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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 HALF 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 (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that (i) as of 30 June 2021, the number of cumulative downloads of the Group’s social networking apps reached 254 million, representing an increase of approximately 18.6% as compared to 31 March 2021, and the average monthly active users of our social networking apps amounted to approximately 18.23 million during the second quarter of 2021, representing an increase of approximately 10.0% as compared to the first quarter of 2021; (ii) as of 30 June 2021, the number of cumulative downloads of the Group’s game apps reached 209 million, representing an increase of approximately 15.7% as compared to 31 March 2021, and the average monthly active users of our game apps amounted to approximately 15.60 million during the second quarter of 2021, representing an increase of approximately 0.4% as compared to the first quarter of 2021. As of 30 June 2021, the value-added service business revenue of the Group is expected to reach approximately RMB810 to 840 million, representing an increase of over 50 times as compared to the corresponding period in 2020, which recorded an explosive growth. Our traffic monetisation business revenue is expected to reach approximately RMB205 to 225 million, representing an increase of over 50% 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 purchases, and traffic monetisation business revenue represents revenue from the in-app traffic monetisation business and revenue from mobile advertising platforms and related businesses.

The Company will continue to plough deeply into the global open social networking market, and continuously develop different types of innovative social networking products through the assistance of new interacting means such as video, audio and games. Leveraging on our wide range of social networking products and in-depth localized operation, we will further expand our market reach, improve global coverage and increase market share. In addition, the Company will continue to develop midcore and hardcore games, explore e-commerce and other development directions based on our profound insight into user demand, and achieve rapid breakthroughs in different vertical sectors with the help of the constantly growing ecology of social networking.

The above-mentioned operating data is unaudited and is 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, is 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 of the Board

Beijing, 9 July 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.