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newborntown

NEWBORN TOWN INC.

赤子城 科技 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9911)

UNAUDITED OPERATING DATA FOR THE FIRST THREE QUARTERS OF 2020

This announcement is made by Newborn Town Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Directors**”) of the Company (the “**Board**”) is pleased to announce that during the nine months ended 30 September 2020, (i) the number of downloads of our game apps reached 123 million, representing an increase of approximately 38% as compared to the end of 2019, and the average monthly active users of our game apps amounted to approximately 10.2 million, representing an increase of approximately 67% as compared to that of 2019; (ii) the number of downloads of our social networking apps reached 152 million and the average monthly active users of our social networking apps amounted to approximately 9.1 million. As a result, the Group has recorded a significant growth in advertising revenue and value-added service revenue. It is expected that for the nine months ended 30 September 2020, the Group will record (i) an advertising revenue, representing revenue from the traffic monetization business and revenue from mobile advertising platform and related business, of approximately RMB310 million to RMB350 million, representing a growth of approximately 20% to 40% as compared to the corresponding period in 2019; and (ii) a value-added service revenue, representing revenue from in-app purchase, of approximately RMB420 million to RMB450 million, representing a growth of over 65 times as compared to the corresponding period in 2019.

The Company will continue to expand the traffic ecosystem, deepen the implementation of the “Traffic+” strategy and precisely deploy games and social networking channels to achieve infinite traffic monetization.

The above-mentioned operating data are unaudited and are based on preliminary internal information of the Group, which may differ from the figures to be disclosed in the audited or unaudited consolidated financial statements to be published by the Company on an annual or half-yearly basis due to various uncertainties during the process of collecting such information. As such, the above operating data are provided for investors' reference only. Investors are advised to exercise caution and not to place undue reliance on such information when dealing in the securities of the Company. When in doubt, investors are advised to seek professional advice from professionals or financial advisers.

By order of the Board
Newborn Town Inc.
LIU Chunhe
Chairman

Beijing, 22 October 2020

As at the date of this announcement, the executive Directors of the Company are Mr. LIU Chunhe, Mr. LI Ping and Mr. WANG Kui; and the independent non-executive Directors of the Company are Mr. PAN Xiya, Mr. CHI Shujin and Mr. LIU Rong.