

2024 BOYAA INTERACTIVE FIRST QUARTERLY RESULTS

**Boyaa Interactive announced its first quarter results of 2024
1093.4% YoY Increase in Net Profit, and Vigorous Promotion of Business
Development and Deployment in the Web3 Field**

FINANCIAL HIGHLIGHTS	For the three months ended 31 March 2024 (RMB, in millions)
Revenue	108.5
Gross profit	77.1
Fair value gains on digital assets	352.7
Profit attributable to owners of the Company	351.8
Unaudited non-IFRS adjusted net profit	352.2

(23 May 2024) Boyaa Interactive International Limited (“Boyaa Interactive” or the “Company”, together with its subsidiaries, the “Group”, stock code: 0434), a top-ranking developer and operator of online card and board games in China, has announced its unaudited consolidated results for the three months ended 31 March 2024 (the “Reporting Period”) (the “First Quarterly Results”).

Net profit and revenue were up approximately 1093.4% and 14.0%, respectively, in Q1 2024 as compared to Q1 2023

The Group recorded revenue of approximately RMB108.5 million for the first quarter of 2024, representing an increase of approximately 14.0% as compared to the first quarter of 2023 and an increase of approximately 8.2% as compared to the fourth quarter of 2023. The increase in revenue was primarily due to the Group’s holding of certain online operational activities during the Reporting Period and continuous optimization of its gaming products and gameplay, elevating the level of the Group’s revenue. In addition, the Group recorded digital assets value-added gains due to the cryptocurrency held by the Group, also facilitating the increase in revenue for this quarter.

The Group's gross profit for the first quarter of 2024 amounted to approximately RMB77.1 million, representing a year-on-year increase of 21.8% from approximately RMB63.3 million recorded for the same period in 2023. For the first quarter of 2024 and the same period in 2023, the Group's gross profit margins were approximately 71.1% and 66.5%, respectively.

The Group recorded an unaudited non-IFRS adjusted net profit of approximately RMB352.2 million for the first quarter of 2024, representing an increase of approximately 1,093.4% as compared to the same period in 2023, mainly due to the increase in revenue recorded for the first quarter of 2024 as compared to the same period in 2023; the increase in fair value of digital assets for the first quarter of 2024; and the reduction in the decrease in fair value of the financial assets such as equity investment partnerships for the first quarter of 2024 as compared to the same period in 2023.

The Group recorded a QoQ increase in the number of paying players and users, and the ARPPU grew in the overseas Texas Hold'em mobile and web-based games

In terms of the operating data performance, the Group recorded an increase in the number of paying players and users in the first quarter of 2024 as compared to the last quarter of 2023.

To be specific, the number of paying players increased by approximately 7.3% from approximately 0.21 million in the last quarter of 2023 to approximately 0.22 million in the first quarter of 2024. The number of DAUs increased by approximately 1.4% from approximately 1.13 million in the last quarter of 2023 to approximately 1.15 million in the first quarter of 2024. The number of MAUs increased by approximately 5.6% from approximately 3.9 million in the last quarter of 2023 to approximately 4.2 million in the first quarter of 2024.

Additionally, the ARPPU grew in the overseas Texas Hold'em mobile and web-based games.

The Group held digital assets which amounted to approximately RMB1,063.3 million, and was granted another acquisition mandate to conduct acquisitions of cryptocurrencies in an aggregate amount not exceeding US\$100 million

The Group commenced the purchase of cryptocurrencies during 2023. Purchase and holding of cryptocurrencies is a pivotal move for the Group to path its layout and development of Web3 business, and a significant component of the Group's asset allocation strategy. On 19 April 2024, the Board of the Company was granted another acquisition mandate from the shareholders of the Company under the annual general meeting held to conduct acquisitions of cryptocurrencies in an aggregate amount not exceeding US\$100 million in open market transaction.

As at 31 March 2024, the fair value of digital assets of the Group

amounted to approximately RMB1,063.3 million. For the three months ended 31 March 2024, the Group recorded fair value gains on digital assets of approximately RMB352.7 million.

As at 31 March 2024, the Group held approximately 1,194 units of BTC with an average cost of approximately US\$43,100 per unit and approximately 15,182 units of ETH with an average cost of approximately US\$2,756 per unit.

As at the date of its first quarterly results announcement, the Group held approximately 1,956 units of BTC with an average cost of approximately US\$50,805 per unit and approximately 15,222 units of ETH with an average cost of approximately US\$2,756 per unit.

The Group will ramp up R&D efforts for Web3 gaming products, and vigorously promote business development and deployment in the Web3 field.

According to the Company's management, "The Group will maintain its focus on establishing itself as a pure and leading Web3 listed company. This entails ramping up R&D efforts for Web3 gaming products, enriching contents and rules, and enhancing gaming features and infrastructure (including Web3-related infrastructure). The aim is to elevate user experience, while exploring innovative operational models for gaming products, especially Web3 gaming products. Concurrently, the Group will prioritize product refinement and operational diversification to craft high-quality card and board gaming products, competition products, and industry-leading Web3 gaming products. On the basis of consolidating its existing market share, the Group will extend its reach into international markets and will vigorously promote its business development and deployment in the Web3 field, in order to realise its strategic plan for Web3 business development."

Moving forward, the Group will also strictly comply with various laws and regulations in various jurisdictions that it has operations and be committed to developing high-quality card and board games and the industry-leading Web3 gaming products. It will continue the journey to forge a century-old brand for Boyaa online card and board games.