

2019 BOYAA ANNUAL RESULTS

Boyaa Interactive announced its 2019 annual results

Revenue Reaching Approximately RMB323.8 Million, with Success in Holding Gaming Competitions and Tapping into the Overseas Game Market

FINANCIAL HIGHLIGHTS	For the year ended 31 December 2019 (RMB, in millions)
Revenue	323.8
Gross profit	221.2
Profit attributable to owners of the Company	33.8
Unaudited non-IFRS adjusted net profit	34.2

(29 May 2020) Boyaa Interactive International Limited (“Boyaa Interactive” or the “Company”, together with its subsidiaries, the “Group”, stock code: 0434), a leading developer and operator of online card and board games in China, has announced its audited consolidated results for the year ended 31 December 2019 (the “Reporting Period”).

Revenue and gross profit reaching approximately RMB323.8 million and RMB221.2 million respectively

For the year ended 31 December 2019, the Group recorded a revenue of approximately Renminbi (“RMB”) 323.8 million, representing a year-on-year decrease of approximately 28.6% compared to the same period in 2018; a gross profit of approximately RMB221.2 million, with a gross profit margin of approximately 68.3%; a profit attributable to owners of the Company of approximately RMB33.8 million; and an unaudited non-IFRS adjusted net profit of approximately RMB34.2 million.

The year-on-year decrease in the Group’s revenue in 2019 was primarily due to the impact of the Apple Incident (rectification and inspection carried out by Apple Inc. on the applications launched on its system) from the second quarter of 2017, the effect of Policy Risk Factor from the second quarter of 2018 and that revenue generated from web-based games decreased due to the industry trend of a gradual transfer of web-based games to mobile terminals.

ARPPU growing in both Texas Hold’em web-based and mobile games and the mobile versions of other card and board games

In terms of the operating data performance, the Group recorded a decline in the number of paying players and users during the fourth quarter of 2019 as compared to the fourth quarter of

2018. In particular, the number of paying players decreased by approximately 31.8% from approximately 0.5 million in the fourth quarter of 2018 to approximately 0.3 million in the fourth quarter of 2019. The number of daily active users (DAUs) decreased by approximately 12.4% from approximately 2.9 million in the fourth quarter of 2018 to 2.6 million in the fourth quarter of 2019. The number of monthly active users (MAUs) decreased by approximately 32.1% from approximately 10.5 million in the fourth quarter of 2018 to approximately 7.1 million in the fourth quarter of 2019.

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

Successfully holding gaming competitions such as the “Boyaa” Competitions and the BPT Competition

During the fourth quarter of 2019, the Group successfully held the 2019 “Boyaa” Mahjong Competition in Zigong, the 2019 “Boyaa” Mahjong Competition in Chengdu, the 2019 “Boyaa” Chess League Competition of Nine Universities in Yunnan and the BPT Series Competition – 2019BPT Competition in Europe. “Boyaa” Competitions aim to promote the philosophy of public welfare by way of card and board intelligence games, and to guide and encourage users to actively participate in public welfare undertakings through competitions. The Group donated an accumulation of RMB37,483 for the public welfare program of students in poverty to the Red Cross Society of China, Shenzhen Branch through holding public welfare competitions.

Holding public welfare competitions can involve game users actively participating in the Boyaa games and public welfare undertakings, thereby further enhancing the loyalty of game users and strengthening the influence of the “Boyaa” game brands. The Group aims to inherit the traditional culture of Chinese card and board games by way of holding public welfare competitions and create a healthy and green environment for card and board games, which has brought good experience for a wide range of users of card and board games.

Offering a total of 78 online gaming product portfolios with a total of 11 languages, which are of high quality

In terms of gaming products, the Group offered a total of 78 online gaming product portfolios with a total of 11 languages as of 31 December 2019. With still remaining focus on research and development of game products, innovation of gameplay, enrichment of game products and optimisation of user experience, the Group made efforts to refine its products and diversify its operation in a steady manner to improve the quality of its gaming products while also constantly exploring and trying new operation mode.

Continuing to further explore the domestic and overseas operational model of card and board games, with the purpose of developing Boyaa into a century-old brand

Moving forward, the Group will continue to further explore the domestic and overseas operational model of card and board games, as well as the overseas market. Meanwhile, it will keep focusing on the R&D and innovation of mobile-based products and devote more efforts to expand other card and board gaming business to continually enrich the contents and rules of the games. The Group will constantly improve its basic infrastructure and gaming features, and focus on enhancing the experience and service quality it provides to users. Also, it will continue to research and develop new competition gaming to enhance and consolidate the loyalty of its players and develop Boyaa into a century-old brand.

The Company's management stated, “The Group will continue to strictly comply with various laws and regulations of the People's Republic of China. The Group will still focus on the R&D of online card and board puzzle game products and innovation of rules for such products, therefore

continuously enriching the variety of game products and optimize the user experience. Moreover, the Company will tap into overseas game market as well as other card and board games business, constantly explore and try new business models, endeavor to develop high-quality card and board puzzle games and matches. With its development in the field of online card and board puzzle game in a steady manner, the Group continues the journey to forge a century-old brand for Boyaa's card and board games.”