Business

- Total Reach is now more than 870 million unique devices - users up almost 15% Quarter over Quarter
- Total Number of Applications enabled on our platform is now more than 93,000 - up almost 15% quarter over quarter



Data as of 6/30/15

Showself

Live Mobile Social Video Platform



- 4.1 million MAUs
- Over 30% of our total MVAS revenue segment in Q2

Data as of 6/30/15

Showself

Desktop/Lockscreen



- Shipped on more than 180 million devices
- 81 million MAUs
- 57 million DAUs



Data as of 6/30/15

Showself

Music Radar (Doreso)



- 14.6 million MAUs
- 14 million unique daily search queries



Data as of 6/30/15

Enterprise Mobility Business

- NationSky and Trustek.
- Continue to rapidly expand this business with both hardware and software sales.





NQmobile

Financial Performance

Q2 Revenue performance

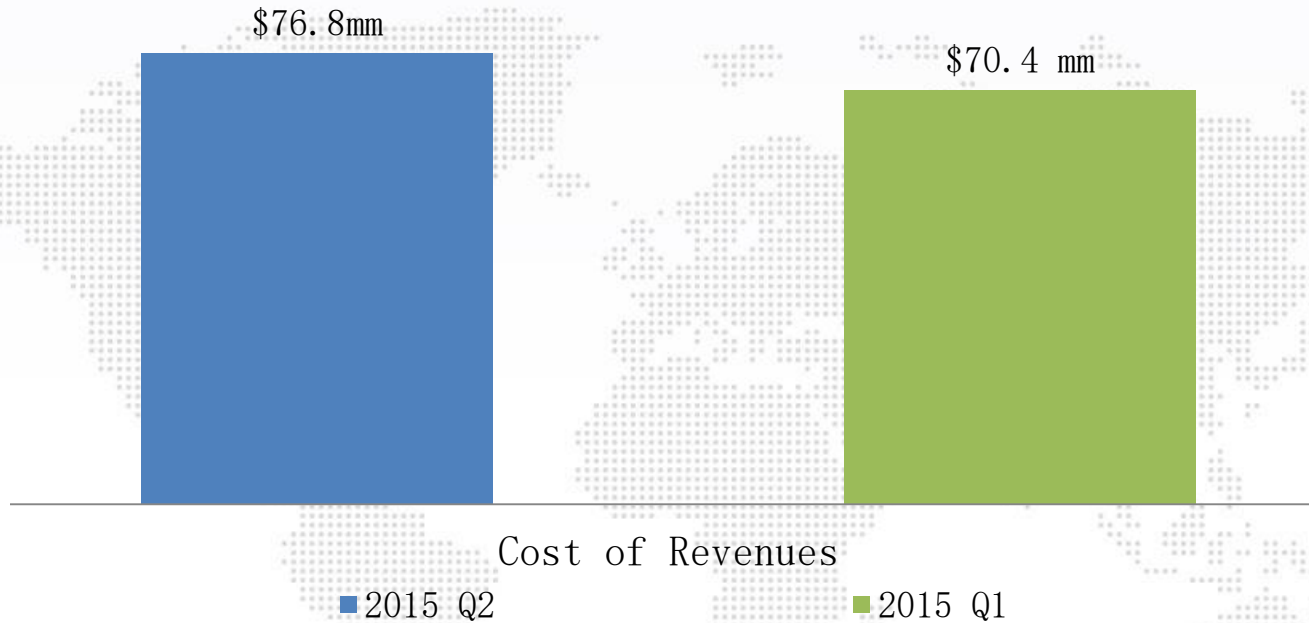


Roland Wu
CFO

- MVAS growth driven by Showself which is more than 30% of this segment.
- FL mobile business is poised for a strong 2H due to a strong pipeline of new games.
- Enterprise mobility business remain strong.

Cost of Revenues Highlights

Q2 2015 vs. Q1 2015



- 75% of this Q/Q increase came from cost of products sold within enterprise mobility segment
- The Other 31% of the Q/Q increase came from Revenue Sharing costs related to our Gaming and Showself Businesses

Operating Expenses Highlights

- Total Operating expenses in Q2 were \$24.0 million
- Biggest improvement was the result of reduced SBC expenses
- Total SBC expenses were \$1.1 million in Q2
- The improvement resulted in net loss for the quarter and expanded non-GAAP net income
- Total net loss attributable to NQ Mobile was \$1.6 million, compared with a loss of \$17 million the quarter before.
- Total non-GAAP income attributable to NQ Mobile of \$7 million for the quarter or \$0.08 per ADS.

Cash and Cash Flow

- Cash and cash equivalents, term deposits and restricted cash together amounted to **\$239 million** as of June 30, 2015.
- Net cash used in operations was **\$14.7 million** during the second quarter 2015.

Business Outlook

This outlook includes net revenue expectations for FL Mobile and NationSky and is subject to change based upon the timing of the closing of the announced FL and NationSky Divestments.

- Q3 2015 Total Revenue: **US\$110 mm** to **US\$112 mm.**
- Full year 2015 Total Revenue: **US\$455 mm** to **US\$460 mm.**



Vincent Shi
Chairman

There are two things that I wish to say today. First, NQ Mobile continues to be a mobile-only, mobile-first company that is focusing more on entertainment in our current stage. Second, we will continue to innovate and invest for the future. Thank you for your time.



Questions?