

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



POSITIVE PROFIT ALERT

This announcement is made by BAIOO Family Interactive Limited (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 of the Company (the “**Directors**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to the Board, the Company is expected to record approximately HK\$86.3 million to HK\$105.4 million in profit for the six months ended 30 June 2018, compared with HK\$7.3 million from the corresponding period of 2017, representing an increase of approximately 1,082.2% to 1,343.8%. The expected increase in profit was mainly attributable to the gain on the disposal by the Group of 7% equity share in its subsidiary, Guangzhou Baiman Culture Communications Company Limited (「廣州百漫文化傳播有限公司」), and the re-measurement of the retained non-controlling investment, as disclosed in the Company’s announcement dated 4 May 2018.

Although the gain on the disposal is a one-off item on the income statement, the Company would like to emphasize that the disposal has allowed the Company to establish business relations with the new strategic investor, Xiamen Geecap Equity Investment Co., Ltd. (「廈門吉相股權投資有限公司」), to create more potential development opportunities. The Directors are of the view that the Group’s ongoing focus on its principal business of developing and operating children’s online entertainment destinations is in the best interest of the Company and the Shareholders as a whole.

The Company is in the process of finalizing the financial results of the Group for the six months ended 30 June 2018. The information contained in this announcement is only a preliminary assessment by the management of the Company based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2018 and is not based on any figures or information which have been audited or reviewed by the auditors of the Company. Details on the financial information of the Group for the six months ended 30 June 2018 to be disclosed in the interim results announcement (which is expected to be published by the end of August 2018) of the Company shall prevail.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
BAIOO Family Interactive Limited
DAI Jian

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 26 July 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.