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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 2022**

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 the unaudited operating data as of 30 September 2022 is as follows:

- **Social Networking Business:**

- (i) the volume of accumulative downloads of the Group’s social networking business reached 456 million as of 30 September 2022, representing an increase of approximately 9% as compared to 30 June 2022;
- (ii) the revenue from social networking business of the Group is expected to reach approximately RMB1,910 million to RMB1,940 million for the nine months ended 30 September 2022, representing an increase of approximately 36% as compared to the corresponding period in 2021; and
- (iii) the average monthly active users of the Group’s social networking business amounted to approximately 23.5 million during the third quarter of 2022, representing an increase of approximately 2% as compared to the second quarter of 2022.

The Group’s social networking business achieved continuous growth that was largely driven by the solid execution of the Group’s strategy of diversifying its social networking products. As a result, the Group has been able to expand market share in the core regions and deliver strong results across new markets.

- **Innovative Business:**

The revenue from innovative business of the Group is expected to reach approximately RMB150 million to RMB170 million for the nine months ended 30 September 2022, representing a decrease of approximately 36% as compared to the corresponding period in 2021.

The percentage of decline in the Group's innovative business narrowed compared with the previous quarter due to the smooth progress of the niche games business after the iteration of innovative business.

The Group will continue to maintain its leadership in the global open social networking industry, leveraging over a decade of overseas experience to build a sustainable middle platform, empower research and development, shorten the product development cycle, incubate more products, form a product matrix, broaden the matrix scope and cover broader sectors. The Group will also continue to focus on the leading-edge technology trends and emerging sectors, explore broader development opportunities in the global markets, and scale the innovative businesses such as niche games and the metaverse theme to achieve sustainable growth.

**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*

Beijing, 19 October 2022

*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. GAO Ming, Mr. CHI Shujin and Mr. HUANG Sichen.*