

Average revenue per quarterly paying accounts (“ARQPA”)³ increased 14.5% from the same quarter in 2018 and 13.7% from the previous quarter to RMB69.5. The strong performance was primarily due to a shift in the Company’s mobile game products to an older user base that has greater spending power compared with web game players. In addition, the Group launched various promotional campaigns during the Lunar New Year holiday in the PRC to stimulate consumption on virtual items.

During the first quarter in 2019, the Company focused its efforts on optimizing the operation of its existing products as well as bolstering new product research and development. Although the Company did not launch any new games during the first quarter in 2019, it was able to achieve sequential growth across all key operating metrics by retaining users from its existing web-based and mobile titles. These products continue to demonstrate long life cycles due to the Company’s unique operating strategy of releasing weekly content updates and developing proprietary intellectual property (“IP”).

In terms of the Group’s 2019 pipeline, in order to strengthen its market position, BAIIO plans to launch three major mobile titles, including Shiwuyu (「食物語」), a female-oriented game that features traditional Chinese cuisine, Zaowufaze II (「造物法則二」), a sequel to the successful “nijigen” (「二次元」) game Zaowifaze (「造物法則」), and Aola Star Mobile (「奧拉星手遊」), the latest adaption based on BAIIO’s classic virtual world of the same name.

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 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, 6 May 2019

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.