



Boyaa Interactive International Limited

Boyaa Interactive Announces 2018 Interim Results Consolidate Existing Market Position Ramp Up Efforts in Expansion of Overseas Market and Other Card Business

Financial Highlights	For the six months ended 30 June 2018 (RMB'000)
Revenue	284,235
Gross Profit	193,984
Profit Attributable to owners of the Company	153,778
Non-IFRS adjusted net profit	155,856

The board of directors (the “Board”) of Boyaa Interactive International Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the three and six months ended 30 June 2018 (the “Reporting Period”) (the “Interim Results”).

In the first half of 2018, the Company recorded an unaudited non-IFRS adjusted net profit of approximately RMB155.9 million, representing a year-on-year increase of approximately 5.8% compared to that of 2017. During the reporting period, although the Company was facing serious challenges due to the impact from the incident of Apple Inc. carrying out rectification and inspection of the applications launched on its system starting from the second quarter of 2017 (“Apple Incident”), and the effect of regulatory risk to the industry, which affect its revenue to a certain extent, the Company’ unaudited non-IFRS adjusted net profit increased because of the continuous and smooth implementation of the Company’s cost control policy as well as the increase in investment income.

For the six months ended 30 June 2018, revenue generated from the Company’s mobile games and web-based games accounted for approximately 66.1% and 33.9% of the Company’s total revenue, respectively, as compared with approximately 71.7% and 28.3%, respectively, for the six months ended 30 June 2017. The Company’s cost of revenue for the six months ended 30 June 2018 amounted to approximately RMB90.3 million, the gross profit amounted to approximately RMB194.0 million. The gross profit margin of the Group increased by 6.9% to 68.2% for the six months ended 30 June 2018 and the same period in 2017. The net profit rate continued to grow, rising 19.8% to 54.1%. The basic earnings per share recorded RMB22.66 cents, an increase of 9.4% over the

same period in 2017, and the diluted earnings per share recorded RMB22.26 cents, an increase of 11.9% from the same period in 2017. The profit attributable to owners of the Company amounted to approximately RMB153.8 million, representing year-on-year increase of approximately 8.8%, from the profit attributable to owners of the Company of approximately RMB141.4 million recorded for the same period in 2017.

The Company recorded a revenue of approximately RMB124.4 million for the second quarter of 2018, and the Company recorded a revenue of approximately RMB284.2 million for the first half of 2018, representing a year-on-year decrease compared to that of 2017. The year-on-year decrease in the second quarter and the first half of 2018 is mainly attributable to the impact from the Apple Incident since the second quarter of 2017; the effect of regulatory risk regarding the market rumor of the implementation of a policy, although such policy has not yet been implemented, certain platforms have removed relevant products, which affect our revenue to a certain extent. And revenue generated from web-based games decreased due to the industry trend of a gradual transfer of web-based games to mobile terminals. Although our revenue has been impacted, due to the continuous and smooth implementation of the Company's cost control policy as well as factors such as the increase of investment income from the Company's equity investment in partnership enterprises and assets management plans, offsetting the impact brought by the decrease of revenue of the Company.

In the second half of 2018, the Company will devote more efforts to strengthen the market research and enrich the games rules so as to enhance users' game playing experience while continuing to refine our products and diversify our operation, thereby building our brand for online and offline competition games. By strengthening the current market share, the Company will further expand overseas market and other chess and card games, aiming to offset the potential effect of Policy Risk Factor. The Company will strictly comply with various laws and regulations of the PRC and create games and competition products of high quality, thereby enabling Boyaa to be built up as a time-honoured brand in the card and board game industry.

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About Boyaa Interactive International Limited (Boyaa Interactive)

Boyaa Interactive was founded in 2004. On November 12, 2013, Boyaa Interactive was successfully listed on Hong Kong Stock Exchange. Currently, Boyaa Interactive has developed into a leading developer and operator of card and board games in China with more than 700 million total registered players from over 100 countries and regions. Boyaa Interactive has developed and operated more than 70 online games. And the company has successfully organized Boyaa Poker Tour (“BPT”) in 2015, 2016 and 2017. In 2014, Boyaa Interactive was listed at the top of China’s Top 100 SMEs with strong potential by Forbes Magazine followed by the "the Listed Company with the Greatest Potential" at the "Chinese Companies Financial Awards" in the year of 2016. Also in the same year, Boyaa became an official strategic partner of the General Administration of Sport of China.

For further information about Boyaa Interactive, please visit [**www.boyaa.com.hk**](http://www.boyaa.com.hk)