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UNAUDITED KEY OPERATING METRICS FOR THE THREE MONTHS ENDED 31 MARCH 2018

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Unaudited Key Operating Metrics for the Three Months Ended 31 March 2018

The board of directors (the “**Board**”) of BAIOO Family Interactive Limited (“**BAIOO**” or the “**Company**”, together with its subsidiaries and PRC operating entity, the “**Group**”) today announced the Group’s unaudited key operating metrics for the first quarter of 2018:

| | 31 March 2018 | 31 December 2017 | Quarter- over-quarter change | 31 March 2017 | Year- over-year change |
|--------------------|---------------------------------------|---------------------|------------------------------------|------------------|------------------------------|
| | (QAA & QPA in millions, ARQPA in RMB) | | | | |
| QAA ¹ | 19.0 | 19.2 | -1.0% | 26.3 | -27.8% |
| QPA ² | 1.3 | 1.1 | 18.2% | 1.7 | -23.5% |
| ARQPA ³ | 60.7 | 64.2 | -5.5% | 48.6 | 24.9% |

In the first quarter of 2018, quarterly active accounts (“**QAA**”) ¹ were 19.0 million, a decrease of 1.0% compared with the previous quarter, or a decrease of 27.8% compared with the same quarter of 2017. Quarterly paying accounts (“**QPA**”) ² were 1.3 million, an increase of 18.2% compared with the previous quarter, or a decrease of 23.5% compared with the same quarter of 2017. This was primarily due to the ongoing trend from PCs to mobile devices.

Average revenue per quarterly paying accounts (“**ARQPA**”) ³ was RMB60.7, a decrease of 5.5% compared with the previous quarter, or an increase of 24.9% compared with the same quarter of 2017. ARQPA achieved a decent increase on a year-over-year basis, mainly driven by the success of the Group’s mobile title Zaowufaze (「造物法則」, also known as Law of Creation). The Group is

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 QPA in that quarter.

happy to see the rising user stickiness from this Nijigen (「二次元」) mobile product, and will strive to attract and retain users with the upcoming sequential title Zaowufaze II (「造物法則二」), which is scheduled to launch later this year.

Also, the Group has two highly anticipated mobile games in the pipeline, both of which are targeted for the female gaming market, an under-penetrated segment within the fast-growing mobile gaming industry. They are Shiwuyu (「食物語」), an RPG game that was awarded The Most Anticipated New Game of the Year (「年度最具期待新遊獎」) at the Second Golden Gyros Prize (「金陀螺獎」), which is primarily designed for female users featuring traditional Chinese cuisine, and Helix Waltz (「螺旋圓舞曲」), a female adventure game featuring a unique clothes-changing experience.

On the comic side, the Group continued to develop its proprietary intellectual property (“IP”) and cooperated with Tencent Interactive Entertainment to co-develop derivative multimedia content leveraging its flagship online comic XiXingJi (「西行紀」). In April 2018, the first adapted product, the XiXingJi 3D animated cartoon series, was unveiled at the UP 2018 Tencent Neo-Culture Creativity Eco-Conference (「2018 騰訊新文創生態大會」). To be jointly produced by Guangzhou Baiman and Tencent Pictures, the 40-episode cartoon series will be exclusively available on Tencent Video in July 2018, offering a new experience for the existing comic fans.

In addition, the Group announces that it has introduced a new strategic investor in the comic arm Guangzhou Baiman Culture Communications Company Limited (“**Guangzhou Baiman**”, 「廣州百漫文化傳播有限公司」). In May 2018, Xiamen Geecap Equity Investment Co., Ltd. (“**Xiamen Geecap**”, 「廈門吉相股權投資有限公司」) has agreed to acquire and Guangzhou Baitian Information Technology Ltd (“**Guangzhou Baitian**”, 「廣州百田信息科技有限公司」), the key operating entity of the Company in the PRC market, has agreed to sell 7% of the equity interest in Guangzhou Baiman for a consideration of RMB14 million (equivalent to approximately HK\$17.5 million). Xiamen Geecap is a wholly owned subsidiary of G-bits Network Technology (Xiamen) Co., Ltd (“**G-bits**”, 「廈門吉比特網絡技術股份有限公司」), a leading online game developer and operator in China whose shares are listed on the Shanghai Stock Exchange under the stock code 603444. G-bits has a deep insight into the market and has readily available resources along the pan-entertainment value chain, which are valuable to the business development of not only Guangzhou Baiman, but also Guangzhou Baitian. With the business relationship established, the Group will seek more cooperation opportunities with G-bits in the areas of IP incubation, cross-promotion, user referral and financing activities.

After the transaction, the Group will retain an indirect interest of 47.4% in Guangzhou Baiman, and will continue to enjoy returns and also gain from synergies generated from the operations and growth of Guangzhou Baiman. Upon completion, Guangzhou Baiman will cease to be a subsidiary of the Company. Accordingly, the financial results of Guangzhou Baiman will no longer be consolidated into the Company’s financial statements.

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, 4 May 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.