



Average revenue per quarterly paying accounts (“ARQPA”)<sup>3</sup> was RMB57.7, a decrease of 5.7% compared with the same quarter in 2017, or a decrease of 9.6% compared with the previous quarter, as the Group launched various promotional campaigns during the summer holiday as part of user acquisition efforts.

The mobile games launched in the third quarter included the strategy card game Battle Cell (「牌武者」) and the highly anticipated female adventure game Helix Waltz (「螺旋圓舞曲」). With a compelling narrative and a unique fashion make-over feature, Helix Waltz (「螺旋圓舞曲」) quickly became a hit among young women. The dress up drama game has ranked as high as the 13th on the top free game list on the iOS App Store in Mainland China during the third quarter.

Other third quarter highlights included the unveiling of Typoman (「字母人」), at the exhibition “Play Beyond the Game” in Beijing. The exhibition was jointly hosted by China’s Central Academy of Fine Arts and the China Culture and Entertainment Industry Association. Featuring a unique pen and ink graphic design, along with a mix of 2D platform gaming and challenging puzzles, Typoman (「字母人」) presented an all-new experience to the exhibition visitors and was highly acclaimed. Typoman (「字母人」) will be officially released on mobile by the end of 2018, bringing an exciting new experience to mobile gamers.

The Company also opened a new office in New York most recently. The new office is in response to the Group’s larger strategy to advance efforts in developing stronger research and development capabilities and a wider global reach. The new location will help the Group to identify valuable gaming projects in North America and seek cooperation with top U.S. universities in an effort to enrich the Company’s IP innovation, including content development, graphic design, and the development of “fun factor” in BAIOO’s gaming products.

With the Company’s recent success with international titles like Zaowufaze (「造物法則」), the Group is confident that it can continue to leverage their in-house publishing team and international resources to continue to gain market share in gaming markets overseas. Currently, the Group has a solid product line-up in the pipeline and will gradually release more new games in both China and overseas in the following quarters, including Shiwuyu (「食物語」), a unique game that was primarily designed for female that features traditional Chinese cuisine, and Aola Star Mobile (「奧拉星手遊」) adapted from the classic web-based virtual world of the same name. The Company is currently operating comics series about the characters and stories of these two titles as part of the IP strategy, and targets to launch the public testing for the mobile games in the next several months. In addition, with the popularity of Zaowufaze (「造物法則」), the Company plans to launch the sequential title Zaowufaze II (「造物法則二」) in early 2019 with the aim of retaining current users.

The operating data disclosed above has been prepared on the basis of internal management records. It has not been audited or reviewed by external auditors. 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 place any reliance 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.

On behalf of the Board  
**BAIOO Family Interactive Limited**  
**DAI Jian**  
*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 26 October 2018

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