

The CooTek Metaverse: A New Entertainment Landscape that Merges Novels and Games

SHANGHAI, Dec. 6, 2021 /PRNewswire/ -- At the 2021 Xueqiu Investor Conference, CooTek (Cayman) Inc. (NYSE: CTK) ("CooTek" or the "Company") Chief Strategy Officer, Zhaowen Zhou, announced that the company aims to build a new ecosystem of entertainment metaverse. CooTek will create immersive and interactive digital content and games to further merge the boundaries of these areas.

CooTek's Metaverse Plan: Integrates Online Literature & Mobile Games

On December 3rd 2021, CooTek was invited to the Xueqiu Investor Conference in Shanghai to share its latest developments and future plans for the entertainment content ecosystem, which attracted a great deal of attention from investors.

Since the launch of its global pan-entertainment strategy, CooTek has built an expansive content-based ecosystem. Supported by online literature and games, the company's two core business segments, the strategy has achieved significant results in both the domestic and overseas markets. With Fengdu Novel, CooTek's online literature core product, becoming a top player in the Chinese market, the company has also churned out a number of hit games experiencing rapid growth. As the company steps up its global collaboration, it hopes to work with more content creators to cultivate the overseas online content ecosystem. In addition, CooTek has been focusing on ultra-casual and medium casual games in the overseas market and working with more domestic developers. By introducing more Chinese games to the global market for its partners, CooTek is committed to empowering the overseas game content ecosystem.

Mr. Zhou revealed the company's metaverse plan for the first time, which combines CooTek's advantages in both online novels and games. As its long-term development strategy, CooTek is building an all-encompassing metaverse supported by its proprietary IP, technology and products.

"There is a natural connection among online literature, gaming and metaverse," Mr. Zhou said. "Novels create virtual worlds and stories which can be further visualized through games, and users will be able to interact, explore, trade and live in such virtual setting. The high level of immersion and the all-round, open social structure created by novel-based games are consistent with the core concept of metaverse. As CooTek integrates the two businesses to construct its own metaverse ecosystem, the boundaries between novels and games will gradually merge, to combine user's experience of reading a novel and playing games. Readers can interact with the characters and other readers in the form of games, with the possibility of adjusting their roles, appearance, skills, and props. All of these virtual items can be turned into NFTs, allowing users to take them to other story worlds for continuous usage. CooTek is confident in creating such a highly immersive metaverse."

The Twin Pillars of Online Novels and Gaming

CooTek's metaverse plan takes full advantage of the company's two dominant businesses, online literature and gaming, to create a new world of entertainment. On the one hand, Fengdu Novel has been mass producing quality original content, with numerous exceptional novels emerging from different categories, e.g., fantasy, war, and sci-fi. The immersive experience provided by these works allows for a unique cultural affiliation, and is essential to the creation of the metaverse. On the other hand, CooTek's full-stack global operation and distribution capability has enabled the company to launch dozens of chart-topping games, including Catwalk Beauty and Truth Runner. With the emergence of metaverse, CooTek is well-positioned to leverage the strengths from its two businesses to create synergy.

Many Chinese game developers have already announced their plan to create metaverse-related products, such as "Brewmaster", a virtual yet semi-realistic business simulation game soon to be launched by ZQGame, and "New Fantasy Jade Dynasty", a Perfect World game that offers an extraordinary Dolby Atmos listening experience. Some other examples include "Tower of Fantasy" and "ReEvolve", which have adopted similar open-world metaverse concepts, though with different foci. Some of them allow decentralized gameplays, while the others rely more on real-world simulation. In this competitive field, CooTek's twin-pillar strategy stands out with its core advantage on content. As metaverse becomes the next trending area that builds on human imagination, quality content as an essential part supported by more sophisticated gameplays and user experience, will be the real "game changer".

Metaverse: Is It Still Far?

Some might say that with today's technology, the real metaverse is a long way to the real success. However,

this has not hindered companies in various fields to make metaverse-inspired attempts. As enterprises strive to improve user experience and stickiness through new technologies, what we are seeing is a typical round of business model innovation. Nevertheless, just like Rome was not built in a day, new inventions must go through a long period of exploration before reaching the maturity. If industry players are quick to grasp the opportunities that emerge from this process and keep on iterating their products, they will become more competitive in the new market.

The exploration of metaverse has just begun for CooTek and other internet businesses. As long as we are working toward the right direction with a clear objective in mind, the innovation today will pave the way for the success in the future. When looking at these early adopters, we should always be open-minded, because most new business models are brought to us by these change seekers with an adventurous spirit.

About CooTek (Cayman) Inc.

CooTek is a mobile internet company with a global vision that offers content-rich mobile applications, focusing on three categories: online literature, scenario-based content apps and mobile games. CooTek's mission is to empower everyone to enjoy relevant content seamlessly. CooTek's user-centric and data-driven approach has enabled it to release appealing products to capture mobile internet users' ever-evolving content needs and helps it rapidly attract targeted users.

For more information on CooTek, please visit <https://ir.cootek.com>.

For investor enquiries, please contact:

CooTek (Cayman) Inc.

Mr. Robert Yi Cui

Email: ir@cootek.com

ICA Investor Relations (Asia) Limited

Mr. Kevin Yang

Phone: +86-21-8028-6033

E-mail: cootek@icaasia.com

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