



Analyst and Investor Meeting

November 13, 2012

NQmobile



NQ mobile

- Company Overview
- Q3 Financial Recap
- Company Strategy
- Brand, Design and Marketing
- Enterprise Strategy - Nation Sky
- Fireside Chat
- Long-Term Strategy
- Feiliu Overview
- Fireside Chat
- Product Demonstrations
- Wrap Up and Q&A

NQmobile

A look back at our beginnings.

A company was born

- In 2005, Dr. Henry Lin, the youngest professor at Beijing University of Posts and Telecommunications, was collaborating with the Chief Scientist from Nokia when the first instance of malware was discovered on the Symbian Smartphone platform.
- Dr. Henry Lin and Dr. Vincent Shi along 5 graduate students and \$15,000 of seed money founded the company and developed Mobile Security 1.0.
- Through 2010, the team raised \$47M in funding from GSR, Sequoia, Ceyuan, Fidelity, HTC, Qualcomm and MediaTek.
- In 2010, the company was recognized by Time magazine as one of 10 start-up's that will change your life.
- In 2011, the company was recognized by the World Economic Forum in Davos as a Technology Pioneer, an award bestowed to Google and Twitter in prior years.
- The company successfully listed on NYSE under the ticker symbol NQ on May 5, 2011



Key Milestones Since IPO

May 2011:

Successfully debuted on the NYSE (NYSE: NQ)

June 2011:

Reached 100MM registered users

Aug 2011:

Partnership with Spain-based Telefonica, the 5th largest telecom service provider in the world

Sep 2011:

Global go-to-market agreement with BrightStar Corp.

Jan 2012:

Appointed Mr. Omar Khan as Co-CEO

Apr 2012:

Partnership with TCC, the largest Verizon Premium Wireless Retailer in the US

Apr 2012:

Company brand change to NQ Mobile

May 2012:

A Wireless Retail Partnership announced

May 2012:

Expanded into the enterprise market through acquisition of NationSky

June 2012:

Reached 200MM registered users

Aug 2012:

NQ Mobile and MediaTek investment into Hissine (Hissage)

Sep 2012:

Launched new Family product line with NQ Family Guardian.

Oct 2012:

Phones4U Retail Partnership announced

Oct 2012:

Acquired Beijing Feiliu Jiutian Technology, a leading mobile Internet platform in China

Who is NQ Mobile today?

Recognized Global Leader in Mobile Security and Mobile Innovation

Leading global security, privacy and productivity solution provider focused on mobile innovation for consumers and enterprises.

- Validated by independent third parties to **detect highest numbers of malware in the industry first**. First to detect 90% of all threats on Android.
- **~38M** new users added in Q3 2012; **~242M registered users**, **~85M active users**. Adding 400,000 new registered users per day.
- **Broad portfolio of TRUST services:** security, privacy, and family protection building TRUST between consumers and their smartphones.
- Strong relationships with key mobile ecosystem participants
- Renowned global management team with strong industry track record



Our Vision

To become the most trusted mobile internet services company.

Mission: Safeguard Your Mobile World

Consumer



Family



Enterprise



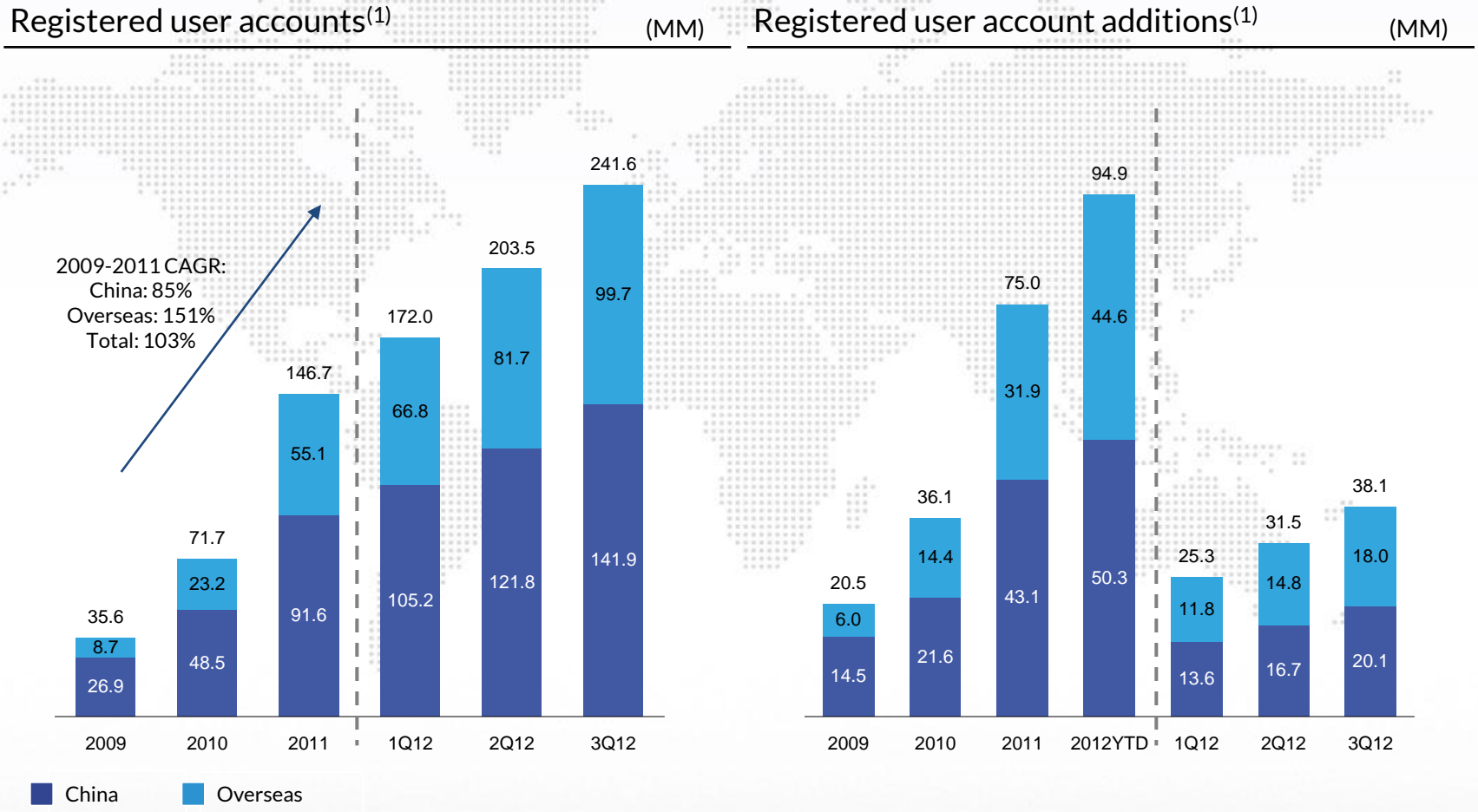
A world map composed of a grid of small white dots on a dark blue background, centered behind the text.

Q3 2012 Financial Highlights

NQmobile

Suhai Ji, CFO
NQ Mobile

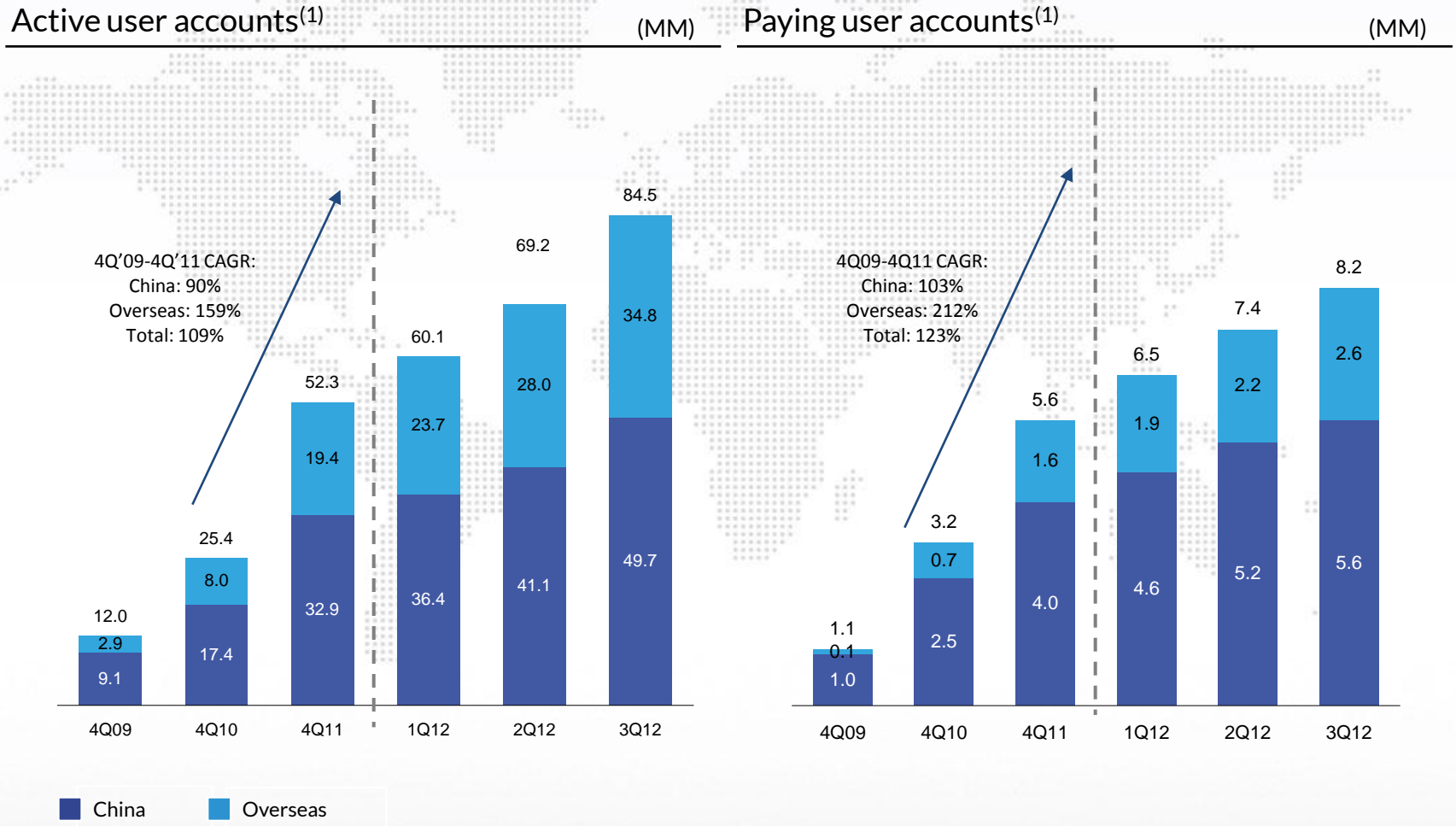
Strong Underlying Operating Metrics



1. The registered user accounts are as of year / quarter end

Strong Underlying Operating Metrics

(cont'd)

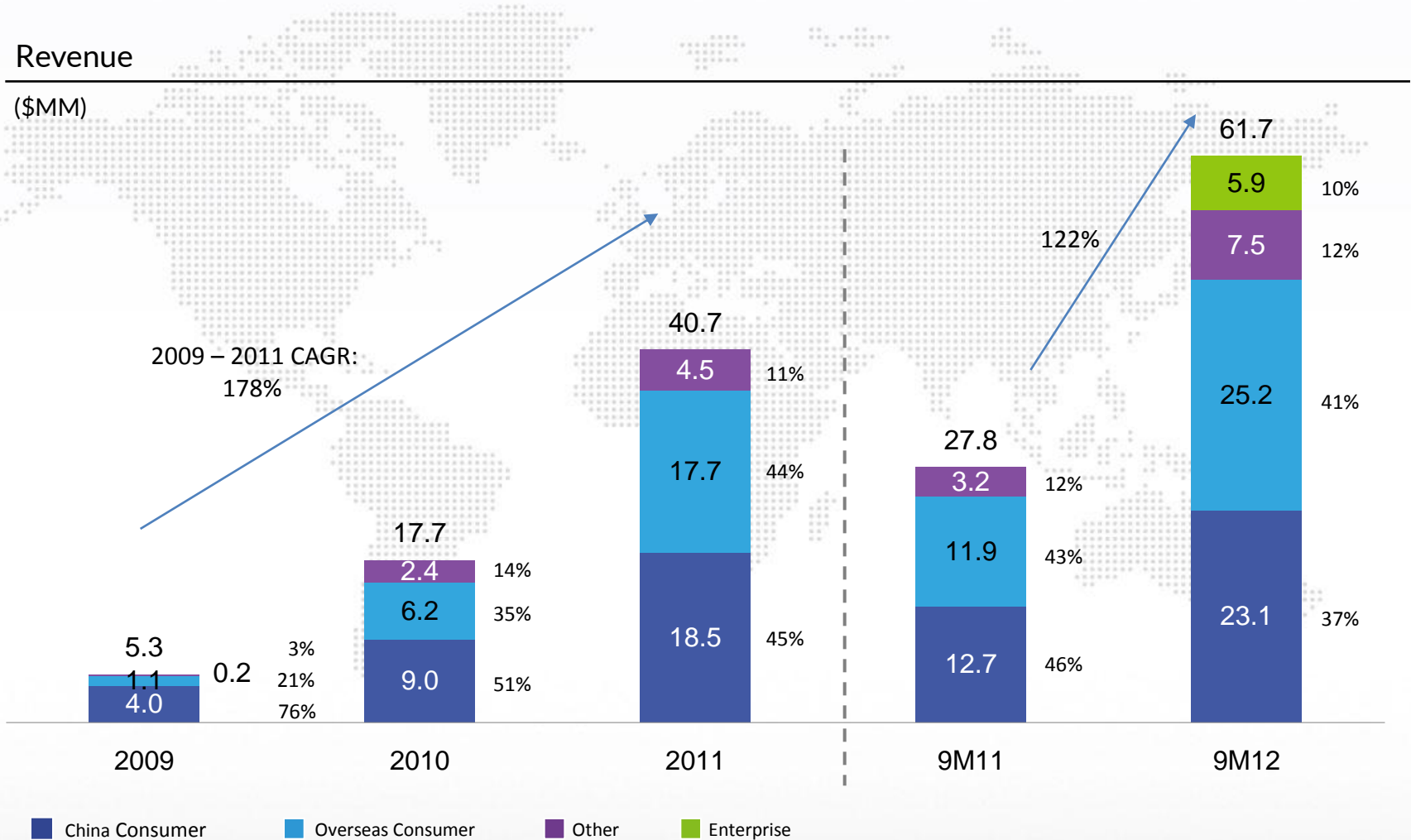


1. The active user accounts and paying user accounts are average monthly numbers for the specified quarter

Rapidly Growing Revenues

Revenue

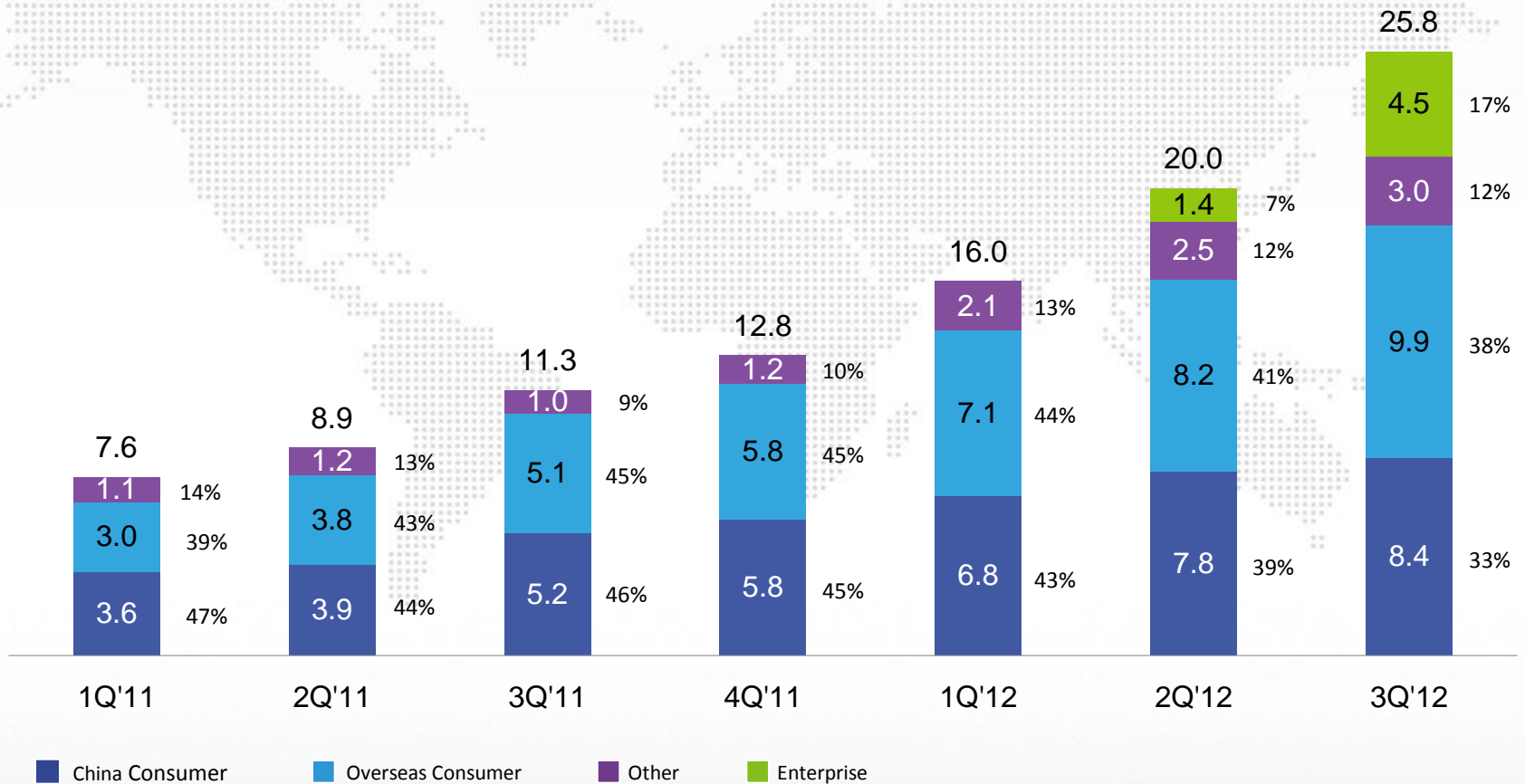
(\$MM)



Rapidly Growing Revenues (cont'd)

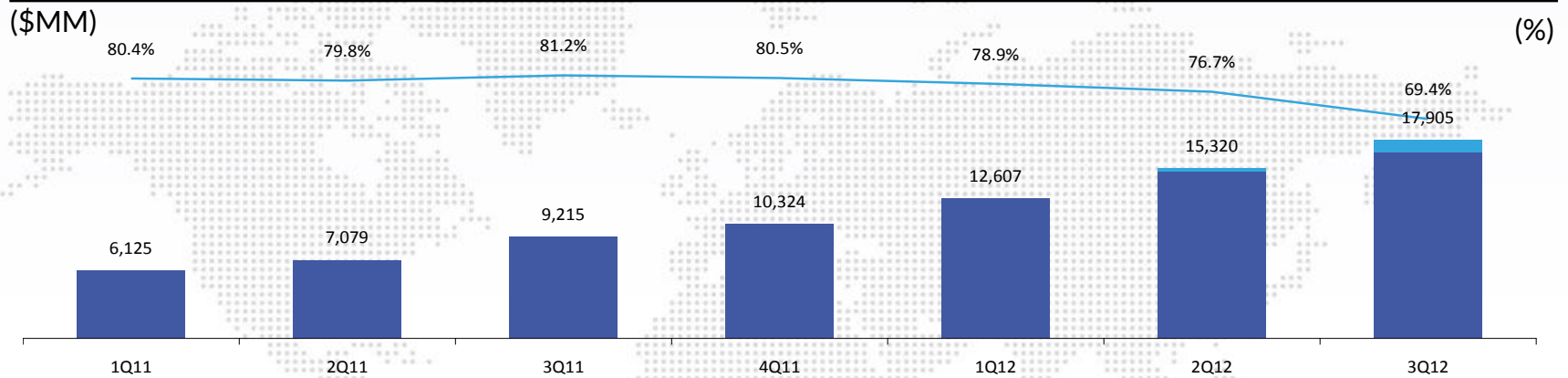
Quarterly Revenue

(\$MM)

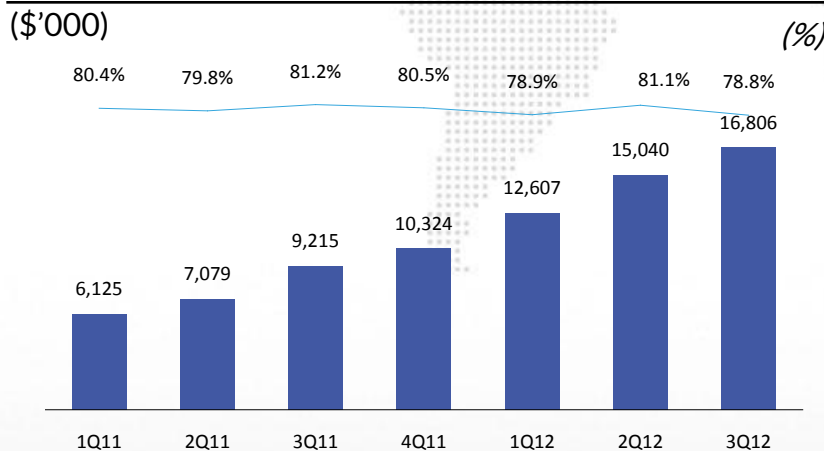


Healthy Gross and Operating Margins

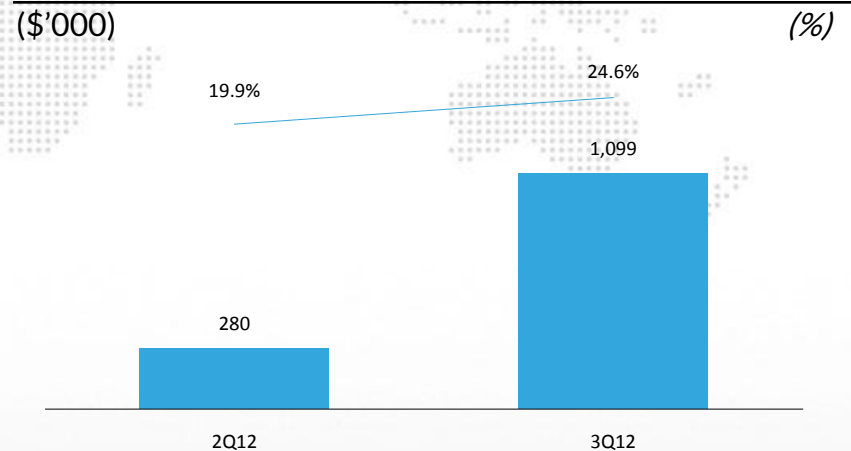
Total Gross Profit⁽¹⁾



NQ ex. NationSky Gross Profit⁽¹⁾

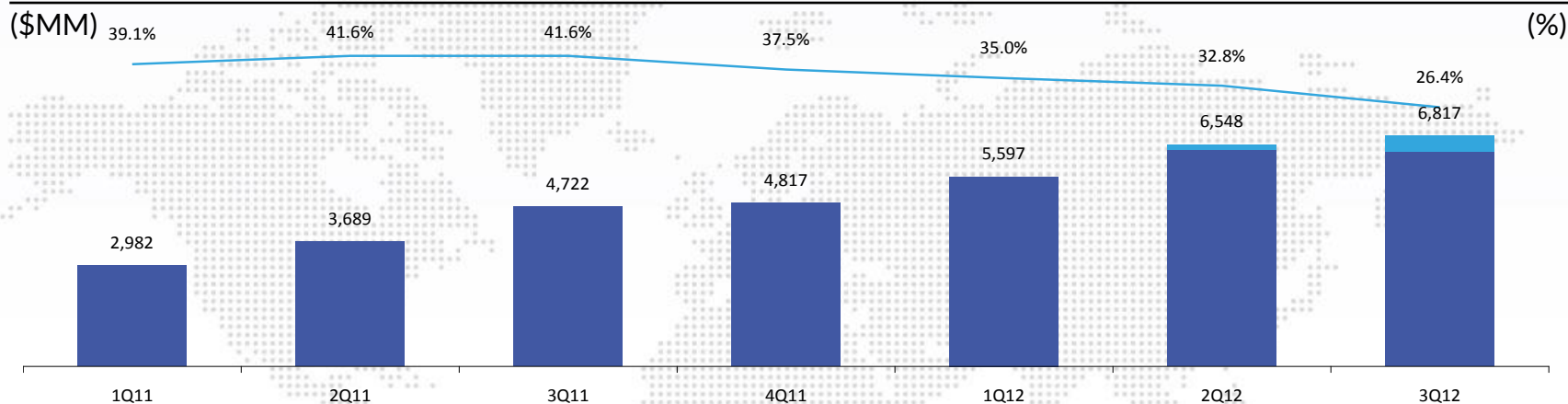


Enterprise (NationSky) Gross Profit

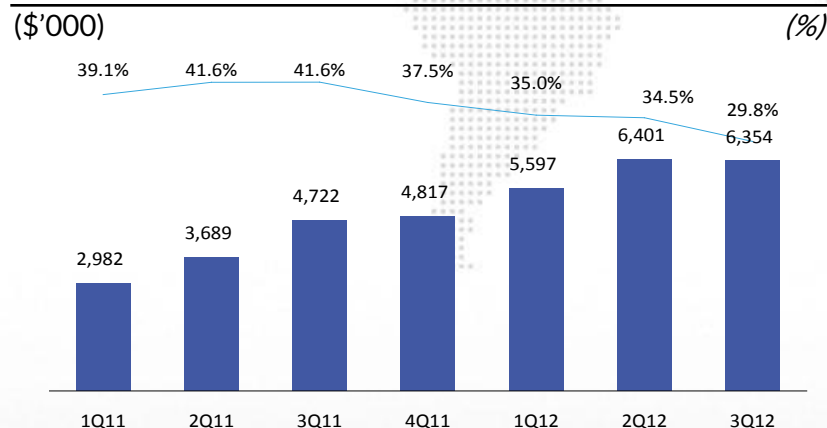


Healthy Gross and Operating Margins (cont'd)

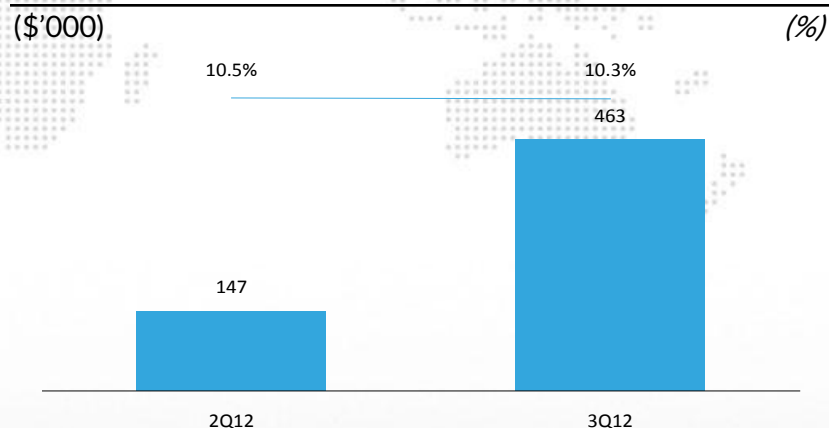
Total Operating Profit⁽¹⁾



NQ ex. NationSky Operating Profit⁽¹⁾

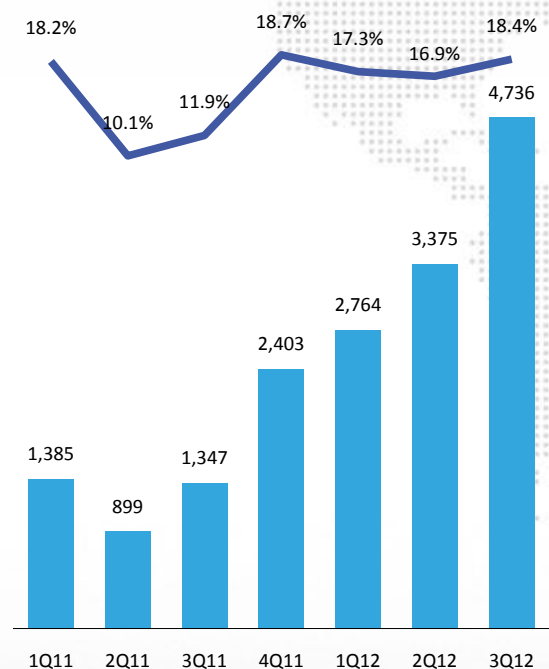


Enterprise (NationSky) Operating Profit

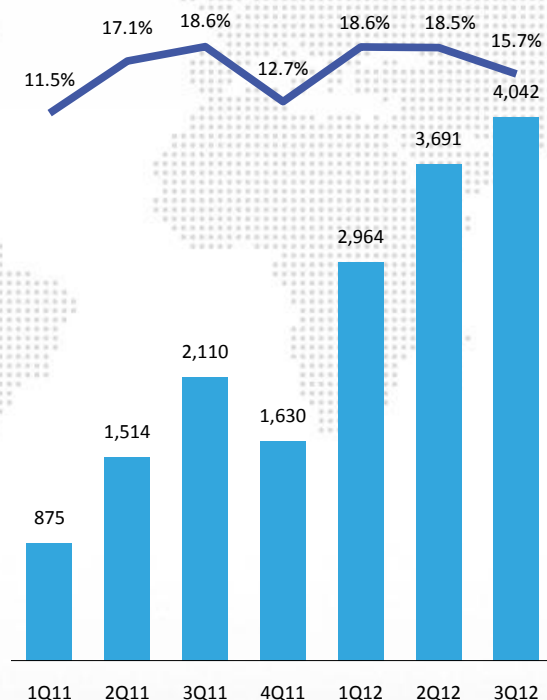


Healthy Gross and Operating Margins (cont'd)

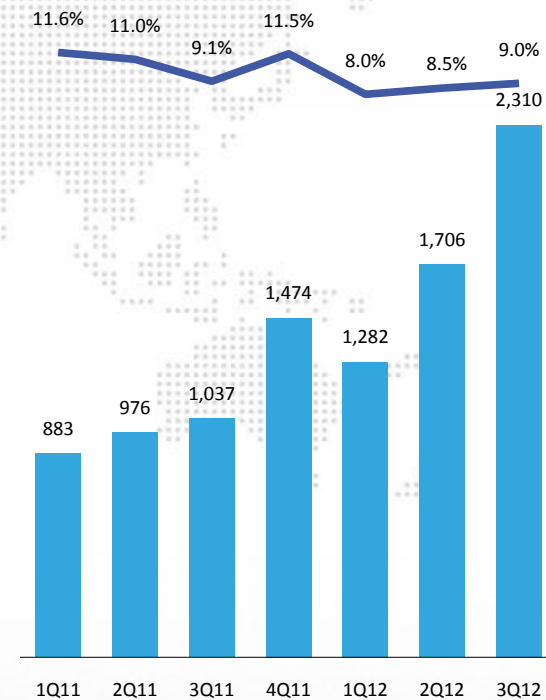
Selling & Marketing Costs⁽¹⁾
(\$'000) (%)



General & Administrative Costs⁽¹⁾
(\$'000) (%)

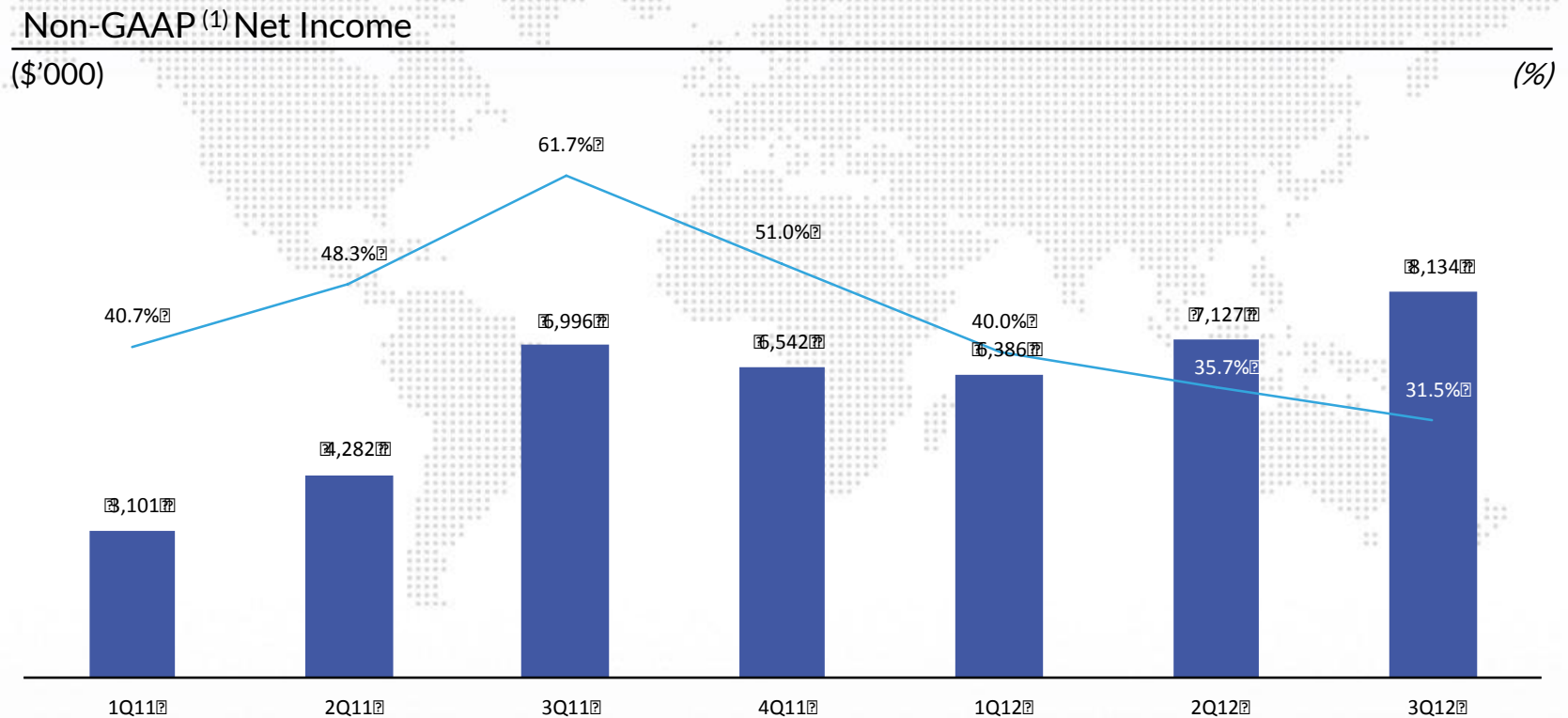


Research & Development Costs⁽¹⁾
(\$'000) (%)



1. Non-GAAP figures excludes share based compensation. The percentage represents the non-GAAP operating expense as a percentage of total revenue

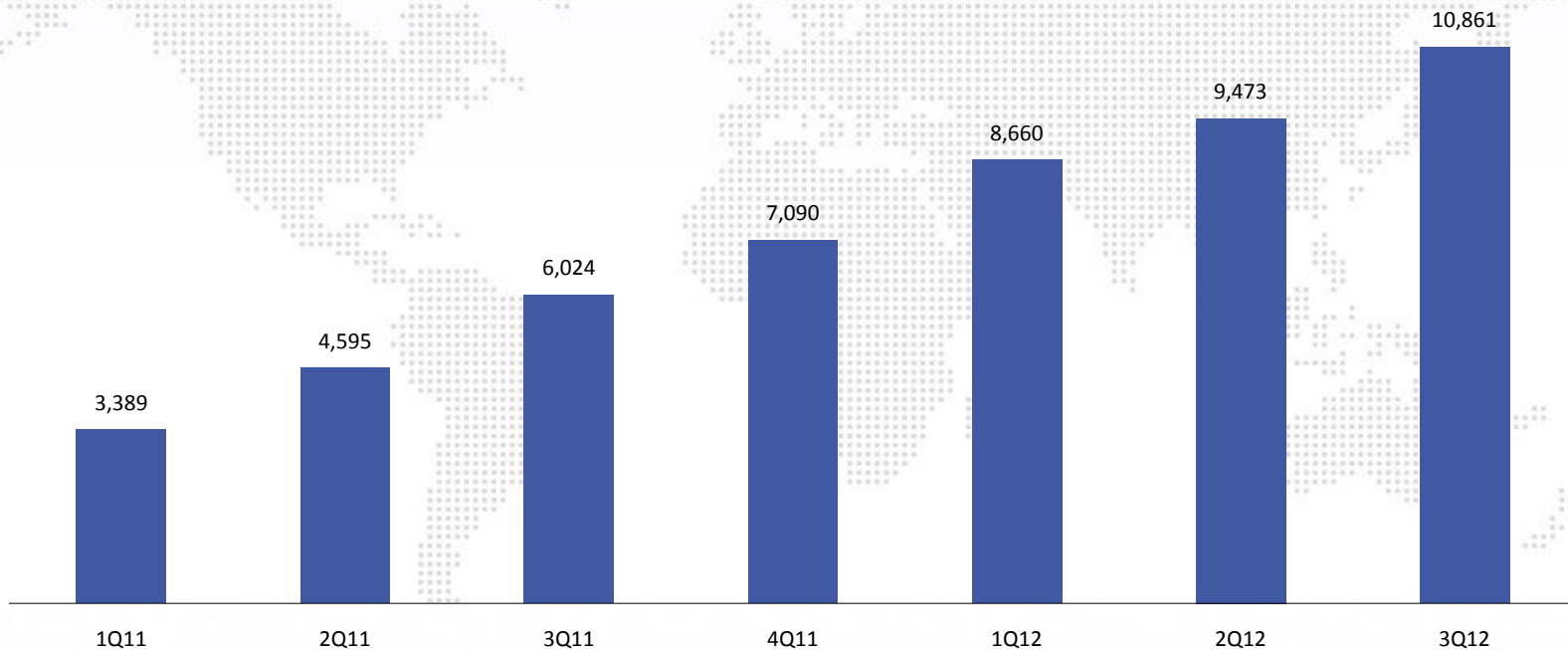
Healthy Profitability



High Visibility and Strong Cash Flow

Deferred Revenue

(\$'000)

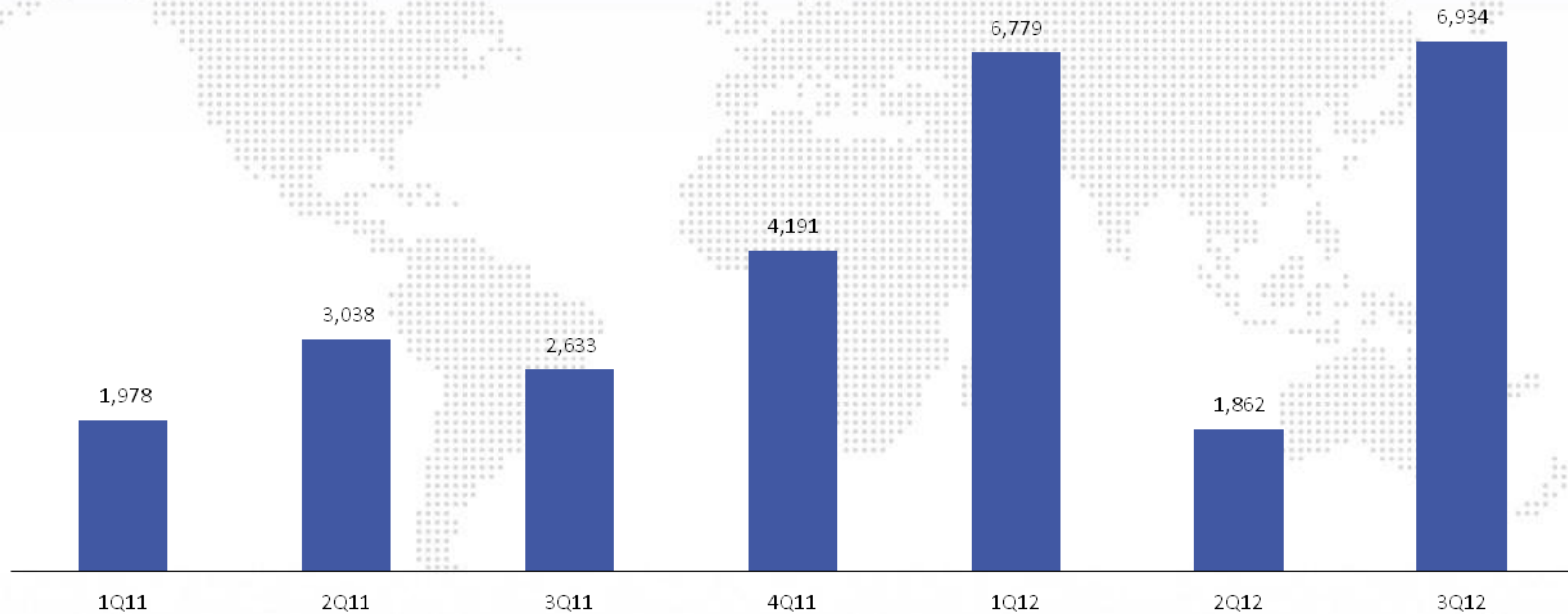


High Visibility and Strong Cash Flow

(Cont'd)

Operating Cash Flow

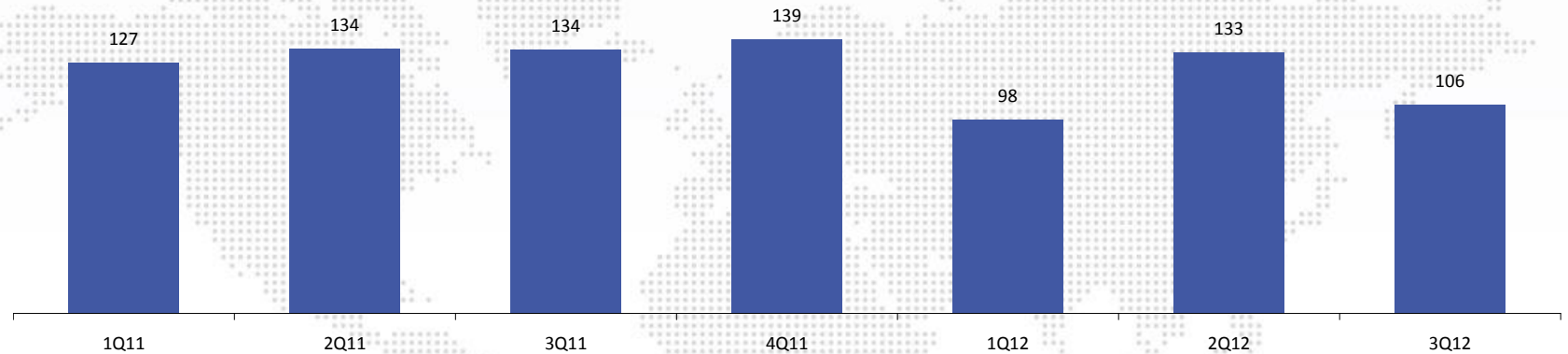
(\$'000)



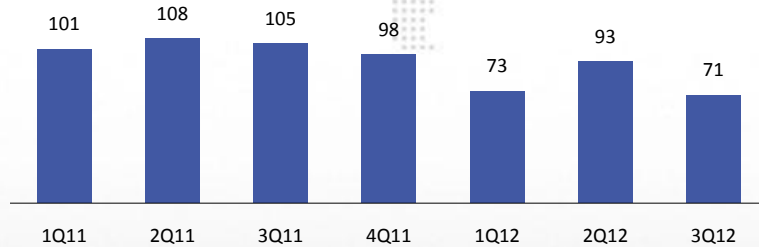
High Visibility and Strong Cash Flow

(Cont'd)

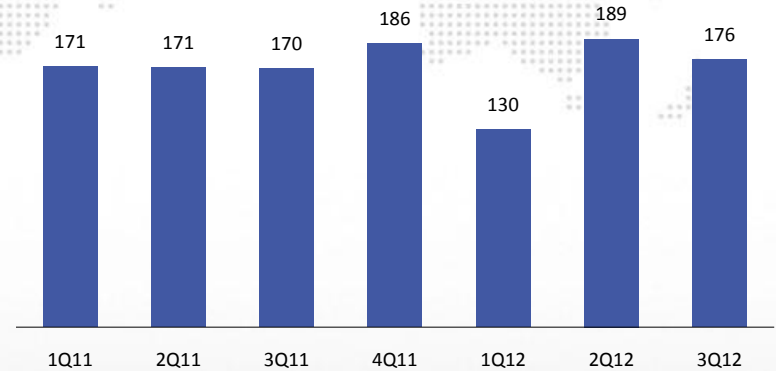
Total Receivable Days



Domestic Receivable Days



International Receivable Days





1.2.5.

NQmobile

Architecting Our Future

Architecting Our Future

You have all seen elements of our strategy in pieces.

- Bringing on new **Partners** like A Wireless , Phones4u, and Vox Mobile
- **Acquisition** of companies like NationSky and Feiliu
- **Product expansion** into new consumer products like Vault and Family Guardian
- **Joint Venture investment** with MediaTek
- **New monetization capabilities** like carrier billing and subscription billing.
- Even new service offerings such as **3rd party developer enablement**

But we haven't articulated for you our strategic blueprint by which these strategic investments fit and how they apply to our business.



Introducing

NQmobile[™]
Safeguarding your mobile world

1.

2.

5.

Our Strategic Blueprint driving our annualized revenue run-rate from today at 100M, to 200M, to 500M.

Trusted Security Focus

While building a global business

How have we capitalized on the *growth of mobile security globally?*

What are the *dynamics* of our business?

What *products* have driven revenue and market growth?

What are the *key success factors* in our business?

100.

2005 - 2012

From Trusted Security to Trust Services

Leveraging our strengths and doubling our revenue.

Broadening and deepening product categories in areas ***TRUST*** and introducing new services

Extending and optimizing ***channels***

Turning the lights on globally – rolling payment out globally.

Secure enterprise's mobility evolution

200.
2013 Focus

Trusted Security to Trust Services

- 1: 100M Trusted Security
- 2: 200M Trust Services

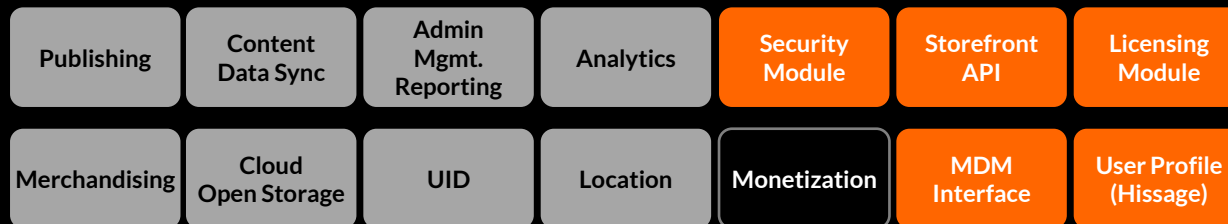
Enterprise

Consumer Services

Apps
&
Services



Platform
Enablers



Monetization



Trusted Mobile Platform

Institutionalizing our strengths and scaling our platform

Further *diversify TRUST* service offerings.

Scaling *globally*.

Enabling *3^d party developers*.

Leveraging NQ distribution to reach more customers, introduce *new services*, and *maximize conversion* at lowest customer acquisition costs.

500.
Future

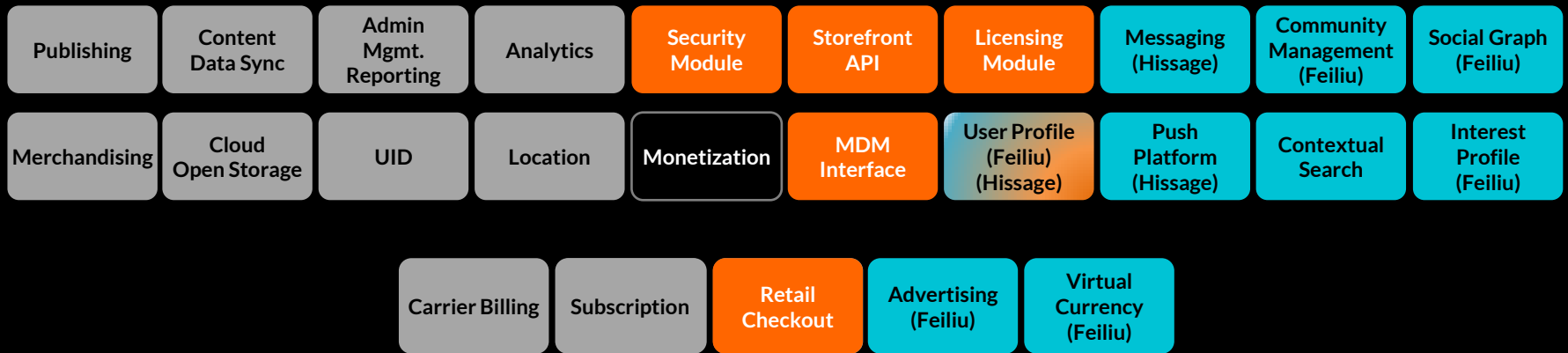
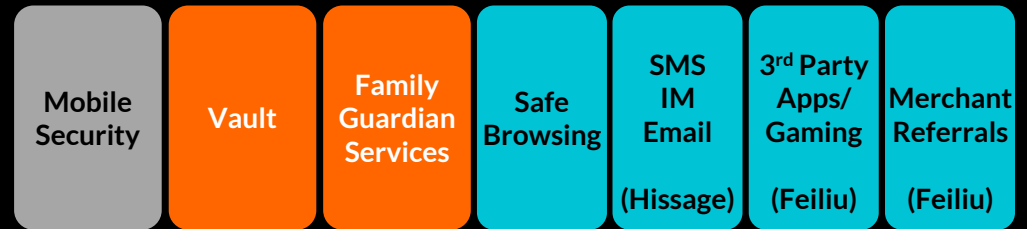
Trust Services to Trust Platform

- 1: 100M Trusted Security
- 2: 200M Trust Services
- 5: 500M Trust Platform

Enterprise



Consumer Services



Building a Platform

amazon.com[®]

THEN



NOW



Building a Platform

Tencent 腾讯

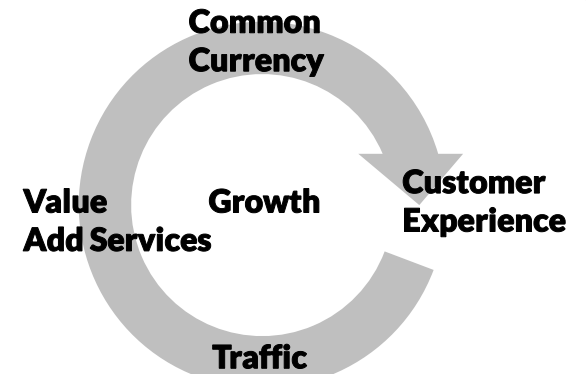
THEN



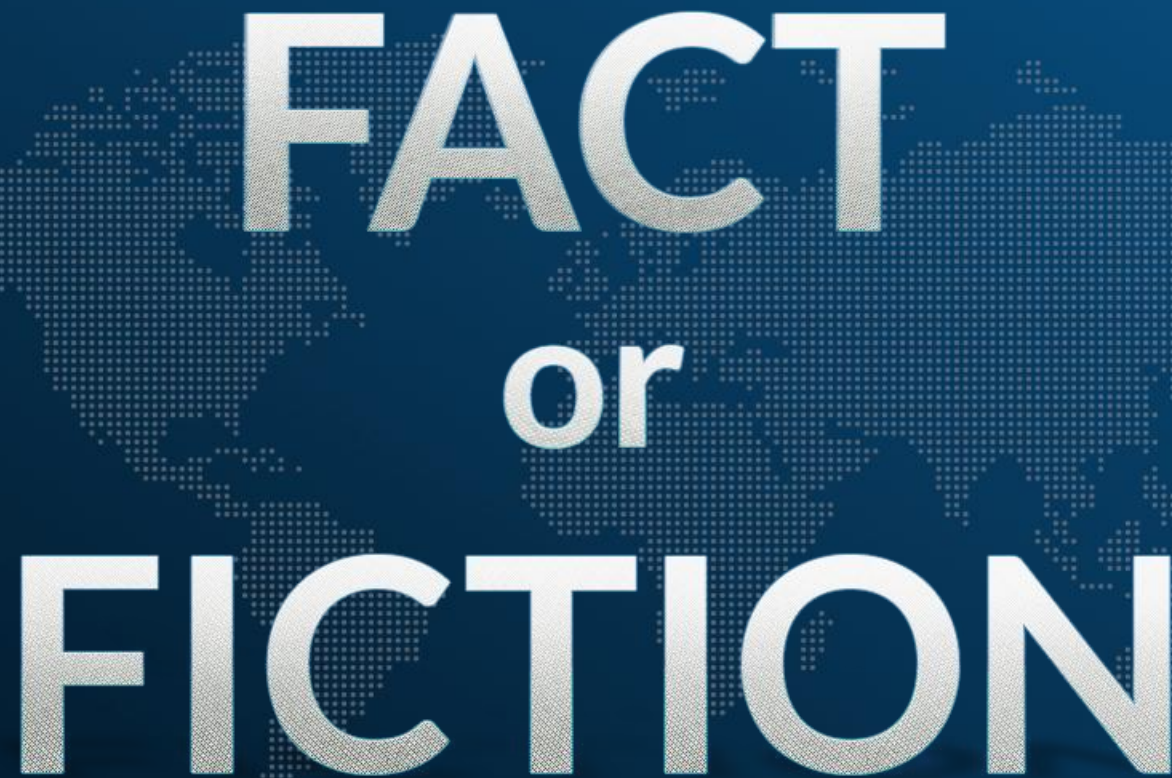
QQ
Instant Messenger

NOW

QQ Zone
QQ Music
Q+ Platform
QQ Weibo
QQ Video



The First Inaugural NQ Mobile™



FACT
or
FICTION

Separating FACT from FICTION

NQ Mobile is a Chinese Company

FACT or **FICTION**

Separating FACT from FICTION

NQ Mobile is a Chinese Company

FICTION

Separating FACT from FICTION

NQ Mobile bills customers in over 150 countries where it distributes its products.

FACT or FICTION

Separating FACT from FICTION

NQ Mobile bills customers in over 150 countries where it distributes its products.

FICTION

Separating FACT from FICTION

NQ Mobile holds all Trademarks and Intellectual Property inside China

FACT or **FICTION**

Separating FACT from FICTION

NQ Mobile holds all Trademarks and Intellectual
Property inside China

FICTION

Separating FACT from FICTION

Application Downloads = Registered Users

FACT or **FICTION**

Separating FACT from FICTION

Application Downloads = Registered Users

FICTION

Separating FACT from FICTION

NQ Mobile can't win business in the U.S.

FACT or **FICTION**

Separating FACT from FICTION

NQ Mobile can't win business in the U.S.

FICTION

Separating FACT from FICTION

NQ Mobile Enterprise customers are all SMB.

FACT or **FICTION**

Separating FACT from FICTION

NQ Mobile Enterprise customers are all SMB.

FICTION

Separating FACT from FICTION

NQ Mobile is a cross-platform application and service developer.

FACT or **FICTION**

Separating FACT from FICTION

NQ Mobile is a cross-platform application and service developer.

FACT



1.2.5.

NQmobile

Architecting Our Future

Trusted Security Focus

While building a global business

How have we capitalized on the *growth of mobile security globally?*

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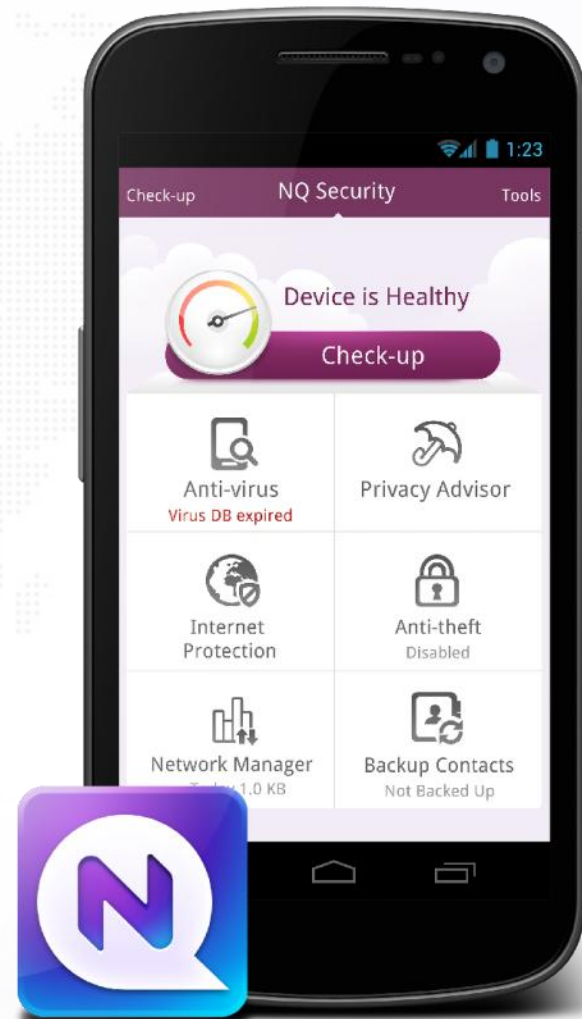
100.

2005 - 2012

Mobile Security Protection

NQ Mobile Security™

Protects your mobile voice & data from malicious software (viruses, malware), phishing and call eavesdropping



NQ Mobile Security

NQ Mobile Security provides the most comprehensive all-in-one mobile security, privacy, recovery & optimization solution in the market today.

Health Check Dashboard

Anti-Malware / Virus

Safe Browsing

Back up and Restore

Privacy Advisor

Financial Account Security

Intruder Alert

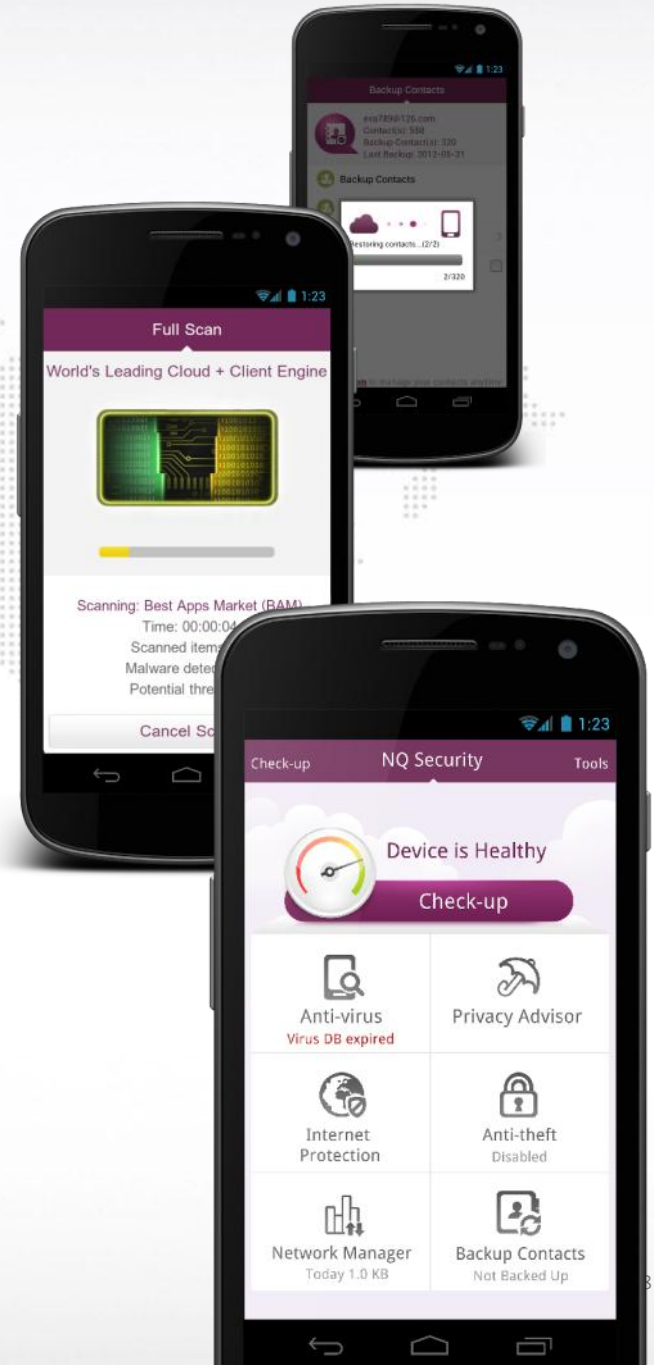
System Optimization

Anti-Theft

Account Security

Data Monitoring

Anti-Eavesdropping

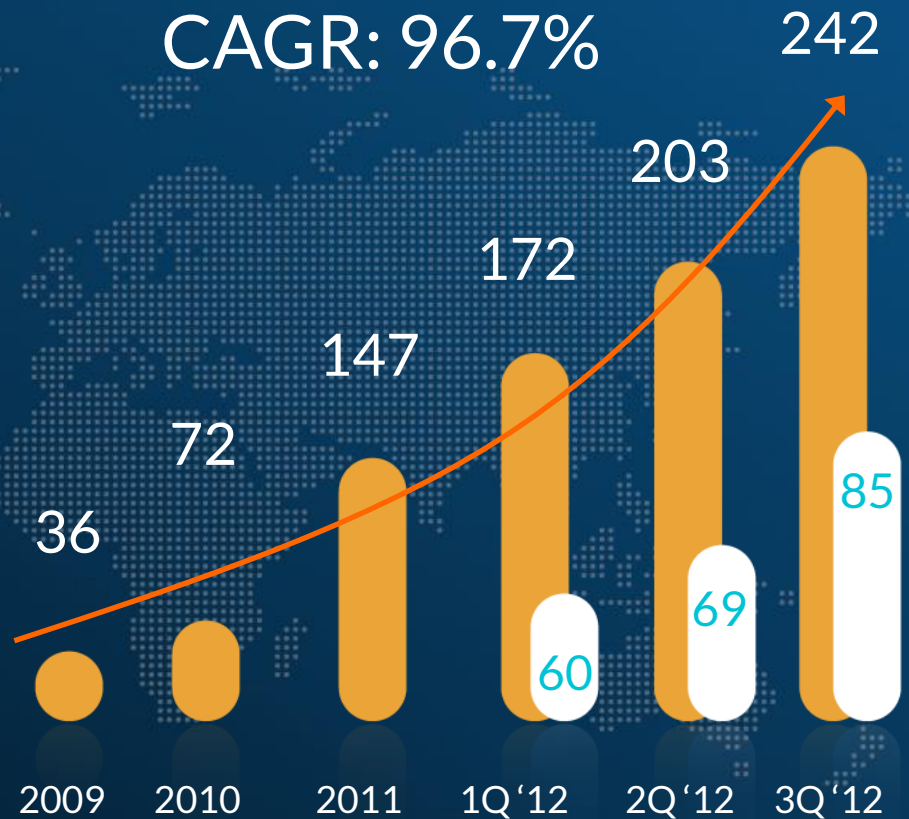


Undisputed Industry Leadership

242m
registered users

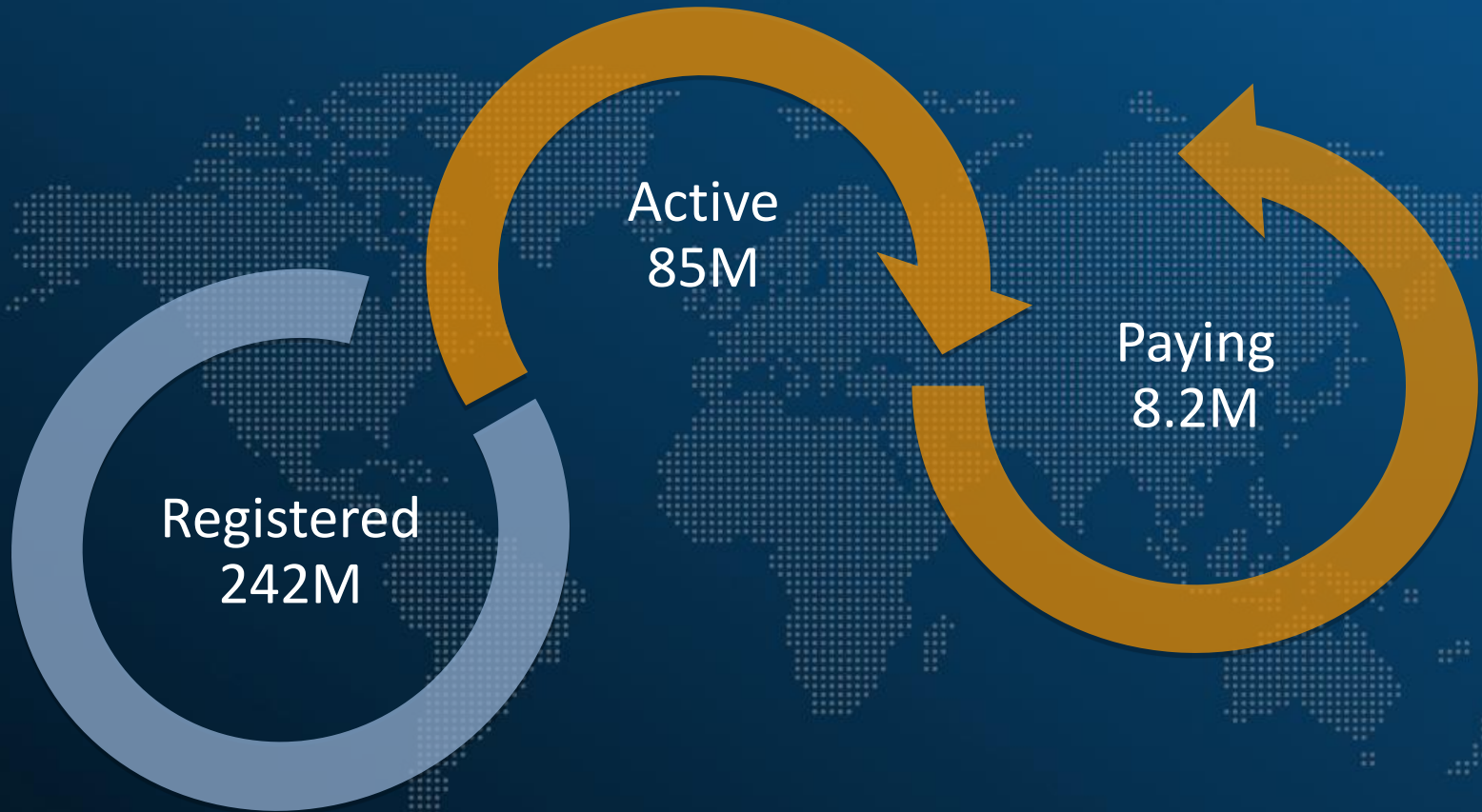
85m
active users

150+
countries



Total Users, In Millions

Flexible Freemium Subscription Business Model



Technology Expertise + Cloud-Client Interaction

Cloud

Crawler Scanning Engine

“Riskrank” algorithm

Security Knowledge Repository

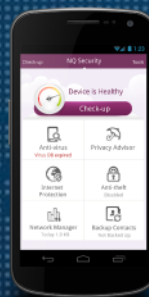


Client

Mobile malware scanning engine

Intelligent anti-spam filtering engine

Cross-OS support



NQmobile

Partners

OEMs | Carriers | App Stores | Web Sites

(Open APIs / SDKs)



Select Patents Registration

- Systematic testing of bottleneck links and remaining bandwidth
- Efficient gathering of internet information on mobile endpoint
- Privacy protection on mobile phones
- Efficient gathering of mobile endpoint information

Intellectual Property

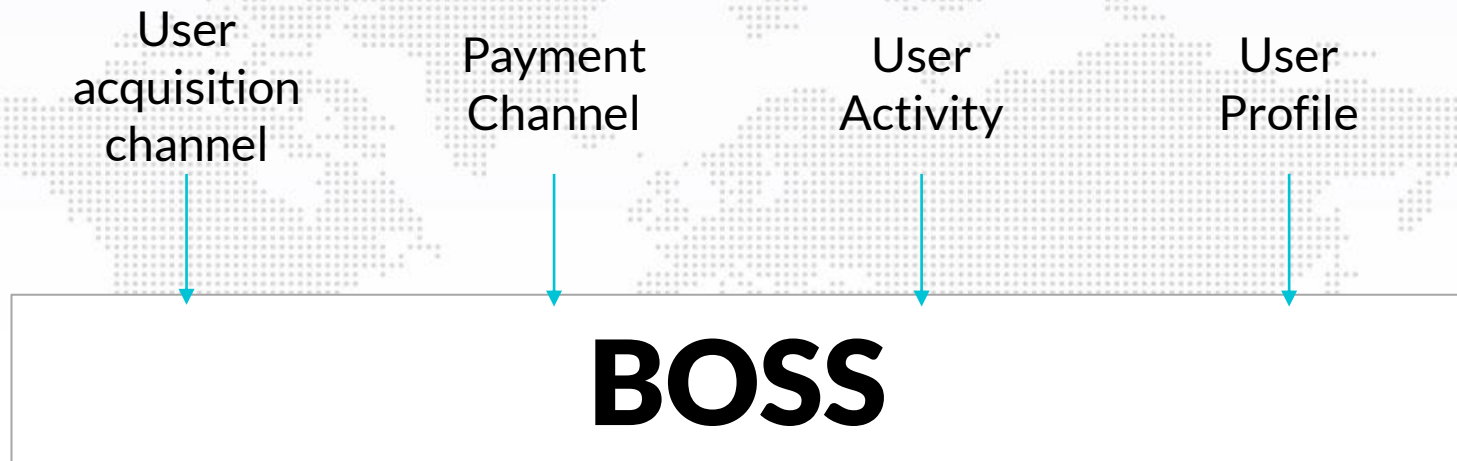


Broad IP Patent Coverage

68 Applications
8 Registrations

NQip

User Lifecycle and Channel Management



Manage user acquisition and payment channel in real time

Direct access to user base to better understand user behavior

Analyze user profiles with consent

Adjust pricing strategies based on user data analysis

Wide Range of Collaborations with Key Ecosystem Participants

User Acquisition Channels

Online download



Pre-installation



Viral marketing



Payment Channels

Wireless carriers and mobile payment service providers



Third party payment processors



Retail





1.2.5.

NQmobile

Gavin Kim, CPO
NQ Mobile

From Trusted Security to Trust Services

Leveraging our strengths and doubling our revenue.

Broadening and deepening product categories in areas ***TRUST*** and introducing new services

Extending and optimizing ***channels***

Turning the lights on globally – rolling payment out globally.

Secure enterprise's mobility evolution

200.

2013 Focus

Trust Services

What are Trust Services?

Security is not just an application

Security is a foundational core of the service platform and is a service element of our platform.

Privacy and Family Protection

Natural extensions of our core mobile security services.

Security is KEY for enterprises

Enterprise mobility adoption relies on reliable security solutions

The logo for NQtrust, featuring the letters 'NQ' in a bold, sans-serif font followed by the word 'trust' in a smaller, lowercase sans-serif font. The logo is positioned on the right side of the slide, overlaid on a faint, dotted world map background.

Trusted Security to Trust Services

- 1: 100M Trusted Security
- 2: 200M Trust Services

Enterprise

Consumer Services

Apps & Services



Platform Enablers



Monetization



Our Path from 1 to 2

Product Diversification

Expanding our product offerings horizontally

Channel Expansion

Broadening distribution through retail, carrier, OEM, and direct

Geographic Expansion

Scaling investments in US, Europe, and globally

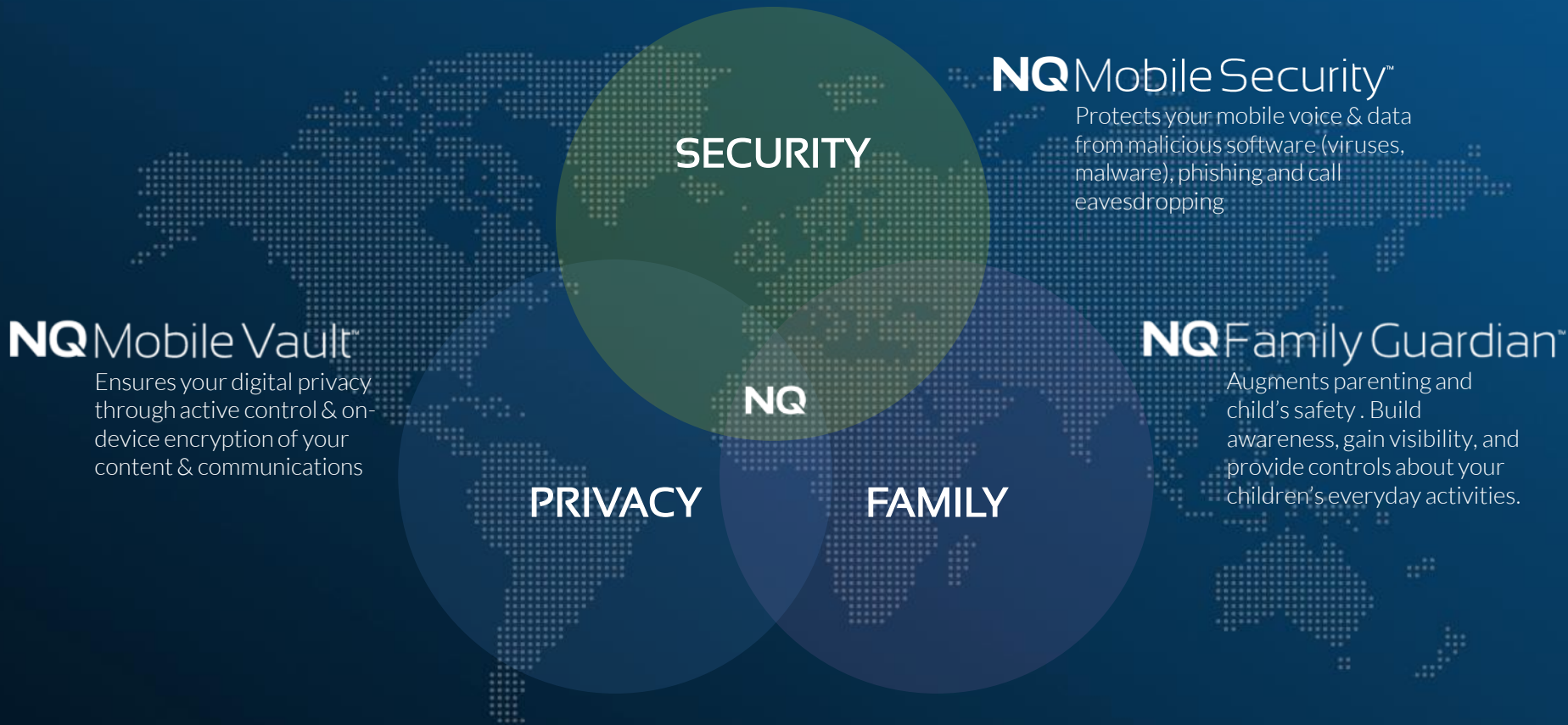
Enterprise

BYOD drives opportunity

100.

200.

Building Trust with Consumers



State of the Global Security Market

Accelerating Security Market

Characteristics

- Low Smartphone Penetration
- Higher Open Market Distribution for Apps & Devices
- Advanced Awareness of Mobile Security Threats
- Higher dependency on mobile as the access vehicle to the internet

Regions

China, Russia, India, South Asia, Middle East

Focus

Increase and grow our share of the pie

- Preloads are effective
- Be where the consumer is - application distribution channels
- Focus on Brand and Direct to Consumer – Monetize our share of the market.
- Explore new methods of monetization.

Nascent Security Market

Characteristics

- Higher Smartphone Penetration
- Carriers drive Smartphone distribution
- Structured App Store Distribution Methods (Carrier/Apple/Google)

Regions

US, Brazil, Western Europe, Korea, Australia, etc

Focus

Grow the size of the pie.

- Channel Partners – focusing on retail and carrier distribution, education, acquisition, and feature oriented marketing.
- Retail and retail marketing is important.
- Grow as the security market grows.

Global Monetization

Expanding global billing footprint.



Introducing

Scott Hooton

CCO, Phones4u





Scott Hooton
Chief Commercial Officer, Phones 4u



Break



Fireside Chat:
Scott Levinson, COO – A Wireless

Mike Walkley
Analyst, Canaccord Genuity (moderator)



Will Jiang, CSO
NQ Mobile

NQmobile

Enterprise

Overview of NationSky

Founded in 2005 by Charlie Hou

NQ Mobile acquired majority stake in May 2012

Leader in China enterprise mobility services

- Over 1000 large and medium enterprise customers

Strong industry alliance and partnerships

- Partners include Apple, RIM, China Mobile, Mobile Iron, GEMA etc.

Cross platform proprietary expertise and IP in mobile enterprise services and software

- Solutions for iOS, Android, BlackBerry
- Mobile device/application Management
- Enterprise app/content distribution



Management Team



Charlie Hou CEO

- GM, Beijing LWT Technology
- Manager, Ping An Insurance



John Xu President

- GM, Oracle China
- Sales Director, BEA China

Over 50% of the Fortune 500 in China are NationSky customers

Banking	 中国建设银行 China Construction Bank	 HSBC The world's local bank	 Standard Chartered	 DB Real Estate Deutsche Bank Group 德意志银行	 ABN-AMRO 荷兰银行
Brokerage	 CITI 中信证券	 招商证券 China Merchants Securities	 安信证券 ESSENCE SECURITIES		
Insurance	 中国平安 PING AN OF CHINA 专业·价值	 CHINA LIFE 中国人寿	 NCI 新华保险	 光大永明 Sun Life Everbright	 安邦保险 ANBANG INSURANCE
Pharmaceutical	 Pfizer	 Johnson & Johnson 强生	 novo nordisk 诺和诺德	 NOVARTIS 诺华制药	 DU PONT
Manufacturing	 intel	 VW	 GE	 TOYOTA	
Energy	 Shell	 中国石油	 中国华能 CHINA HUANENG	 国家电网公司 STATE GRID CORPORATION OF CHINA	



“NationSky’s products and services address our global deployment requirements. Their quality of services and coverage in China exceeds our expectation as a Fortune 500 company.”

Mr. Huang Zhihai, IT Director, Alstom

Products and Services

Manageability Services

- Mobile data strategy consulting
- Architecture design and deployment
- Asset management
- Training

Security

- Mobile device management
- Mobile content management
- Mobile application management

Industry Solutions

- Insurance solution
- Banking solution
- Public service solution
- Logistic solution

Platform Integration Services

- Enterprise app store
- Enterprise content distribution
- Push integration
- Cross platform middleware

Devices



Mobility Application Enablement and Deployment



Legacy Enterprise IT



Integration Framework



Mobility Security Framework



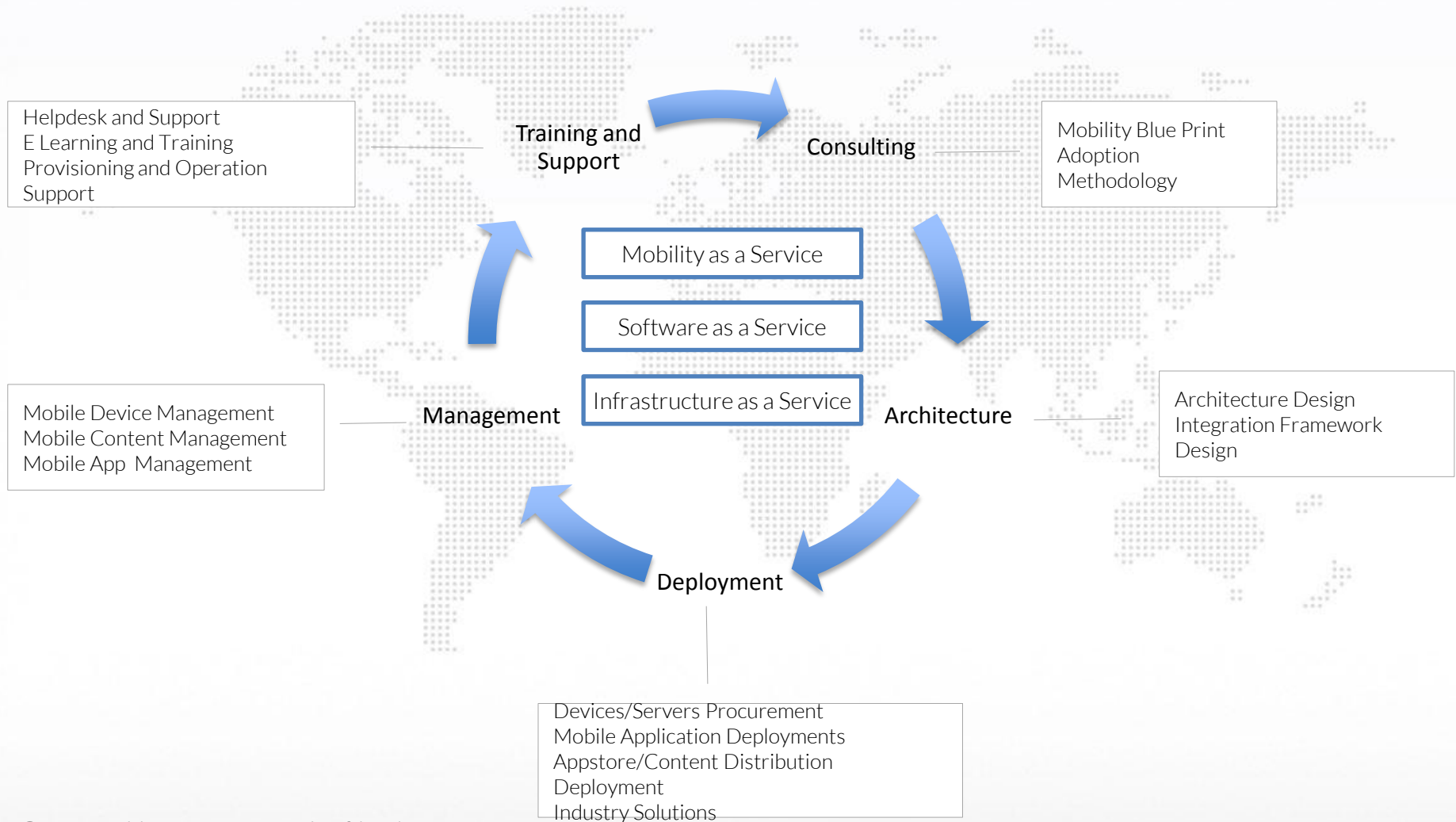
Mobility Infrastructure



Consulting and Management Services



NationSky Customer Engagement Model

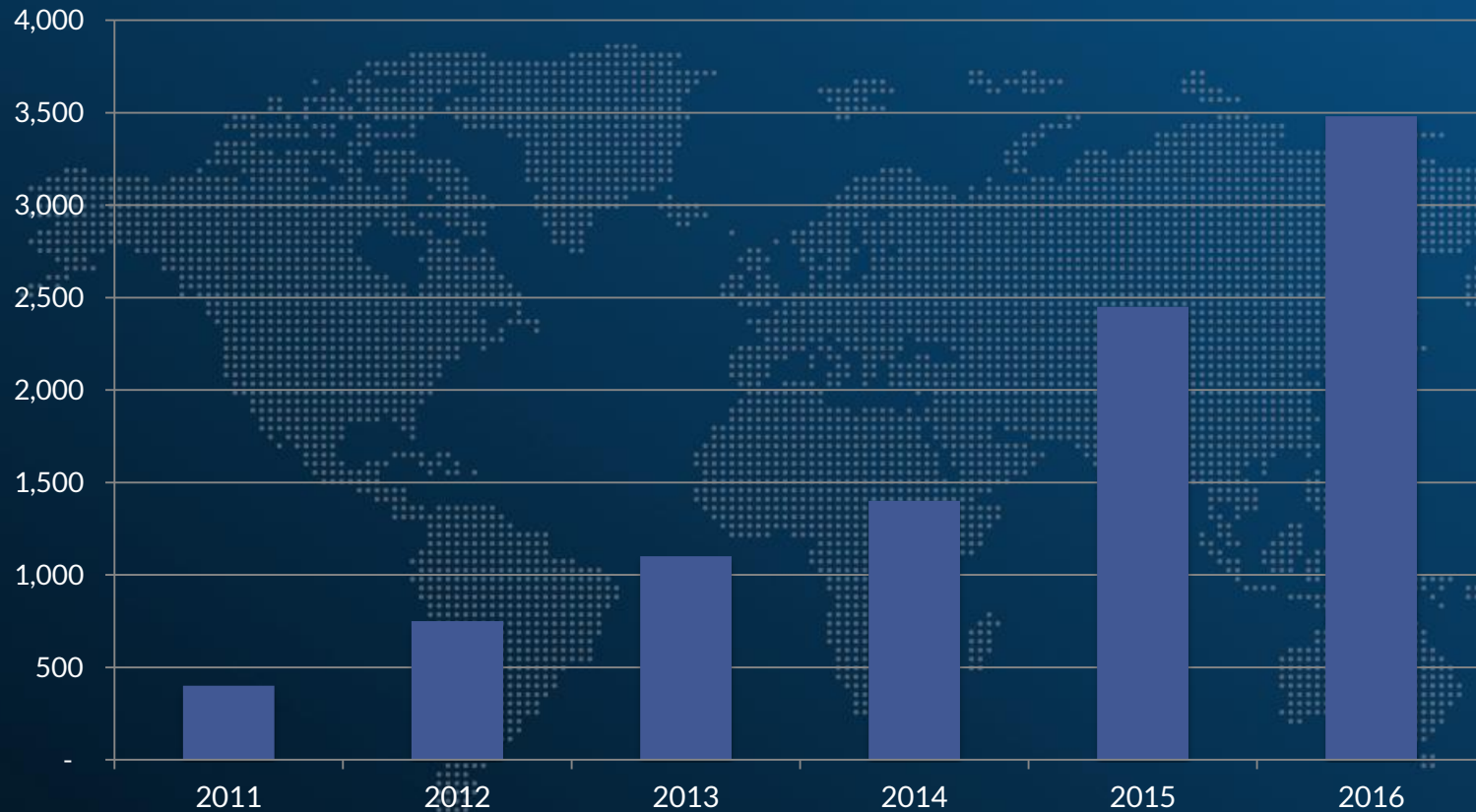


Competitive Landscape in China

	NQmobile	Nation	IBM	accenture
Strategic Consulting	✓		✓	✓
Architecture Design	✓		✓	✗
Mobility Integration and Deployment	✓		✗	✗
Mobility Management Services	✓		✗	✗
Training and Support	✓		✗	✗
Local Technology Partnerships	✓		✗	✗
IP in Software and Application	✓		✓	✗
Carrier Channel Access	✓		✗	✗

Managed Mobility Services Outlook

Forecast of Managed Mobility Services Market, Worldwide, 2011-2016 (M)





Fireside Chat:

Kris Snyder, CEO - Vox Mobile
Will Jiang, CSO - NQ Mobile

Mark Murphy – Analyst,
Piper Jaffray
(moderator)



1.2.5.

NQmobile

Trusted Mobile Platform

Institutionalizing our strengths and scaling our platform

Further *diversify TRUST* service offerings.

Scaling *globally*.

Enabling *3^d party developers*.

Leveraging NQ distribution to reach more customers, introduce *new services*, and *maximize conversion* at lowest customer acquisition costs.

500.
Future

Building from Trust Services to Trust Platform

- Mobile Security and Trust Services remains a hallmark of our core business with expectations of continuous growth globally.
- Scale and globalization has required a proven and powerful mobile engine to power our Trust Services globally.



Discovery

Broad reach through multiple channels of exposure and distribution

Acquisition

Low marginal costs to acquire customers

Innovation

Rapid introduction of new trust services – Low marginal costs of development

Engagement

New levels of customer engagement through community and social tools

Monetization

Various methods of monetization – Access and usage.

Why NQ Mobile

We have **proven** capabilities to **acquire** customers, **engage** them, and **monetize** services globally.

We also have significant opportunity to do for others what we do for ourselves:

Opening our platform to 3rd parties and help them leverage our core strengths.

Establishes a virtuous model that further improves our acquisition, engagement and monetization capabilities and further accelerates our growth.

OPEN

Trust Platform

Acquisition

Engagement

Monetization

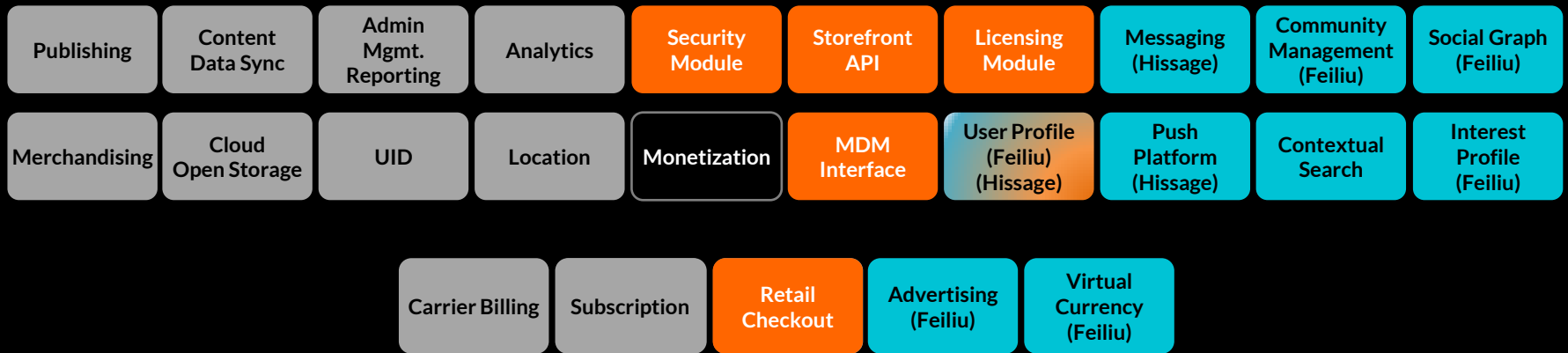
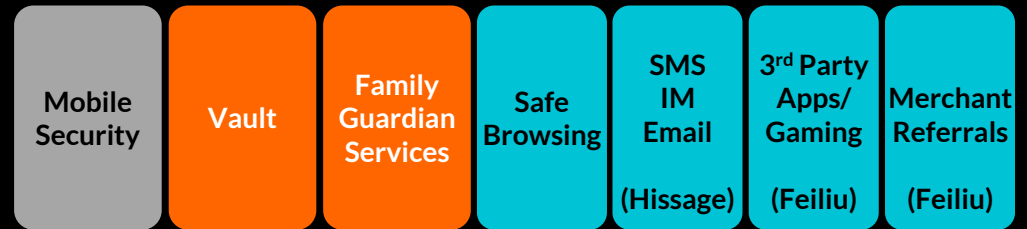
Trust Services to Trust Platform

- 1: 100M Trusted Security
- 2: 200M Trust Services
- 5: 500M Trust Platform

Enterprise



Consumer Services



Introducing

**David
Ku**

CFO, MediaTek



David Ku
CFO of MediaTek





Applications Leveraging Push

Most beneficial to information usage that is time sensitive, yet requiring large amount of platform computing



Push Mail

Chat

SNS

Notification Services

Web Content Caching

Promotion and Ads

Hissage Family

Full suite of messaging and push services across a broad range of devices.



HiMail

Push Email for POP

Exchange Document
Attachments



HiChat

IP Based chatting
and messaging



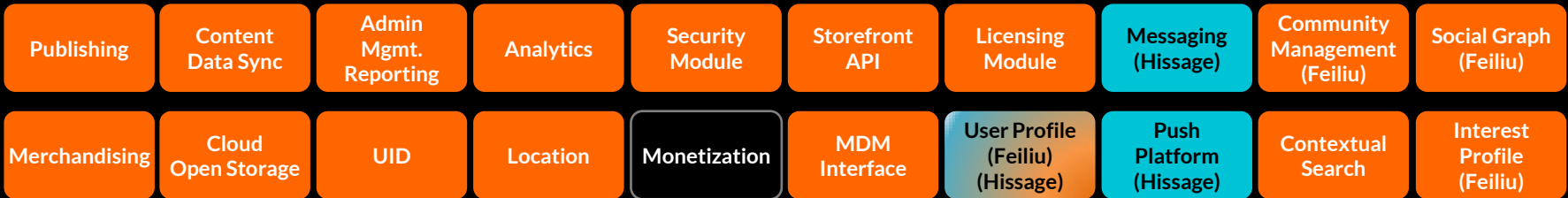
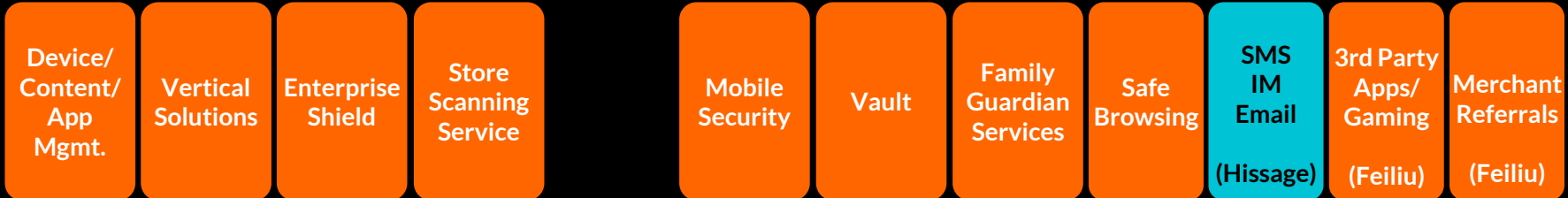
HiSNS

SNS Aggregation
and Multi-headed Client



Enterprise

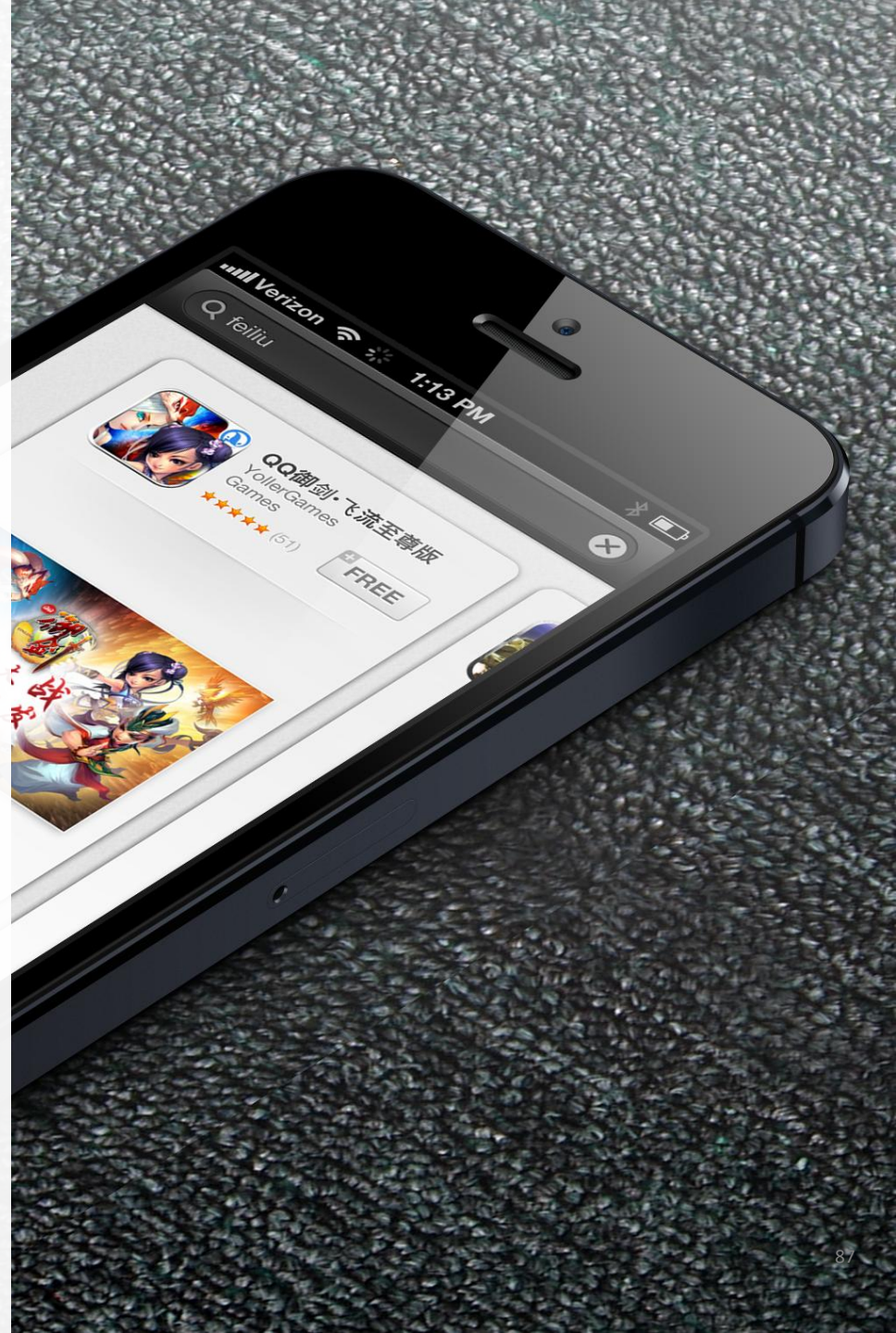
Consumer Services



Introducing

Ray
Cheng

President, Feiliu



Overview

- **Founded by Dr. Tony Ni in 2009**
- **NQ Mobile invested in Feiliu in Feb 2010**
- **NQ Mobile enters definitive agreement to purchase Feiliu on Nov. 13, 2012**

Feiliu is a leading mobile social platform in China that engages user in real-time online group activities, built upon unique interest communities including mobile technology, automobile, health care, entertainment, books, games and others.



Management Team



Dr. Tony Ni CEO

- Founder



Ray Cheng President

- President, Glu China
- Director Oracle and BEA
- CPA Australia, CPA Hong Kong



Mark Du COO

- Former Manager at IBM and Nortel
- MBA from Peking University



Kevin Wang VP, R&D

- Former Deputy GM at Lenovo

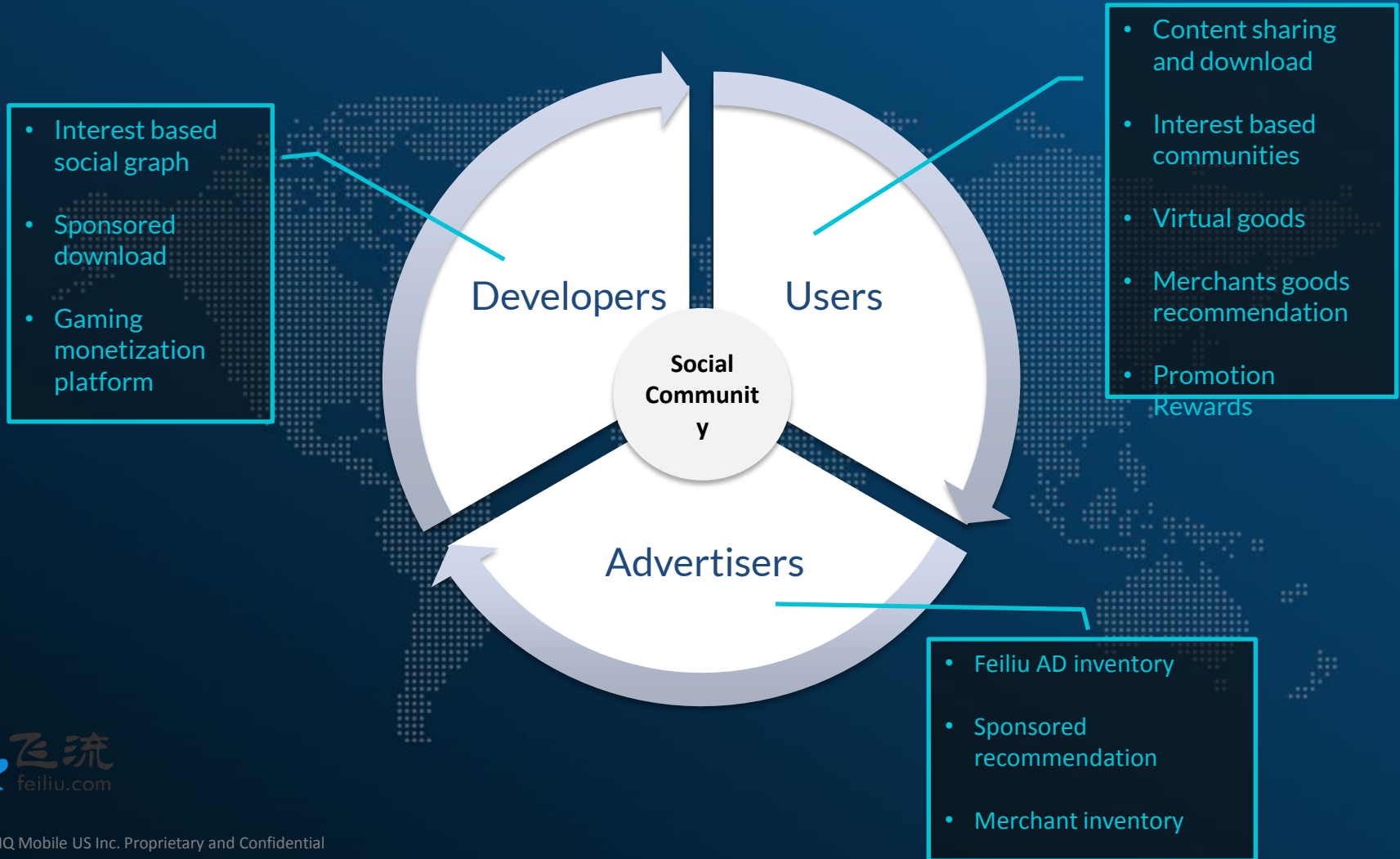
Market Leader in China

Mobile Social Platform

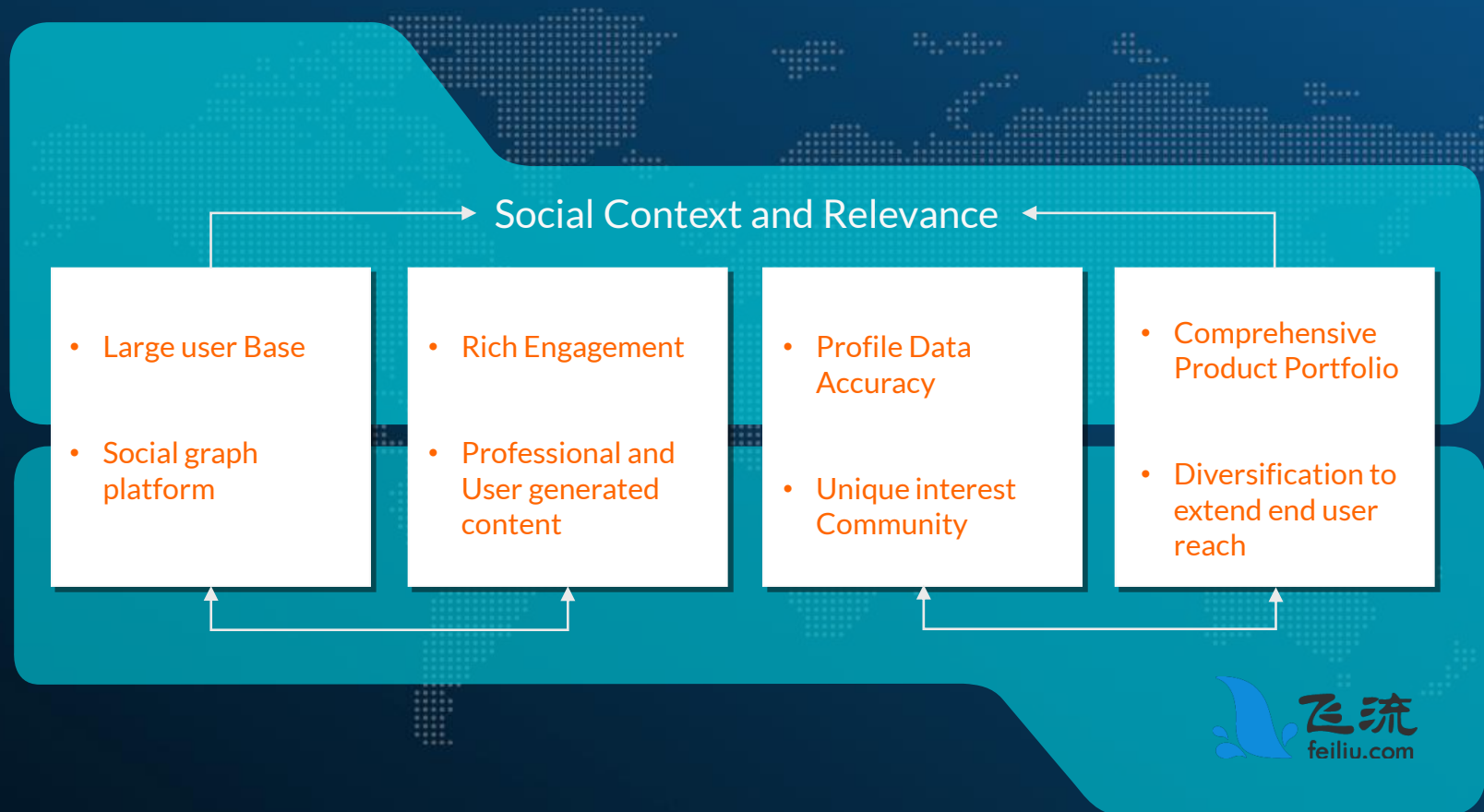
- **Over 57M Registered Users**
- **Distribute over 400K Apps/games**
- **12M Monthly Active Users**
- **#1 mobile online grossing distribution platform on iOS in China (SinoMR 2012)**



Products and Services



Strong Community Platform



Extended Partnerships

Ad Networks



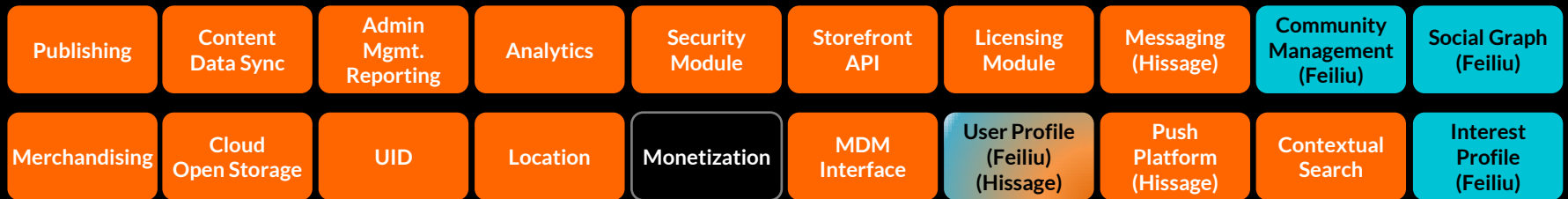
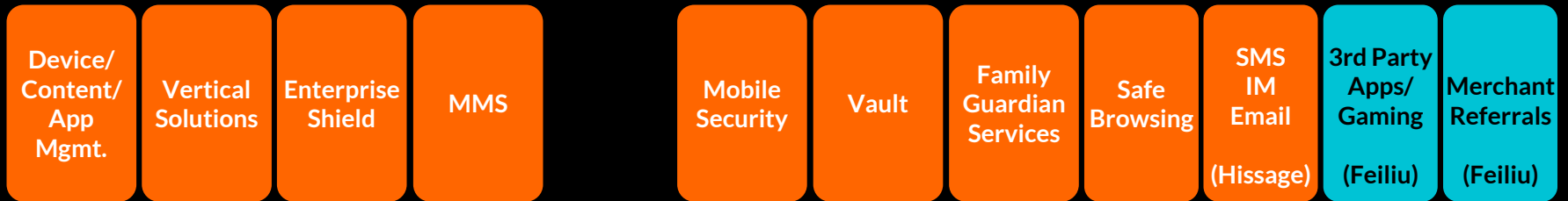
Developers





Enterprise

Consumer Services





Why this works?

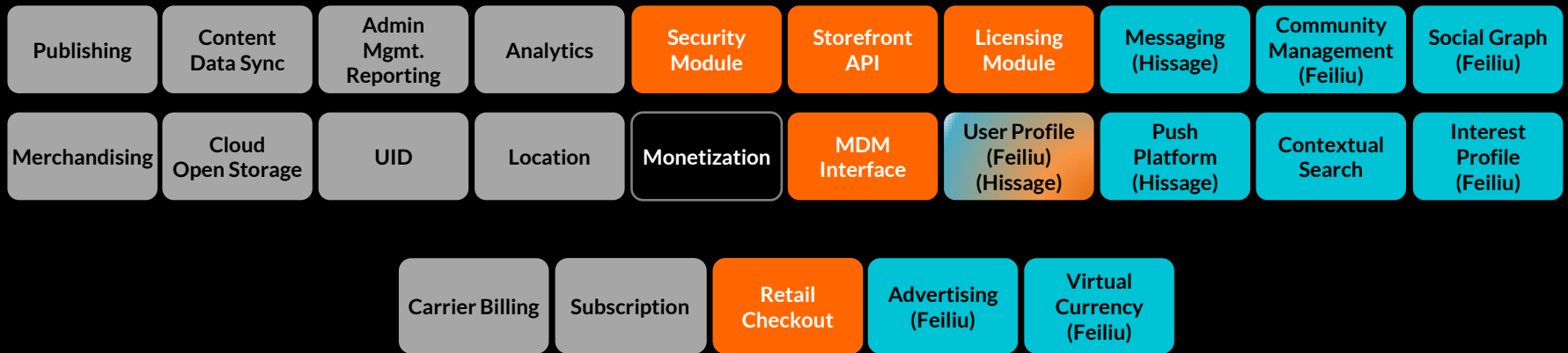
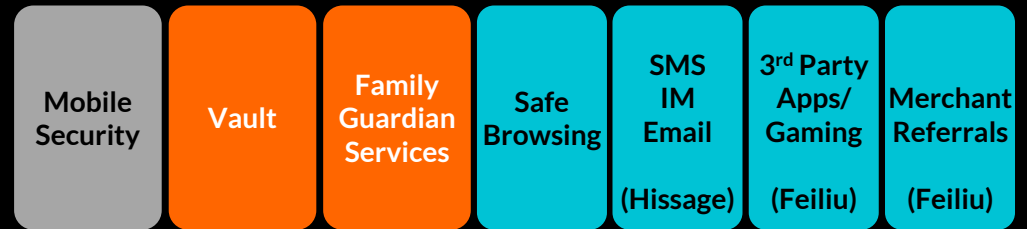
Trust Platform

- 1: 100M Trusted Security
- 2: 200M Trust Services
- 5: 500M Trust Platform

Enterprise

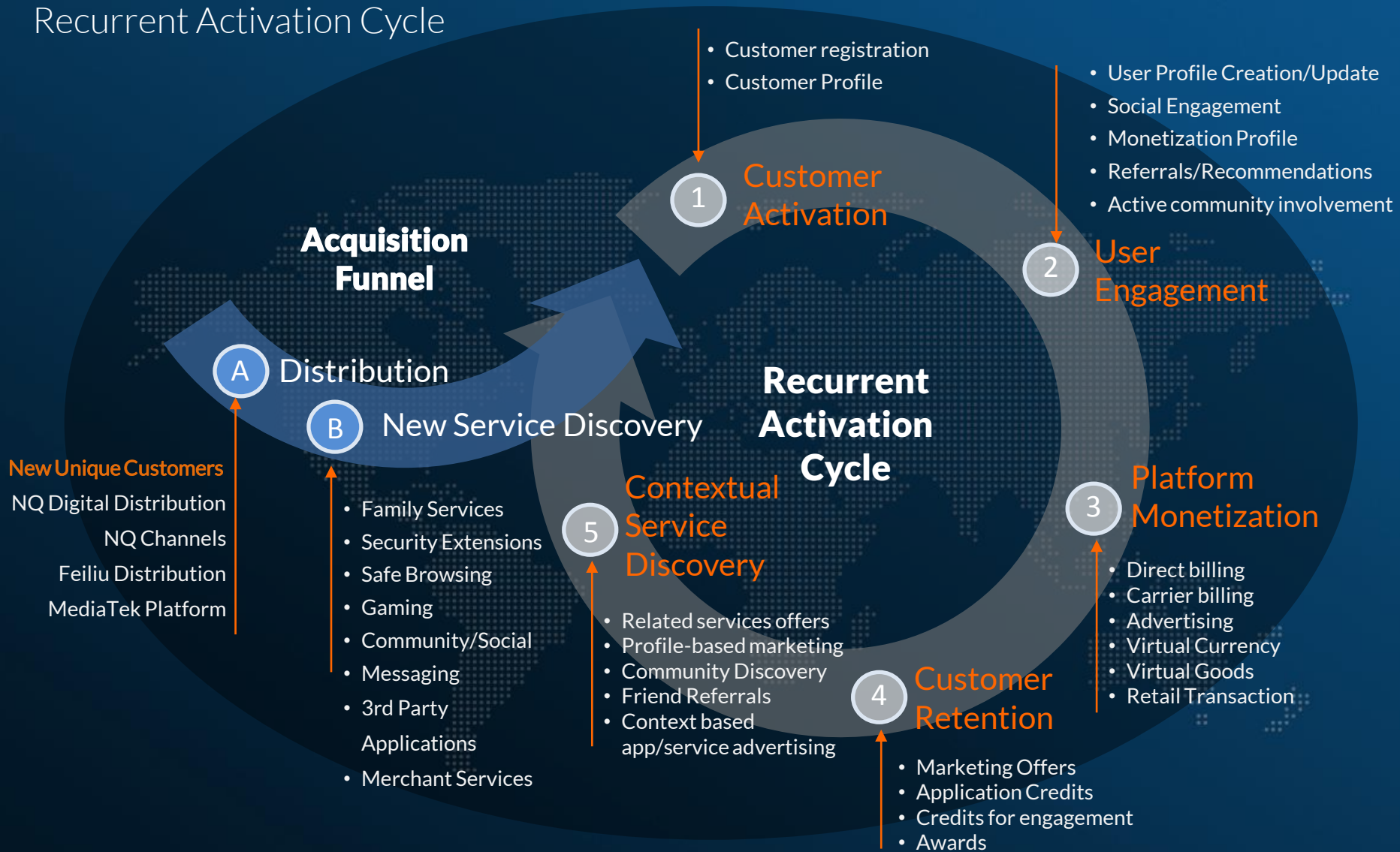


Consumer Services



Trust Platform

Recurrent Activation Cycle





Investment Thesis

Accelerate Organic Growth with Continuous Investments and Acquisitions





Break



Demonstrations

Victoria Repice
NQ Mobile



Wrap Up

Wrap Up

Built Trust Services on basis of our expertise in mobile security

Leveraging NQ distribution footprint to reach more customers, introduce new services, and maximize conversion

Opening our platform to 3rd parties



Question and Answer



Thank you.