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UNAUDITED KEY OPERATING METRICS FOR THE THREE MONTHS ENDED 31 MARCH 2023

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The board of directors (the “**Board**”) of BAIOO Family Interactive Limited (“**BAIOO**” or the “**Company**”) is pleased to announce the unaudited key operating metrics of the Company, its subsidiaries and its controlled entities in the People’s Republic of China (“**PRC**”) (collectively, the “**Group**”) for the first quarter of 2023:

	For the three months ended			For the three months ended	
	31 March 2023	31 December 2022	Quarter-over-quarter change	31 March 2022	Year-over-year change
(QAA & QPA in millions, ARQPA in RMB)					
QAA ¹	7.8	10.1	(23%)	6.5	20%
QPA ²	1.3	1.5	(13%)	1.0	30%
ARQPA ³	204.4	179.5	14%	157.8	30%

Notes:

1. QAA, which is defined as a registered account that was accessed at least once during a quarter.
2. QPA, which refers to the number of paying accounts for the virtual worlds in web-based platforms and mobile games in the relevant quarter.
3. ARQPA is calculated as revenue from the virtual worlds in web-based platforms and mobile games in a particular period divided by the total number of QPAs in that quarter.

In the first quarter of 2023, the Company's quarterly active accounts ("QAA")¹ were 7.8 million, representing a decrease of 23% compared with the previous quarter, and an increase of 20% from the same quarter in 2022. Quarterly paying accounts ("QPA")² were 1.3 million, representing a decrease of 13% compared with the previous quarter, and an increase of 30% from the same quarter in 2022. The year-over-year increases in QAA and QPA were primarily attributable to the stable operation of the Company's signature mobile games, which continuously launch users' favorite game content, and the quarter-over-quarter decreases in QAA and QPA was mainly due to the beginning of the stable operation of Aobi Island: Dreamland (「奧比島：夢想國度」), which was launched by the Company in the third quarter of 2022, causing a decrease in active accounts and paid accounts compared with those during the outbreak period upon launch.

The Company's average revenue per quarterly paying accounts ("ARQPA")³ was RMB204.4, representing an increase of 14% compared with the previous quarter, and an increase of 30% compared with the same quarter in 2022. The quarter-over-quarter and year-on-year increase was primarily due to the Company's continuous effort in optimizing game content and payment experience, as well as the increase in users' willingness to pay.

In the first quarter of 2023, BAIOO was committed to developing the three core values of "intellectual property ("IP") companionship, immersive experience and casual social interaction", and continued to focus on three niche game genres, excelling in female-oriented games, pet collection and raising games, and "nijigen" (「二次元」) games, and endeavored to bring more diversified and interesting game content to users, which further consolidated the IP awareness and leadership position. The Company has proactively been cooperating with several cultural associations and animation IP, striving to better integrate Chinese traditional culture into the games, enhance user experiencing, further strengthen the awareness of BAIOO's brand and value of its IP, and better promote the excellent traditional Chinese culture. In particular, BAIOO's signature games launched a series of intangible cultural heritage crossover activities in the first quarter of 2023. Shiwuyu (「食物語」) launched the Spring Festival Edition of "Peach of Happiness and Longevity" (「桃禧壽綿」) though carrying out crossover activities with Canton porcelain intangible cultural heritage during the Spring Festival; Aola Star Mobile (「奧拉星手遊」) launched a crossover edition of "Chase Harrier in Breeze" (「清風逐鶴」) though carrying out crossover activities with the intangible cultural heritage of Yangjiang kite; Legend of Aoqi Mobile (「奧奇傳說手遊」), together with the Guangdong Lingnan Folk Arts Institute, launched "Awakening Lion Dancing in Spring" (「醒獅舞春」), a crossover edition of "Guangdong Awakening Lion" (「廣東醒獅」); Aobi Island: Dreamland (「奧比島：夢想國度」), together with CCTV Animation, launched a crossover cooperative series of short films: Journey to the West (《西遊記》), The Legend of Nezha (《哪吒傳奇》) and The Adventures Of Little Carp (《小鯉魚曆險記》), and also launched the Love and Protect Pet Public Welfare Program (「愛心護寵公益計劃」) together with Capital Animal Welfare Association (首都愛護動物協會).

Looking forward, BAIOO will continue to focus on the three niche game genres based on the three core values, and further enrich the game product portfolio under IP super-evolution strategy. The Company will increase its investment in its internal research and development ("R&D"), and introduce highly talented professionals in the industry, improve the product development pipeline and the ability to accumulate capabilities in high-quality game engineering, and actively explore the application and breakthrough of artificial intelligence technology in game R&D and role building,

so as to constantly build the R&D barriers of the advantageous track of BAIOO. Currently, we are using AI Generated Content technology to assist product R&D and distribution, and upgraded products in many aspects including art creation, content design, and algorithm model, so as to improve R&D efficiency and reduce production costs. The Company will continue to adhere to the global operation strategy, and actively grasp the development opportunities of domestic and overseas markets. Meanwhile, the Company plans to launch a new mobile game in the third quarter of the year in China entitled “Echonox 24/36” (「時序殘響」) (formerly named “Project 24/36”), which is a three dimensions (“**3-D**”) urban weird story light strategy game with a unique world view and a strong artistic style, with the highlight of cinematic narrative expression. The latest promotional video of this mobile game was released in August 2022. The game topped Bilibili’s game reservation list for three days. As the Company’s first 3-D product, this game will become an important milestone of the Company, showcasing the game features and technical strength accumulation of BAIOO. For the overseas market, the international server of Shiwuyu (「食物語」), available in multiple languages including Korean, English, and traditional Chinese, and the international server of Aobi Island: Dreamland (「奧比島：夢想國度」) will be successively launched during this year.

The Company will remain true to its original inspiration, create more high-quality products with the spirit of ingenuity, link more different users at home and abroad through games, realize BAIOO’s vision of connecting you, me and him/her, promoting relaxation and happiness using creativity, and realising a long-term companionship with love.

The operating data disclosed above has been prepared on the basis of internal management records. It has not been audited or reviewed by external auditor. The data disclosed may be subject to change and may differ from the audited or unaudited combined financial statements to be published by the Group on an annual or half-yearly basis. As such, the above data is provided for reference only.

Investors are advised not to rely on the information disclosed, and to exercise due caution when dealing in the securities of the Company. When in doubt, investors are advised to seek advice from professional financial advisers.

By order of the Board
BAIOO Family Interactive Limited
DAI JIAN

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 21 April 2023

As at the date of this announcement, the executive directors of the Company are Mr. DAI Jian, Mr. WU Lili and Mr. LI Chong; the independent non-executive directors of the Company are Ms. LIU Qianli, Dr. WANG Qing and Mr. MA Xiaofeng.