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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 QUARTER OF 2021

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 “**Board**”) of the Company is pleased to announce that (i) as of 31 March 2021, the number of cumulative downloads of our social networking apps reached 214 million, representing an increase of approximately 18.04% as compared to 31 December 2020, and the average monthly active users of our social networking apps amounted to approximately 16.58 million during the first quarter of 2021, representing an increase of approximately 25.75% as compared to the last quarter of 2020; (ii) as of 31 March 2021, the number of cumulative downloads of our game apps reached 181 million, representing an increase of approximately 18.53% as compared to 31 December 2020, and the average monthly active users of our game apps amounted to approximately 15.54 million during the first quarter of 2021, representing an increase of approximately 0.46% as compared to the last quarter of 2020. During the first quarter of 2021, the value-added service business revenue of the Group is expected to reach approximately RMB367 to 387 million, representing an increase of over 80 times as compared to the corresponding period in 2020, which recorded an explosive growth. Our traffic monetisation business revenue is expected to reach approximately RMB137 to 157 million, representing an increase of approximately 65% as compared to the corresponding period in 2020, which recorded a significant growth. In particular, value-added service business revenue represents revenue from in-app purchase, and traffic monetisation business revenue represents revenue from in-app traffic monetisation business and revenue from mobile advertising platform and related business.

The Company will strive to implement the strategy of “Traffic +”, continue to focus on the open social networking sector, increase the investment in research and development of audio and video-based social networking products, develop new social networking products to meet the diversified demand of different user groups in different countries around the world, and implement in-depth localized operation, thereby continuously expanding the social networking ecosystem. In addition, the Company will continue to develop its game business and dynamically capture new opportunities in the global internet market to further diversify its businesses layout when appropriate and achieve multi-dimensional growth.

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, which is preliminary in nature, 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, 21 April 2021

As at the date of this announcement, the executive Directors of the Company are Mr. LIU Chunhe, Mr. LI Ping, Mr. YE Chunjian and Mr. SU Jian; and the independent non-executive Directors of the Company are Mr. PAN Xiya, Mr. CHI Shujin and Mr. HUANG Sichen.