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Boyaa Interactive International Limited

博雅互動國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0434)

DISCLOSEABLE TRANSACTION SUBSCRIPTION OF RMB WEALTH MANAGEMENT PRODUCTS

The board of directors (the “**Board**”) of Boyaa Interactive International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that on 25 October 2018, Boyaa On-line Game Development (Shenzhen) Co., Ltd.* (博雅網絡遊戲開發(深圳)有限公司) (“**Boyaa China**”), an indirect wholly-owned subsidiary of the Company, subscribed for two RMB wealth management products issued by Industrial and Commercial Bank of China (“**ICBC**”) at the amount of RMB200 million and RMB128.5 million, respectively (collectively, the “**Two Subscriptions**”).

As the Two Subscriptions have been entered into between the same parties, they will be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules. The applicable percentage ratios in respect of the Two Subscriptions in aggregate exceed 5% but are less than 25%. Therefore, the Two Subscriptions constitute a discloseable transaction of the Company for the purpose of the Listing Rules and are subject to the notification and announcement requirements but exempt from the shareholders’ approval requirement under the Listing Rules. The March Subscription had expired in September 2018. On the basis that the term of products, the expected return of products, risk rating and the investment scope of products are different between the March Subscription and the Two Subscriptions, therefore the Two Subscriptions are not aggregated with the March Subscription under Listing Rules 14.22.

SUBSCRIPTION OF RMB WEALTH MANAGEMENT PRODUCTS

- I. On 25 October 2018, Boyaa China entered into a wealth management agreement with ICBC for the subscription of RMB wealth management product with a principal amount of RMB200 million. The principal terms of the wealth management agreement are summarized as follows:

Subscription date 25 October 2018

Parties (i) Boyaa China; and

(ii) ICBC

To the best of the Directors' knowledge, information and belief, ICBC and its ultimate beneficial owners are not connected persons of the Company and are third parties independent of the Company and its connected persons

Name of product Net-Worth Wealth Management Product of ICBC for Corporate — “Tain Li Bao”* (中國工商銀行法人「添利寶」淨值型理財產品) (Product Code: TLB1801)

Currency of investment and return RMB

Principal amount of subscription RMB200 million

Term of product There is no fixed term and the product can be redeemed by the Company at its discretion on each working day according to the Company's demand for funds

Expected return and type of return Earnings are calculated on a daily basis in the form of valuation of assets held on T-1 day (a working day) on T day (a working day)

According to the information provided by ICBC to the Company, the 7-day annualized return of the product ranged from 3.45% to 4.66% during 1 September 2018 to 23 October 2018

Product type and risk rating The product, being a product in fixed-income category, is non-principal guaranteed with floating income and is assessed by ICBC as a low-risk product in the risk assessment

Investment scope of product To invest mainly in fixed-income assets in compliance with regulatory requirements, including but not limited to bonds, deposits, money market funds, bond funds, pledged and buyout repurchases, and investment in banker's acceptances. Moreover, the product may be used in financial businesses such as pledge of deposit and repurchase of bonds due to the demand of liquidity

II. On 25 October 2018, Boyaa China entered into a wealth management agreement with ICBC for the subscription of RMB wealth management product with a principal amount of RMB128.5 million. The principal terms of the wealth management agreement are summarized as follows:

Subscription date 25 October 2018

Parties (i) Boyaa China; and

(ii) ICBC

To the best of the Directors' knowledge, information and belief, ICBC and its ultimate beneficial owners are not connected persons of the Company and are third parties independent of the Company and its connected persons

Name of product Net-Worth RMB Wealth Management Product without Fixed Term of ICBC for Corporate — “e Ling Tong”* (中國工商銀行「e靈通」淨值型法人無固定期限人民幣理財產品) (Product Code: 1701ELT)

Currency of investment and return RMB

Principal amount of subscription RMB128.5 million

Term of product	There is no fixed term and the product can be redeemed by the Company at its discretion on each day according to the Company's demand for funds
Expected return and type of return	Expected annualized return of 3%, payable on a daily basis and exchange into product shares
Product type and risk rating	The product is non-principal guaranteed with floating income and is assessed by ICBC as a low-risk product in the risk assessment
Investment scope of product	To invest mainly in assets in compliance with regulatory requirements, including: 1. assets with high liquidity such as bonds and bank deposits, including but not limited to monetary market instruments such as bonds, deposits, money market funds, bond funds, pledged and buyout repurchases, and investment in banker's acceptances; 2. debt assets including but not limited to debt financing investments, beneficial interest investments, etc.. Moreover, the product may be used in financial businesses such as pledge of deposit and repurchase of bonds due to the demand of liquidity

BASIS OF DETERMINATION OF CONSIDERATION

The consideration for the Two Subscriptions was determined on the basis of commercial terms after the arm's length negotiation between Boyaa China and ICBC.

REASONS FOR AND BENEFITS OF TWO SUBSCRIPTIONS

The Two Subscriptions, amounted to RMB328.5 million in aggregate, will be settled in cash. The wealth management products were assessed by the Company as very low-risk products. The Board considers that Two Subscriptions will provide a good short-term investment opportunity for the Group and enable the Group to further manage the surplus RMB cash reserves in a reasonable way and utilize its cash flows effectively without impacting on the daily operation, which will enhance the funds utilization efficiency and bring extra investment returns. Having regarded the fact that such wealth management products are classified by ICBC as low-risk with short investment duration and high liquidity, and with reference to the similar investment products in the market and their general rates of return, the Board is of the view that the terms of the Two Subscriptions are fair and reasonable and in the best interests of the Company and its shareholders as a whole.

INFORMATION ON THE PARTIES

The Company

The Company is an investment holding company. The principal activity of the Group is the development and operation of online card and board games. The Group conducts online games business through its PRC operating entity, Shenzhen Dong Fang Bo Ya Technology Co., Ltd.* (深圳市東方博雅科技有限公司). Boyaa China is an indirect wholly-owned subsidiary of the Company.

ICBC

ICBC is a licensed bank incorporated under the laws of the PRC and engaged in commercial bank business.

LISTING RULES IMPLICATIONS

As the Two Subscriptions have been entered into between the same parties, they will be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules. The applicable percentage ratios in respect of the Two Subscriptions in aggregate exceed 5% but are less than 25%. Therefore, the Two Subscriptions constitute a discloseable transaction of the Company for the purpose of the Listing Rules and are subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under the Listing Rules. The March Subscription had expired in September 2018. On the basis that the term of products, the expected return of products, risk rating and the investment scope of products are different between the March Subscription and the Two Subscriptions, therefore the Two Subscriptions are not aggregated with the March Subscription under Listing Rules 14.22.

DEFINITIONS

In this announcement, the following expressions shall have the following meaning:

“Board”	the board of Directors
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“ICBC”	Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司), a licensed bank incorporated under the laws of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“March Subscription”	The subscription by Boyaa China for RMB wealth management product issued by ICBC in March 2018, details of which are set out in the announcement of the Company dated 27 March 2018
“PRC”	the People’s Republic of China, which, for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Boyaa Interactive International Limited
DAI Zhikang
Chairman and Executive Director

Hong Kong, 25 October 2018

As at the date of this announcement, the executive Directors of the Company are Mr. DAI Zhikang and Ms. TAO Ying; the independent non-executive Directors of the Company are Mr. CHEUNG Ngai Lam, Mr. CHOI Hon Keung Simon and Mr. YOU Caizhen.

* *For identification purpose only*