



In the third quarter of 2021, the Company's quarterly active accounts ("QAA")<sup>1</sup> were 10.0 million, representing a decrease of 28% compared with the previous quarter, and a decrease of 25% from the same quarter in 2020. Quarterly paying accounts ("QPA")<sup>2</sup> were 1.5 million, representing a decrease of 40% compared with the previous quarter, and a decrease of 6% from the same quarter in 2020. The quarter-over-quarter decreases in QAA and QPA were primarily due to the reason that the Company introduced various promotional activities to attract users and stimulate the performance during the launch period of Legend of Aoqi Mobile (「奧奇傳說手遊」), which was launched in the previous quarter. The year-on-year decreases were primarily due to the reduction in the number of active web game users as a results of the policy introduced by the Chinese government to limit the gaming hours for users under 18 years old this year.

The Company's average revenue per quarterly paying accounts ("ARQPA")<sup>3</sup> was RMB135.2, representing an increase of 12% compared with the previous quarter, and a decrease of 25% compared with the same quarter in 2020. The quarter-over-quarter increase was mainly due to the enhanced user loyalty, word of mouth and willingness to pay as the Company continued to improve game content and user experience. The year-over-year decrease was mainly due to the various operational activities which the Company had introduced in 2020 to boost the performance of its three signature mobile games, namely Aola Star Mobile (「奧拉星手遊」), Shiwuyu (「食物語」) and Zaowufaze II (「造物法則二：先鋒英雄」).

In the third quarter of 2021, the Company continued to deepen its development in the niche game segments and develop differentiated games in the three niche game genres, namely female-oriented games, pet collection and raising games, and "nijigen" (「二次元」) games. The Company also increased its efforts in research and development ("R&D") and constantly updated its gaming content to offer an innovative, diversified and high-quality game experience to users, thus improving the reputation and user loyalty of its various mobile games in mainland China and overseas. On 20 August 2021, to celebrate the second anniversary of the launch of the mobile game, Shiwuyu (「食物語」), the Company hosted a live broadcast activity on Bilibili, which attracted over one million live online audience, topping Bilibili's mobile game list and reaching the top 3 of Bilibili's hot topic list, reflecting the users' passion for the games of the Company. Leveraging on its deep insight in users across the niche game segments and its strong operational and R&D capabilities, BAIOO has successfully formed a high industry barrier.

Looking forward, BAIOO will continue to increase its investment in R&D and seize development opportunities from its existing mobile games and web games, striving to provide high-quality products and services for users. The Company will continue to focus on the niche gaming segments and further diversify its product portfolio, in order to consolidate its position in the niche game markets. Furthermore, the Company will actively expand its mobile games in mainland China and overseas. There are currently three new mobile games: domestic versions of Aobi Island Mobile (「奧比島手遊」) and Dawn: Azure Aria (「拂曉勝利之刻」), together with overseas version of Legend of Aoqi Mobile (「奧奇傳說手遊」) are undergoing testing phase. Among them, the intellectual property ("IP") game Aobi Island Mobile (「奧比島手遊」) is a game that has adapted the IP of the Company's classic web game of the same name. The IP has accumulated approximately 300 million registered users. This mobile game has entered Weibo's top search numerous times prior to its launch, reflecting the high anticipation among users. The Company believes that these three mobile games will drive the growth of business and revenue upon their official launches.

In addition, the Company will continue to fulfilling its corporate social responsibility, continuously enhancing the protection measures for minors, as well as optimizing user information security and privacy protection measures, with an aim to build a healthy online game environment and contribute to the sound development of the overall industry.

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 rely 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.**

By order of the Board  
**BAIOO Family Interactive Limited**  
**DAI JIAN**  
*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 22 October 2021

*As at the date of this announcement, the executive directors of the Company are Mr. DAI Jian (Chairman and Chief Executive Officer), 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.*