NEWBORN TOWN INC.
赤子城科技有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9911)

INSIDE INFORMATION
POSITIVE PROFIT ALERT

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**") hereby informs the shareholders of the Company and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021 and other information currently available to the Company, it is currently expected that (i) total revenue for the six months ended 30 June 2021 will be approximately RMB1,020 million to RMB1,050 million, representing an increase of more than 5.7 times as compared to that for the corresponding period of 2020; and (ii) net profit for the six months ended 30 June 2021 will be approximately RMB120 million to RMB150 million, representing an increase of more than 34 times as compared to that for the corresponding period of 2020. The expected significant increase is primarily a result of:

(i) steady expansion of core products of social networking business, and rapid development of several new social networking products in many aspects (including rapid increase in product revenue, continuous expansion of user size, increasing geographical coverage, diversified forms of monetisation); and

(ii) continuous enrichment of product matrix under the game business and significant improvement in operation efficiency of the Group;

The Group will continue to make its presence in the global market, promote the "Traffic +" strategy, redouble its efforts in the global open-end social networking sector, and focus on the development of the video and audio social networking. The Company will focus on the social networking business, continue to extend the boundary with the driving force from the game business in order to explore diversified businesses in a way that greater values will be created.

The Company is still in the process of finalising the consolidated results of the Group for the six months ended 30 June 2021. The information contained in this announcement is only based on the unaudited consolidated management accounts of the Group and other information currently available to the Board, which have not been reviewed or audited by the Company's auditors. The actual results of the Group for the six months ended 30 June 2021 may be different from the information referred in this announcement. The announcement of interim results of the Group for the six months ended 30 June 2021 is expected to be published by the end of August 2021.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

Beijing, 9 August 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.