

2019 BOYAA INTERIM RESULTS

Boyaa Interactive announced its interim results of 2019

The revenue was about 160.5 million yuan in the first half of the year, and the revenue increased by 0.1% quarter on quarter in the second quarter. The company successfully hosted BPT brand events

Performance Summary	By 30 June 2019 (RMB: Million Yuan)
Revenue	160.5
Gross profit	109.2
Profits attributable to owners of the company	63.1
Non-audited non-IFRS adjusted net profit	63.5

[August 28, 2019] China's leading board game developer and operator, Boyaa Interactive International Limited ("Boyaa Interactive" or "Company", together with its affiliates, collectively known as the "Group" , stock code: 0434), today is pleased to announce its unaudited consolidated performance for the three months and the six months (during the reporting period) ended 30 June 2019 (the interim performance).

The impact of policy risk factors on revenues gradually stabilized, and the revenue increased by 0.1% quarter on quarter in the second quarter.

In the first half of 2019, the Group earned about RMB 160.5 million yuan, down 43.5% from the same period in 2018 and our non-audited non-IFRS adjusted net profit was about RMB 63.5 million yuan, which was 59.2% lower than that of the same period in 2018. In the second quarter of 2019, the Group

earned about RMB 80.3 million yuan, down 35.5% from the same period in 2018 and our non-audited non-IFRS adjusted net profit was about RMB 23.2 million yuan, which was 68.1% lower than that of the same period in 2018.

In the second quarter and the first half of 2019, the group's revenue declined year on year, mainly due to the impact of the Apple incident from the second quarter of 2017, policy risk factors from the second quarter of 2018 and the gradual shift of web games to mobile terminal with the industry trend led to the decline of the revenue generated by web games.

The Group's revenue in the second quarter of 2019 was approximately 0.1% higher than the first quarter of 2019, which was mainly attributable to the fact that the impact of the policy risk factors on the revenue has gradually stabilized and the Group's operation and promotion activities in the second quarter of 2019 led to a slight increase in revenue for the quarter.

The ARPPU grew in both Texas Hold'em web-based games and the mobile versions of other card and board games

Seen from the operational data, in the second quarter of 2019, the number of paid players and users of the group decreased slightly compared with the first quarter of 2019. The number of paid players fell 17.8% from about 0.48 million in the first quarter of 2019 to about 0.40 million in the second quarter of 2019. Daily active users fell 8.7% to 2.4 million in the second quarter of 2019 from about 2.6 million in the first quarter of 2019. Monthly active users fell 10.3% to 7.4 million in the second quarter of 2019 from about 8.3 million in the first quarter of 2019.

However, the ARPPU grew in both Texas Hold'em web-based games and the mobile versions of other card and board games.

Expanded overseas markets and successfully held the 5th BPT brand series events, effectively enhancing the company's brand awareness

In the second quarter of 2019, the group successfully held the 5th BPT brand series events — 2019 BPT Asian Competition, aiming at promoting player's activity and loyalty through the competition, expanding the user base of the competition and game, making BPT brand penetrate into the world's chess and card, and enhancing the enterprise's brand awareness.

Outlook for the future, the company's management said that the company will continue to intensify in-depth market research, innovate game playing methods, strive to enhance the player's game experience, continue to work intensively in product refinement and diversification of operation, improve the quality of the game in an all-round way, strive to build online and offline game series brands, and on the basis of consolidating the existing market, further expand overseas markets and other chess and card games business to offset the impact of policy risk factors. The company will strictly abide by the laws and regulations of the People's Republic of China ("China"), create high-quality intelligence games and event products, and continue to go along the road of forging the century-old brand of board games.