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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)**

**FIRST QUARTERLY RESULTS ANNOUNCEMENT  
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

The board of directors (the “**Board**”) of Boyaa Interactive International Limited (the “**Company**” or “**we**” or “**our**” or “**us**”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “**Group**” or “**we**” or “**our**” or “**us**”) for the three months ended 31 March 2024 (the “**Reporting Period**”) (the “**First Quarterly Results**”). The First Quarterly Results have been reviewed by ZHONGHUI ANDA CPA Limited, the auditor of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of interim financial information performed by the independent auditor of the entity” issued by Hong Kong Institute of Certified Public Accountants, and by the audit committee of the Company. This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

## FINANCIAL HIGHLIGHTS

	For the three months ended 31 March		Year-on-Year Change*	For the year ended
	2024	2023		31 December
	<i>RMB'000</i>	<i>RMB'000</i>	%	<i>RMB'000</i>
	(unaudited)	(unaudited)		(audited)
Revenue	<b>108,522</b>	95,229	14.0	394,582
<i>Revenue generated from</i>				
<i>online games</i>	<b>107,073</b>	95,229	12.4	394,582
– Web-based games	<b>32,039</b>	29,057	10.3	118,017
– Mobile games	<b>75,034</b>	66,172	13.4	276,565
<i>Revenue from other sources</i>	<b>1,449</b>	–	–	–
– Digital assets value-added gain	<b>1,449</b>	–	–	–
Gross profit	<b>77,112</b>	63,307	21.8	271,279
Other gains/(losses), net <i>(including but not limited to)</i>	<b>362,549</b>	(6,662)	–	(51,198)
– Fair value gains on digital assets	<b>352,656</b>	–	–	911
Profit attributable to owners of the Company	<b>351,791</b>	28,657	1,127.6	117,179
Non-IFRS adjusted net profit <i>(unaudited)***</i>	<b>352,227</b>	29,515	1,093.4	118,940

## REVENUE GENERATED FROM ONLINE GAMES BY GAMES

	For the three months ended 31 March		Year-on-Year Change* %
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)	
Texas Hold'em Series	68,314	58,928	15.9
Other Card and Board*****	38,759	36,301	6.8
<b>Total</b>	<b>107,073</b>	<b>95,229</b>	12.4

## REVENUE GENERATED FROM ONLINE GAMES BY LANGUAGE VERSIONS OF GAMES

	For the three months ended 31 March		Year-on-Year Change* %
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)	
Simplified Chinese	4,545	5,158	(11.9)
Other languages	102,528	90,071	13.8
<b>Total</b>	<b>107,073</b>	<b>95,229</b>	12.4

## OPERATIONAL HIGHLIGHTS

	For the three months ended			Year-on- Year Change* %	Quarter-on- Quarter Change** %
	31 March 2024 (unaudited)	31 December 2023 (unaudited)	31 March 2023 (unaudited)		
Paying Players (in thousands)	221	206	238	(7.1)	7.3
• Web-based games	3	3	4	(25.0)	–
• Mobile games	218	203	234	(6.8)	7.4
Daily Active Users (“DAUs”) (in thousands)****	1,146	1,130	1,266	(9.5)	1.4
• Web-based games	65	77	107	(39.3)	(15.6)
• Mobile games	1,081	1,053	1,159	(6.7)	2.7
Monthly Active Users (“MAUs”) (in thousands)****	4,162	3,940	4,758	(12.5)	5.6
• Web-based games	286	339	444	(35.6)	(15.6)
• Mobile games	3,876	3,601	4,314	(10.2)	7.6

	For the three months ended			Year-on-Year Change* %	Quarter-on-Quarter Change** %
	31 March 2024 (unaudited)	31 December 2023 (unaudited)	31 March 2023 (unaudited)		
Average Revenue Per Paying User ("ARPPU") for Texas Hold'em Series (in RMB)					
• Web-based games	<b>5,339.8</b>	4,747.7	3,228.6	65.4	12.5
• Mobile games	<b>223.9</b>	207.2	211.9	5.7	8.1
ARPPU for Other Card and Board (in RMB)					
• Web-based games	<b>0.3</b>	0.3	0.3	–	–
• Mobile games	<b>78.8</b>	83.0	64.7	21.8	(5.1)
* <i>Year-on-Year Change % represents a comparison between the current reporting period and the corresponding period last year.</i>					
** <i>Quarter-on-Quarter Change % represents a comparison between the quarter ended 31 March 2024 and the immediately preceding quarter.</i>					
*** <i>Non-IFRS adjusted net profit was derived from the net profit for the period excluding share-based compensation expenses.</i>					
**** <i>The numbers of DAUs and MAUs shown above are calculated based on the number of active players in the last calendar month of the relevant reporting period.</i>					
***** <i>The categories of "Fight the landlord" and "Others" set out in the summary in the previous quarterly results announcements are combined and referred to as "Other Card and Board" above.</i>					

## **BUSINESS OVERVIEW AND OUTLOOK**

In terms of financial performance, we 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.

We 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 (i) the increase in revenue recorded for the three months ended 31 March 2024 as compared to the same period in 2023; (ii) the increase in fair value of digital assets for the three months ended 31 March 2024; and (iii) the reduction in the decrease in fair value of the financial assets such as equity investment partnerships for the three months ended 31 March 2024 as compared to the three months ended 31 March 2023. Excluding the impact of non-operating one-off factors such as the changes in fair value of digital assets and financial assets such as equity investment partnerships, the unaudited non-IFRS adjusted net profit for the three months ended 31 March 2024 represented a year-on-year increase of approximately 7.0%, which was mainly due to the increase in revenue as compared to the same period in 2023. The unaudited non-IFRS adjusted net profit recorded for the first quarter of 2024 increased by approximately 1,005.4% as compared to that for the last quarter of 2023, mainly due to (i) the increase in revenue recorded for the three months ended 31 March 2024 as compared to that for the last quarter of 2023; (ii) the increase in fair value of digital assets for the three months ended 31 March 2024; and (iii) the reduction in the decrease in fair value of the financial assets such as equity investment partnerships for the three months ended 31 March 2024 as compared to the three months ended 31 December 2023. Excluding the impact of non-operating one-off factors such as the change in fair value of digital assets and financial assets such as equity investment partnerships, the unaudited non-IFRS adjusted net profit for the three months ended 31 March 2024 represented a quarter-on-quarter decrease of approximately 2.5%, which was mainly due to the decrease in bank deposits as a result of purchase of digital assets, leading to a quarter-on-quarter decline in interest income, and corresponding rise in commission charges as a result of increase in revenue, thus partially offsetting the increase in the unaudited non-IFRS adjusted net profit.

In terms of the operating data performance, we 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, of which 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. The ARPPU grew in the overseas Texas Hold'em mobile and web-based games.

The Company 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 construction (including Web3-related infrastructure). The aim is to elevate user experience, while exploring innovative operational models for gaming products, especially Web3 gaming products. Concurrently, we 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 our existing market share, we will extend our reach into international markets and will vigorously promote the Group's business development and deployment in the Web3 field, in order to realise the Group's strategic plan for Web3 business development.

The Company will 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. We will continue the journey to forge a century-old brand for Boyaa online card and board games.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Revenue

Our revenue for the three months ended 31 March 2024 amounted to approximately RMB108.5 million, representing an increase of approximately 14.0% from approximately RMB95.2 million recorded in the same period in 2023. The year-on-year increase 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. 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. For the three months ended 31 March 2024, revenue generated from our mobile games, web-based games and value-added gain from digital assets accounted for approximately 69.1%, 29.5% and 1.4% of our total revenue, respectively, as compared with approximately 69.5%, 30.5% and nil, respectively, for the three months ended 31 March 2023.

For the three months ended 31 March 2024, our Group had generated revenue from added value from our digital assets. During the year ended 31 December 2023 and the three months ended 31 March 2024, our Group had acquired certain cryptocurrencies pursuant to the acquisition mandate granted by our shareholders at the extraordinary general meeting held on 22 December 2023 to purchase up to US\$100 million of cryptocurrencies (the “**Acquisition Mandate**”) (For details, please refer to the circular of the Company dated 5 December 2023). The purchase and holding of cryptocurrencies is expected to be the pivotal basis of and move for our Group's expansion and operation of Web3 games and pathing of its layout in the field of Web3 to achieve its continuous development. While our Group develops and operates Web3 games, the cryptocurrency are mainly stored in our Group's accounts held at licensed platforms and the cryptocurrency wallet of our Group. Our Group would receive interests and rewards mainly by storing cryptocurrencies at the accounts of relevant licensed platforms and storing ETH at the cryptocurrency wallet of our Group as part of Ethereum network validation (a validation mechanism for the security and stability of Ethereum network). Such interests and rewards are recorded as digital assets value-added gain.

The receipt of the interests and rewards generated from cryptocurrencies as set out above do not constitute notifiable transactions or connected transactions of the Company under Chapter 14 and Chapter 14A of the Listing Rules, respectively. Our management is of the view that, as the amount of cryptocurrency acquired by our Group will increase in the future pursuant to the Acquisition Mandate and the subsequent acquisition mandate further granted by our shareholders on 19 April 2024 to acquire an additional amount not exceeding US\$100 million of cryptocurrencies, our Group is expected to generate such revenue in digital assets added value on an on-going basis while we are developing and operating our Web3 games in the future.

## **Cost of revenue**

Our cost of revenue for the three months ended 31 March 2024 amounted to approximately RMB31.4 million, representing a year-on-year decrease of approximately 1.6% from approximately RMB31.9 million recorded for the same period in 2023. The year-on-year decrease was primarily due to the decrease in commission charges by platforms and third party payment vendors, through optimizing payment collection channels.

## **Gross profit and gross profit margin**

As a result of the foregoing, our gross profit for the three months ended 31 March 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 three months ended 31 March 2024 and the same period in 2023, our gross profit margin were approximately 71.1% and 66.5%, respectively.

## **Selling and marketing expenses**

For the three months ended 31 March 2024, our selling and marketing expenses amounted to approximately RMB7.3 million, representing a year-on-year decrease of 29.1% from approximately RMB10.3 million recorded for the same period in 2023. The year-on-year decrease was mainly attributable to the decrease in advertising and promotional activities expenses.

## **Administrative expenses**

For the three months ended 31 March 2024, our administrative expenses amounted to approximately RMB27.0 million, representing a year-on-year increase of 15.6% from approximately RMB23.3 million recorded for the same period in 2023. The year-on-year increase was mainly attributable to the increase in employee compensation and welfare expenses.



## **Other gains, net**

For the three months ended 31 March 2024, we recorded other gains, net of approximately RMB362.5 million, compared to other losses, net of approximately RMB6.7 million recorded for the same period in 2023. The change of position from other losses, net for the three months ended 31 March 2023 to other gains, net for the same period in 2024 is mainly due to the significant increase in fair value on digital assets and the reduction in the decrease in fair value on investment at fair value through profit or loss. The other gains, net primarily consisted of fair value changes on digital assets, fair value changes on non-quoted investments in equity investment partnerships and certain wealth management products we purchased included in investments at fair value through profit or loss, net foreign exchange gain/(loss), dividend income, and government subsidies.

## **Finance income, net**

For the three months ended 31 March 2024, our net finance income was approximately RMB8.7 million compared to approximately RMB11.0 million recorded for the same period of 2023. The change was primarily due to the decrease in deposits as a result of the purchase of digital assets, which led to the decrease in interest income compared to the same period in 2023.

## **Share of result of associates**

We held investments in five associates, namely Shenzhen Fanhou Technology Co., Ltd.\* (深圳市飯後科技有限公司), Shenzhen HuifuWorld Network Technology Co., Ltd.\* (深圳市滙富天下網絡科技有限公司), Shenzhen Easething Technology Co., Ltd.\* (深圳市易新科技有限公司), Shenzhen Jisiwei Intelligent Technology Co., Ltd.\* (深圳市極思維智能科技有限公司), and Shanghai Allin Network Technology Co., Ltd.\* (上海傲英網絡科技有限公司) and its subsidiaries as at 31 March 2024 (31 December 2023: five associates), all of which were online game or internet technology companies. We recorded a share of losses of associates of approximately RMB0.1 million for the three months ended 31 March 2024, compared to a share of losses of associates of approximately RMB0.4 million recorded for the same period in 2023.

\* *For identification purpose only*

## **Income tax expense**

For the three months ended 31 March 2024, our income tax expense was approximately RMB62.2 million, whereas we recorded income tax expense of approximately RMB5.0 million for the same period in 2023. The year-on-year change was mainly due to the significant increase in the fair value of digital assets, which led to the increase in income tax expenses as compared to the same period in 2023.

## **Profit attributable to owners of the Company**

As a result of the foregoing, we recorded a profit attributable to owners of the Company of approximately RMB351.8 million for the three months ended 31 March 2024, representing an increase of 1,127.6% from approximately RMB28.7 million for the same period in 2023, which is mainly due to (i) the increase in revenue of the Group for the three months ended 31 March 2024 as compared to the same period in 2023; (ii) the increase in fair value of the Group's digital assets for the three months ended 31 March 2024; and (iii) the reduction in the decrease in fair value of financial assets such as equity investment partnerships of the Group for the three months ended 31 March 2024 as compared to the same period in 2023.

Excluding the impact of non-operating one-off factors such as changes in the fair value of digital assets and financial assets including equity investment partnerships, the Group's profit attributable to owners of the Company for the three months ended 31 March 2024 increased by approximately 8.2% as compared to the same period in 2023, which was mainly due to the increase in revenue.

## **Non-International Financial Reporting Standards (“Non-IFRS”) adjusted net profit**

To supplement our consolidated financial statements which are presented in accordance with IFRS, we also use unaudited non-IFRS adjusted net profit as an additional financial measure to evaluate our financial performance by eliminating the impact of items that we do not consider indicative of the performance of our business. The term “adjusted net profit” is not defined under IFRS. Other companies in the industry which the Group operates in may calculate such non-IFRS items differently from the Group. The use of adjusted net profit has material limitations as an analytical tool, as adjusted net profit does not include all items that impact our profit for the reporting period and should not be considered in isolation or as a substitute for the analysis of the Group's results as reported under IFRS.

Our unaudited non-IFRS adjusted net profit for the three months ended 31 March 2024 was approximately RMB352.2 million, which was derived from our unaudited profit for the same period excluding share-based compensation expenses of approximately RMB0.4 million included in administrative expenses, as compared to our unaudited non-IFRS adjusted net profit for the three months ended 31 March 2023 of approximately RMB29.5 million which was derived from our unaudited profit for the same period excluding share-based compensation expenses of approximately RMB0.9 million included in administrative expenses.

Excluding the impact of non-operating one-off factors such as changes in the fair value of digital assets and financial assets including equity investment partnerships, our unaudited non-IFRS adjusted net profit for the three months ended 31 March 2024 increased by approximately 7.0% as compared to the same period in 2023, which was mainly due to the increase in revenue.

## **Digital assets**

During the year ended 31 December 2023, the Group commenced the purchase of cryptocurrencies. 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 22 December 2023, the Board was granted an acquisition mandate from the shareholders of the Company under the extraordinary general meeting held to conduct acquisitions of cryptocurrencies in an aggregate amount not exceeding US\$100 million in open market transactions, among which, the Company shall use approximately US\$45 million to acquire each of Bitcoin (BTC) and Ether (ETH) and the remainder of not more than US\$10 million will be used to purchase Tether USD (USDT) and USD Coin (USDC). For details, please refer to the announcement of the Company dated 13 November 2023, the circular of the Company dated 5 December 2023 and the poll results announcement of the Company dated 22 December 2023.

On 19 April 2024, the Board was granted another acquisition mandate from the shareholders of the Company under the annual general meeting held to further conduct acquisitions of cryptocurrencies in an aggregate amount not exceeding US\$100 million in open market transaction, and the cryptocurrencies purchased will consist of BTC and ETH. For details, please refer to the announcement of the Company dated 8 March 2024, the circular of the Company dated 27 March 2024 and the poll results announcement of the Company dated 19 April 2024.

As at 31 March 2024, the fair value of digital assets amounted to approximately RMB1,063.3 million (31 December 2023: approximately RMB78.6 million), which mainly consisted of BTC, ETH and USDT. The fair value measurement of digital assets were determined based on their quoted prices in open market. For the three months ended 31 March 2024, we recorded fair value gains on digital assets of approximately RMB352.7 million (fair value gains for the three months ended 31 March 2023: nil).

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 this 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.

## **Cash and cash equivalents**

As at 31 March 2024, we had cash and cash equivalents of approximately RMB702.9 million (31 December 2023: approximately RMB744.3 million), which primarily consisted of cash at bank and in hand and short-term bank deposits, which were mainly denominated in RMB (as to 41.8%), USD (as to 54.2%) and other currencies (as to 4.0%). We currently do not hedge transactions undertaken in foreign currencies or use any financial instruments for hedging purposes. Due to our persistent efforts in managing our exposure to foreign currencies through constant monitoring to limit as much as possible the amount of foreign currencies held by us, fluctuations in currency exchange rates do not have any material adverse impact on our financial results.

## **Equity investments at fair value through other comprehensive income**

We accounted for equity investments at fair values through other comprehensive income at their respective fair values. As at 31 March 2024, the fair value of our listed and unlisted investments classified as equity investments at fair values through other comprehensive income amounted to approximately RMB10.0 million (31 December 2023: approximately RMB10.5 million). These equity investments at fair value through other comprehensive income mainly consisted of both listed and unlisted equity securities, which is mainly represented by our equity investments in Xiaomi Corporation (Hong Kong Stock Exchange: 1810).

We consider that, none of the other listed and unlisted investments classified as equity investments at fair value through other comprehensive income in our investment portfolio is a significant investment as none of such investments have a carrying amount that accounts for more than 5.0% of our total assets as at 31 March 2024.

## **Investments at fair value through profit or loss**

As at 31 March 2024, we also recorded investments at fair value through profit or loss of approximately RMB112.2 million (31 December 2023: approximately RMB208.5 million), which consisted of non-quoted investments in asset management plans, equity investment partnerships and wealth management products. As at 31 March 2024, the fair values of the investments in asset management plans were determined by an independent professional valuer engaged by the Company using discount cash flows model; the fair values of the investments in equity investment partnerships were determined by an independent professional valuer engaged by the Company using market approach and discount cash flows model; and the fair values of investments in wealth management products, which have no initial terms, were determined based on the estimated rate of return of investments. For the three months ended 31 March 2024, we recorded fair value losses on investments at fair value through profit or loss of approximately RMB2.4 million (fair value losses for the three months ended 31 March 2023: approximately RMB13.7 million).

The investments in wealth management products under investments at fair value through profit or loss were made in line with our treasury and investment policies, after taking into account, among others, the level of risk, return on investment, liquidity and the term to maturity. Generally, the Company has in the past selected wealth management products that are principal guaranteed and relatively low risk products. The Company has dedicated investment department and investment project management team to conduct, oversee and manage its investment activities. The Company has established specialized investment management policies and risk management systems to safeguard and improve its investment practices and control the investment risks. Prior to making an investment, the Company had also ensured that there remains sufficient working capital for the Company's business needs even after the investments in wealth management products. During the three months ended 31 March 2024, save the acquisition mandates of cryptocurrencies disclosed in the paragraph headed "Digital assets" above, each of the investments made by the Company does not constitute a notifiable transaction or a connected transaction of the Company under the Listing Rules. As agreed with the financial institutions, the underlying investment portfolio of the wealth management products of the Group were primarily represented by fixed income type assets (including but not limited to, national bonds, provincial government bonds, People's Bank of China notes, government bonds, financial bonds, bank deposits, currency market funds and bonds type funds) and fixed income derivative products (including but not limited to, bond borrowing, credit risks instruments, credit default swaps and credit enhancement instruments), which were highly liquid with a relatively short term of maturity, and which were considered to akin to placing deposits with banks whilst enabling the Group to earn an attractive rate of return.

On 28 December 2016, the Group, through Shenzhen Dong Fang Bo Ya Technology Co., Limited\* (深圳市東方博雅科技有限公司), established a limited partnership namely Jiaying Boyaa ChunLei Equity Investments Limited Partnership Enterprise\* (嘉興博雅春雷股權投資合夥企業(有限合夥)) ("**Jiaying Boyaa**") with Shanghai Tailai Tianji Asset Management Co., Limited\* (上海泰來天濟資產管理有限公司). During the three months ended 31 March 2024, the Group's accumulated contribution of RMB300.0 million represented 99.0% of the total capital contribution of Jiaying Boyaa. The fair value of the investment in Jiaying Boyaa as at 31 March 2024 was approximately RMB3.2 million and represented less than 5.0% of our total assets. Jiaying Boyaa was established for carrying out equity investments, venture capital investments and investments in securities, subject to certain investment restrictions. We will continue to closely monitor the performance of Jiaying Boyaa on an on-going basis and will take necessary actions at the appropriate time to protect the interests of the Company and its shareholders.

\* For identification purpose only

We consider that, save as disclosed above, no other single investment that was designated as investments at fair value through profit or loss in our investment portfolio is a significant investment as none of such investments has a carrying amount that accounts for more than 5.0% of our total assets as at 31 March 2024.

### **Borrowings**

During the three months ended 31 March 2024, we did not have any short-term or long-term bank borrowings and we had no outstanding, utilised or unutilised banking facilities.

### **Capital expenditures**

For the three months ended 31 March 2024, our total capital expenditures amounted to approximately RMB0.04 million (for the three months ended 31 March 2023: approximately RMB9.4 million). The capital expenditure mainly included purchasing equipment, which was funded by using our cash flows generated from our operations.

### **Commitment**

As at 31 March 2024, the Group did not have any significant commitments.

### **Contingent liabilities and guarantees**

As at 31 March 2024, the Group did not have any significant unrecorded contingent liabilities, guarantees or any litigation against us.

### **Pledge/charge of the Group's assets**

As at 31 March 2024, none of the Group's assets was pledged or charged.

## FINANCIAL INFORMATION

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED 31 MARCH 2024

	<i>Notes</i>	Three months ended	
		2024	2023
		<i>RMB'000</i>	<i>RMB'000</i>
		(unaudited)	(unaudited)
<b>Revenue</b>	4	<b>108,522</b>	95,229
Cost of revenue		<u>(31,410)</u>	<u>(31,922)</u>
<b>Gross profit</b>		<b>77,112</b>	63,307
Other gains/(losses), net	5	<b>362,549</b>	(6,662)
Selling and marketing expenses		<b>(7,323)</b>	(10,322)
Administrative expenses		<u>(26,969)</u>	<u>(23,338)</u>
<b>Operating profit</b>		<b>405,369</b>	22,985
Finance income	6	<b>8,951</b>	11,199
Finance costs	7	<b>(210)</b>	(177)
Share of losses of associates		<u>(120)</u>	<u>(372)</u>
<b>Profit before income tax</b>		<b>413,990</b>	33,635
Income tax expense	8	<u>(62,199)</u>	<u>(4,978)</u>
<b>Profit for the period attributable to owners of the Company</b>	9	<u><b>351,791</b></u>	<u>28,657</u>

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME (CONTINUED)**

*FOR THE THREE MONTHS ENDED 31 MARCH 2024*

	<i>Notes</i>	<b>Three months ended</b>	
		<b>2024</b>	<b>2023</b>
		<b>RMB'000</b>	<b>RMB'000</b>
		<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Other comprehensive (expenses)/income:</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Changes in fair value of equity investments at fair value through other comprehensive income		<b>(438)</b>	1,752
Exchange differences on translation		<b>(69)</b>	(409)
<i>Item that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		<b>(9,054)</b>	(16,343)
<b>Other comprehensive expenses for the period, net of tax</b>		<b>(9,561)</b>	(15,000)
<b>Total comprehensive income for the period attributable to owners of the Company</b>		<b>342,230</b>	13,657
<b>Earnings per share (RMB cents)</b>	<i>11</i>		
– Basic		<b>53.30</b>	4.36
– Diluted		<b>52.54</b>	4.29



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT 31 MARCH 2024**

		<b>31 March</b>	31 December
		<b>2024</b>	2023
	<i>Notes</i>	<b><i>RMB'000</i></b>	<i>RMB'000</i>
		<b>(unaudited)</b>	(audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	<i>12</i>	<b>23,637</b>	24,279
Right-of-use assets	<i>12</i>	<b>25,446</b>	11,817
Intangible assets		<b>1,491</b>	1,654
Investments in associates		<b>3,465</b>	3,585
Equity investments at fair value through other comprehensive income	<i>13</i>	<b>10,028</b>	10,466
Investments at fair value through profit or loss	<i>14</i>	<b>81,530</b>	76,890
Prepayments, deposits and other receivables		<b>14,945</b>	13,886
Deferred tax assets		<b>665</b>	544
Term deposits		<b>–</b>	231
		<b>161,207</b>	143,352
<b>Current assets</b>			
Digital assets	<i>15</i>	<b>1,063,295</b>	78,598
Trade receivables	<i>16</i>	<b>31,700</b>	29,369
Prepayments, deposits and other receivables		<b>39,062</b>	69,332
Investments at fair value through profit or loss	<i>14</i>	<b>30,634</b>	131,611
Term deposits		<b>313,711</b>	732,150
Bank and cash balances		<b>702,913</b>	744,260
		<b>2,181,315</b>	1,785,320
<b>Total assets</b>		<b>2,342,522</b>	1,928,672

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AT 31 MARCH 2024**

	<i>Notes</i>	<b>31 March 2024 RMB'000 (unaudited)</b>	31 December 2023 RMB'000 (audited)
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	18	232	232
Reserves		<u>1,941,223</u>	<u>1,598,557</u>
<b>Total equity</b>		<u>1,941,455</u>	<u>1,598,789</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities		18,745	8,809
Deferred tax liabilities		<u>60,304</u>	<u>896</u>
		<u>79,049</u>	<u>9,705</u>
<b>Current liabilities</b>			
Trade payables	17	735	724
Accruals and other payables		71,340	72,858
Contract liabilities		10,975	10,970
Lease liabilities		7,379	3,569
Current tax liabilities		<u>231,589</u>	<u>232,057</u>
		<u>322,018</u>	<u>320,178</u>
<b>Total liabilities</b>		<u>401,067</u>	<u>329,883</u>
<b>Total equity and liabilities</b>		<u>2,342,522</u>	<u>1,928,672</u>
<b>Net current assets</b>		<u>1,859,297</u>	<u>1,465,142</u>
<b>Total assets less current liabilities</b>		<u>2,020,504</u>	<u>1,608,494</u>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2024**

(Unaudited)

	Attributable to owners of the Company										
	Share capital	Share premium	Repurchased shares	Shares held for RSU scheme	Capital reserve	Foreign currency translation reserve	Statutory reserve	Share-based payments reserve	Other reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	232	373,143	(112)	(14)	2,000	50,072	33,990	82,836	(272,833)	1,187,970	1,457,284
Total comprehensive (expenses)/income for the period	-	-	-	-	-	(16,752)	-	-	1,752	28,657	13,657
Cancellation of ordinary shares	-	(112)	112	-	-	-	-	-	-	-	-
Share-based payments – value of employee services	-	-	-	-	-	-	-	858	-	-	858
Changes in equity for the period	-	(112)	112	-	-	(16,752)	-	858	1,752	28,657	14,515
At 31 March 2023	<u>232</u>	<u>373,031</u>	<u>-</u>	<u>(14)</u>	<u>2,000</u>	<u>33,320</u>	<u>33,990</u>	<u>83,694</u>	<u>(271,081)</u>	<u>1,216,627</u>	<u>1,471,799</u>
At 1 January 2024	<u>232</u>	<u>373,031</u>	<u>-</u>	<u>(14)</u>	<u>2,000</u>	<u>63,854</u>	<u>33,990</u>	<u>84,597</u>	<u>(264,050)</u>	<u>1,305,149</u>	<u>1,598,789</u>
Total comprehensive (expenses)/income for the period	-	-	-	-	-	(9,123)	-	-	(438)	351,791	342,230
Share-based payments – exercise and lapse of share options and RSUs	-	4,492	-	-	-	-	-	(4,492)	-	-	-
- value of employee services	-	-	-	-	-	-	-	436	-	-	436
Changes in equity for the period	-	4,492	-	-	-	(9,123)	-	(4,056)	(438)	351,791	342,666
At 31 March 2024	<u>232</u>	<u>377,523</u>	<u>-</u>	<u>(14)</u>	<u>2,000</u>	<u>54,731</u>	<u>33,990</u>	<u>80,541</u>	<u>(264,488)</u>	<u>1,656,940</u>	<u>1,941,455</u>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2024**

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Cash flows from operating activities</b>		
Cash generated from operating activities	<b>56,498</b>	17,651
Income tax paid	<b>(3,265)</b>	(505)
Lease interests paid	<b>(210)</b>	(177)
	<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	<b>53,023</b>	16,969
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Placement of term deposits with original maturities over three months	<b>(182)</b>	(512,233)
Proceeds from maturity of term deposits with original maturities over three months	<b>419,647</b>	343,993
Interest received	<b>5,759</b>	8,007
Dividends from investments at fair value through profit or loss	<b>16,143</b>	751
Purchases of investments at fair value through profit or loss	<b>(7,828)</b>	–
Proceeds from settlements of investments at fair value through profit or loss	<b>101,233</b>	12
Purchases of digital assets	<b>(631,326)</b>	–
Purchases of property, plant and equipment	<b>(44)</b>	(10,706)
Proceeds from disposals of property, plant and equipment	<b>–</b>	17
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(96,598)</b>	(170,159)
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Repayment of lease liabilities	<b>(1,011)</b>	(1,011)
	<hr/>	<hr/>
<b>Net cash used in financing activities</b>	<b>(1,011)</b>	(1,011)
	<hr/>	<hr/>
<b>Net decrease in cash and cash equivalents</b>	<b>(44,586)</b>	(154,201)
Effect of foreign exchange rate changes	<b>3,239</b>	454
Cash and cash equivalents at beginning of the period	<b>744,260</b>	293,956
	<hr/>	<hr/>
<b>Cash and cash equivalents at end of the period</b>	<b>702,913</b>	140,209
	<hr/>	<hr/>
<b>Analysis of cash and cash equivalents</b>		
Bank and cash balances	<b>702,913</b>	140,209
	<hr/>	<hr/>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE THREE MONTHS ENDED 31 MARCH 2024

### 1. GENERAL INFORMATION

Boyaa Interactive International Limited (the “**Company**”) was incorporated in the Cayman Islands. The address of its registered office is PO Box 309, Umland House, Grand Cayman, KY1-1104, Cayman Islands. The address of its principal place of business in Hong Kong is 19/F., Golden Centre, 188 Des Voeux Road Central, Hong Kong. The address of its headquarters is 8/F, Block E1, International E Town, TCL Industry Park, 1001 Zhong Shan Yuan Road, Nanshan District, Shenzhen, the People’s Republic of China (the “**PRC**”). The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The condensed consolidated financial statements are presented in Renminbi (the “**RMB**”), which is the Company’s presentation currency and the functional currency of the principal operating subsidiaries of the Group.

The Company acts as an investment holding company. The principal activities of the Group are the development and operation of online games, and the Group will be committed to promoting and developing Web3 gaming related business. The Group will generate revenue from the operation of online games and the value-added gain from digital assets that we hold during our operation.

### 2. BASIS OF PREPARATION

These condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“**IASB**”) and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

These condensed consolidated financial statements should be read in conjunction with the 2023 annual financial statements. The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2023.

### 3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current period, the Company and its subsidiaries (collectively referred as the “**Group**”) has adopted all the new and revised International Financial Reporting Standards (“**IFRSs**”) issued by the IASB that are relevant to its operations and effective for its accounting year beginning on 1 January 2024. IFRSs comprise International Financial Reporting Standards; International Accounting Standards; and Interpretations. The adoption of these new and revised IFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s consolidated financial statements and amounts reported for the current period and prior years.

The Group has not applied the new and revised IFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised IFRSs but is not yet in a position to state whether these new and revised IFRSs would have a material impact on its results of operations and financial position.

#### 4. REVENUE AND SEGMENT INFORMATION

	<b>Three months ended 31 March</b>	
	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
Revenue from contracts with customers:		
Web-based games	<b>32,039</b>	29,057
Mobile games	<b>75,034</b>	66,172
	<b>107,073</b>	95,229
Revenue from other sources:		
Digital assets value-added gain	<b>1,449</b>	–
	<b>108,522</b>	95,229

#### Disaggregation of revenue from contracts with customers:

##### *Timing of revenue recognition*

	<b>Three months ended 31 March</b>	
	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
At a point of time	<b>107,073</b>	95,229

The directors of the Company consider that the Group's operations are operated and managed as a single segment. The directors of the Company, being the chief operating decision maker of the Group, review the operating results of the Group as a whole when making decisions about resource allocations and assessing performances. Hence it is determined that the Group has only one operating segment. Accordingly no segment information is presented.

The Group offers its games in various language versions in order to enable game players to play the games in different geographical locations. The Group's operations are substantially located in the PRC (including Hong Kong). A breakdown of revenue derived from different languages versions of the Group's games is as follows:

	<b>Three months ended 31 March</b>	
	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
Simplified Chinese	<b>4,545</b>	5,158
Other languages	<b>102,528</b>	90,071
	<b>107,073</b>	95,229

No revenue is derived from any individual game player which amounted for over 10% of the Group's total revenue (for the three months ended 31 March 2023: nil).

The Group's non-current assets other than deferred tax assets, equity investments at fair value through other comprehensive income and investments at fair value through profit or loss were located as follows:

	<b>31 March 2024 RMB'000 (unaudited)</b>	31 December 2023 RMB'000 (audited)
Mainland China	47,633	35,255
Other locations	21,199	20,197
	<u>68,832</u>	<u>55,452</u>

#### 5. OTHER GAINS/(LOSSES), NET

	<b>Three months ended 31 March</b>	
	<b>2024 RMB'000 (unaudited)</b>	2023 RMB'000 (unaudited)
Dividends from investments at fair value through profit or loss	16,143	751
Loss on disposals of property, plant and equipment	–	(24)
Government subsidies and tax rebates ( <i>Note a</i> )	115	209
Net foreign exchange (loss)/gain	(3,989)	6,092
Fair value gains on digital assets	352,656	–
Fair value changes on investments at fair value through profit or loss	(2,376)	(13,676)
Others	–	(14)
	<u>362,549</u>	<u>(6,662)</u>

*Note:*

- (a) Government subsidies represented various industry-specific subsidies granted by the government authorities to subsidise the research and development costs incurred by the Group during the course of its business.

## 6. FINANCE INCOME

	Three months ended 31 March	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
Interest revenue	8,826	10,884
Interest revenue on non-current loans to employees	<u>125</u>	<u>315</u>
	<b><u>8,951</u></b>	<b><u>11,199</u></b>

## 7. FINANCE COSTS

	Three months ended 31 March	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
Lease interests	<u>210</u>	<u>177</u>

## 8. INCOME TAX EXPENSE

	Three months ended 31 March	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
Current tax		
– PRC Enterprise Income Tax (“EIT”) and other jurisdictions	2,702	4,856
Deferred tax	<u>59,497</u>	<u>122</u>
	<b><u>62,199</u></b>	<b><u>4,978</u></b>

### (a) EIT

The income tax provision of the Group in respect of operations in the PRC has been calculated at the tax rate of 25% on the estimated assessable profits for the three months ended 31 March 2024 and 2023, based on the existing legislation, interpretations and practices in respect thereof.



Boyaa On-line Game Development (Shenzhen) Co., Limited has successfully renewed its “High and New Technology Enterprise” (“**HNTE**”) qualification under EIT Law during the year ended 31 December 2022 and as a result, Boyaa On-line Game Development (Shenzhen) Co., Limited enjoy a preferential tax rate of 15% from 1 January 2022 to 31 December 2024. Therefore, the applicable tax rate for Boyaa On-line Game Development (Shenzhen) Co., Limited was 15% (for the three months ended 31 March 2023: 15%) for the three months ended 31 March 2024.

Shenzhen Intelligent Innovation Technology Co., Limited has successfully obtained income tax incentives of the integrated circuit and software sectors under EIT Law and as a result, Shenzhen Intelligent Innovation Technology Co., Limited enjoy a tax free period from 1 January 2023 to 31 December 2024. Therefore, the applicable tax rate for Shenzhen Intelligent Innovation Technology Co., Limited was 0% for the three months ended 31 March 2024 (for the three months ended 31 March 2023: 0%).

According to policies promulgated by the State Tax Bureau of the PRC and effective from 2008 onwards, enterprises engaged in research and development activities are entitled to claim 200% (for the three months ended 31 March 2023: 200%) of the research and development expenses so incurred in a year as tax deductible expenses in determining its tax assessable profits for that year (“**Super Deduction**”). Shenzhen Dong Fang Bo Ya Technology Co., Limited, Boyaa On-line Game Development (Shenzhen) Co., Limited and Shenzhen Intelligent Innovation Technology Company Limited (for the three months ended 31 March 2023: Shenzhen Dong Fang Bo Ya Technology Co., Limited, Boyaa On-line Game Development (Shenzhen) Co., Limited and Shenzhen Erlulu Technology Company Limited) had claimed such Super Deduction in ascertaining its tax assessable profits for the three months ended 31 March 2024.

**(b) PRC withholding tax (“WHT”)**

According to the applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profits derived after 1 January 2008 are generally subject to a 10% WHT. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the PRC and Hong Kong, the relevant withholding tax rate will be reduced from 10% to 5%.

As at 31 March 2024, the retained earnings of the Group’s PRC subsidiaries not yet remitted to holding companies incorporated outside of the PRC, for which no deferred income tax liability had been provided, were RMB299,486,000 (31 December 2023: RMB243,841,000). Such earnings are expected to be retained by the PRC subsidiaries for reinvestment purposes and would not be remitted to their foreign investor in the foreseeable future based on the management’s estimation of overseas funding requirements.

(c) **Hong Kong Profits Tax**

Hong Kong Profits Tax has been provided at the rate of 8.25% on assessable profits up to Hong Kong dollars (“**HK\$**”) 2,000,000 and 16.5% on any part of assessable profits over HK\$2,000,000 for the three months ended 31 March 2024 and 2023.

(d) **Singapore Profits Tax**

Singapore Profits Tax has been provided at the rate of 17% on assessable profits for the three months ended 31 March 2024 and 2023.

**9. PROFIT FOR THE PERIOD**

The Group’s profit for the period is stated after (crediting)/charging the following:

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB’000</b>	<b>RMB’000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
Amortisation of intangible assets		
– included in administrative expenses	<u>163</u>	<u>–</u>
	<b>163</b>	<b>–</b>
Depreciation	<b>2,058</b>	3,013
Research and development expenditure		
– included in staff costs	<b>15,657</b>	17,958
– included in depreciation	<b>112</b>	74
– included in other administrative expenses	<u>632</u>	<u>299</u>
	<b>16,401</b>	<b>18,331</b>
Reversal of loss allowance for trade receivables	<b>(21)</b>	(36)
Staff costs including directors’ emoluments		
– Wages, salaries and bonuses	<b>15,557</b>	17,839
– Retirement benefit scheme contributions	<b>5,003</b>	2,422
– Share-based payments expenses	<u>436</u>	<u>858</u>
	<b>20,996</b>	<b>21,119</b>

## 10. DIVIDENDS

The board of the directors of the Company (the “**Board**”) has resolved not to declare an interim dividend for the three months ended 31 March 2024 (for the three months ended 31 March 2023: nil).

## 11. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following:

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
<b>Earnings</b>		
Earnings for the purpose of basic and diluted earnings per share	<b><u>351,791</u></b>	<u>28,657</u>
<b>Number of shares ('000)</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>660,019</b>	657,666
Effect of dilutive potential ordinary shares arising from RSUs	<b><u>9,526</u></b>	<u>10,017</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<b><u>669,545</u></b>	<u>667,683</u>

## 12. PROPERTY, PLANT AND EQUIPMENT

During the three months ended 31 March 2024, the Group acquired property, plant and equipment of approximately RMB44,000 (for the three months ended 31 March 2023: RMB9,372,000).

Property, plant and equipment with a carrying amount of approximately RMB nil (for the three months ended 31 March 2023: RMB41,000) were disposed by the Group during the three months ended 31 March 2024.

During the three months ended 31 March 2024, the additions to right-of-use assets were approximately RMB14,993,000 (for the three months ended 31 March 2023: nil).

### 13. EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<b>31 March 2024 RMB'000 (unaudited)</b>	31 December 2023 RMB'000 (audited)
Equity securities, at fair value		
– Listed in Hong Kong – Xiaomi Corporation	10,023	10,461
– Unlisted equity securities	<u>5</u>	<u>5</u>
Total equity investments at fair value through other comprehensive income, analysed as non-current assets	<b><u>10,028</u></b>	<b><u>10,466</u></b>

### 14. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<b>31 March 2024 RMB'000 (unaudited)</b>	31 December 2023 RMB'000 (audited)
<b>Included in non-current assets</b>		
Non-quoted investments in:		
– asset management plans	12,525	16,700
– equity investment partnerships	<u>69,005</u>	<u>60,190</u>
	<b><u>81,530</u></b>	<b><u>76,890</u></b>
<b>Included in current assets</b>		
Non-quoted investments in:		
– wealth management products ( <i>Note</i> )	<u>30,634</u>	<u>131,611</u>
	<b><u>30,634</u></b>	<b><u>131,611</u></b>
	<b><u>112,164</u></b>	<b><u>208,501</u></b>

*Note:*

Investments in wealth management products are investments in wealth management plans provided by financial institutions in the PRC. Wealth management products have no initial terms.

## 15. DIGITAL ASSETS

	<b>31 March 2024</b>	31 December 2023
	<i>RMB'000</i>	<i>RMB'000</i>
	<b>(unaudited)</b>	(audited)
Crypto-currencies and stable coins	<u><b>1,063,295</b></u>	<u>78,598</u>

## 16. TRADE RECEIVABLES

	<b>31 March 2024</b>	31 December 2023
	<i>RMB'000</i>	<i>RMB'000</i>
	<b>(unaudited)</b>	(audited)
Trade receivables	<b>31,888</b>	29,578
Provision for loss allowance	<u><b>(188)</b></u>	<u>(209)</u>
Carrying amount	<u><b>31,700</b></u>	<u>29,369</u>

The aging analysis of trade receivables, based on recognition date of trade receivables, net of allowance, is as follows:

	<b>31 March 2024</b>	31 December 2023
	<i>RMB'000</i>	<i>RMB'000</i>
	<b>(unaudited)</b>	(audited)
0 to 30 days	<b>21,774</b>	25,677
31 to 60 days	<b>9,725</b>	2,975
61 to 90 days	–	448
91 to 180 days	<b>80</b>	142
181 to 365 days	<b>121</b>	126
Over 365 days	<u>–</u>	<u>1</u>
	<u><b>31,700</b></u>	<u>29,369</u>

## 17. TRADE PAYABLES

The aging analysis of trade payables, based on recognition date of trade payables, is as follows:

	<b>31 March 2024 RMB'000 (unaudited)</b>	31 December 2023 RMB'000 (audited)
0 to 30 days	643	659
31 to 90 days	2	1
91 to 180 days	29	64
181 to 365 days	61	–
	<u>735</u>	<u>724</u>

## 18. SHARE CAPITAL

The total authorised share capital of the Company comprises 2,000,000,000 ordinary shares (31 December 2023: 2,000,000,000 ordinary shares) with par value of United States dollar (“USD”) 0.00005 per share (31 December 2023: USD0.00005 per share).

	<b>Number of ordinary shares</b>	<b>Nominal value of ordinary shares USD'000</b>	<b>Equivalent nominal value of ordinary shares RMB'000</b>
Issued and fully paid:			
At 1 January 2023 (audited)	709,876,301	36	232
Cancellation of ordinary shares ( <i>Note</i> )	<u>(300,000)</u>	<u>–</u>	<u>–</u>
31 December 2023 (audited), 1 January 2024 (audited) and 31 March 2024 (unaudited)	<u><b>709,576,301</b></u>	<u><b>36</b></u>	<u><b>232</b></u>

*Note:*

The Group repurchased 300,000 shares of its own shares from the market during the year ended 31 December 2022. The total amount paid to acquire the shares was RMB112,000 and has been deducted from the shareholders' equity. The related weighted average price at the time of buy-back was HK\$0.42 per share. The 300,000 repurchased shares had been cancelled during the year ended 31 December 2023.

## 19. SHARE-BASED PAYMENTS

### (a) Share options

On 7 January 2011, the Board of the Company approved the establishment of a share option scheme (“**Pre-IPO Share Option Scheme**”) with the objective to recognise and reward the contribution of eligible directors and employees to the growth and development of the Group. The contractual life of all options under Pre-IPO Share Option Scheme is eight years from the grant date.

On 23 October 2013, the Board of the Company approved the establishment of a share option scheme (“**Post-IPO Share Option Scheme**”) with the objective to recognise and reward the contribution of eligible directors and employees to the growth and development of the Group. The contractual life of all options under Post-IPO Share Option Scheme is ten years from the grant date.

As at 31 March 2024, both the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme had expired.

Details of the share options outstanding during the period are as follows:

	<b>Number of share options For the three months ended 31 March</b>	
	<b>2024 (unaudited)</b>	<b>2023 (unaudited)</b>
Outstanding at the beginning of the period	<b>4,872,429</b>	5,222,429
Lapsed during the period	—	—
Outstanding at the end of the period	<b><u>4,872,429</u></b>	<u>5,222,429</u>
Exercisable at the end of the period	<b><u>4,872,429</u></b>	<u>5,222,429</u>

No options were exercised during the three months ended 31 March 2024 and 2023.

Details of the exercise prices and the respective numbers of share options which remained outstanding as at 31 March 2024 and 2023 are as follows:

	<b>Exercise price</b>		<b>Number of share options For the three months ended 31 March</b>	
	Original currency	Equivalent to HK\$	<b>2024 (unaudited)</b>	<b>2023 (unaudited)</b>
Expiry date				
6 September 2025	HK\$3.108	3.108	<b><u>4,872,429</u></b>	<u>5,222,429</u>

**(b) Restricted Share Unit (“RSU”)**

On 17 September 2013, the Company set up a RSU scheme (the “**RSU Scheme**”) with the objective to incentivise directors, senior management and employees for their contribution to the Group, to attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company. RSUs held by a participant that are vested may be exercised (in whole or in part) by the participant serving an exercise notice in writing to The Core Trust Company Limited (the “**RSU Trustee**”) and copied to the Company. The RSU Scheme will be valid and effective for a period of eight years from 4 March 2013 to 3 March 2021, commencing from the date of the first grant of the RSUs.

On 19 July 2021 (the “**Adoption Date**”), the Company has adopted the new RSU scheme (the “**2021 RSU Scheme**”), to incentivise the contributions by, and to attract, motivate and retain, Eligible Persons, for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company. The 2021 RSU Scheme shall be valid and effective for a period of eight years commencing on the Adoption Date. On 28 March 2024, the Company terminated the 2021 RSU Scheme and adopted a new RSU scheme (the “**2024 RSU Scheme**”). The 2024 RSU Scheme shall be valid and effective for a period of eight years commencing on 28 March 2024.

On 27 August 2021, the Group granted 5,650,000 RSUs under the 2021 RSU Scheme to its employees. The vesting period of the RSUs granted is 4 years and the vesting schedule is 25% after 12 calendar months from the grant date, 25% after 24 calendar months from the grant date, 12.5% after 30 calendar months from the grant date, 12.5% after 36 calendar months from the grant date, and 2.083% from each month of 37 to 48 calendar months from the grant date. The fair value of each of the above newly granted RSU equals to the closing price of the Company’s ordinary shares on the grant date, which was HKD0.445 per share. The expiry date of the above newly granted RSUs is 26 August 2029.

On 15 April 2022, the Group granted 15,000,000 RSUs under the 2021 RSU Scheme to its employees. The vesting period of the RSUs granted is 4 years and the vesting schedule is 25% after 12 calendar months from the grant date, 25% after 24 calendar months from the grant date, 12.5% after 30 calendar months from the grant date, 12.5% after 36 calendar months from the grant date, and 2.083% from each month of 37 to 48 calendar months from the grant date. The fair value of each of the above newly granted RSU equals to the closing price of the Company’s ordinary shares on the grant date, which was HKD0.465 per share. The expiry date of the above newly granted RSUs is 14 April 2030.



Movements in the number of RSUs outstanding:

	<b>Number of RSUs</b>	
	<b>2024</b>	2023
	<b>(unaudited)</b>	(unaudited)
At 1 January	<b>19,588,089</b>	23,488,089
Lapsed	<b>(3,628,089)</b>	–
Vested and transferred	<b>(2,541,000)</b>	–
	<b>13,419,000</b>	<b>23,488,089</b>
At 31 March	<b>13,419,000</b>	<b>23,488,089</b>
Vested but not transferred at 31 March	<b>3,012,750</b>	<b>5,200,589</b>

The related weighted-average share price at the time when the RSUs were vested and transferred was HK\$1.95 (for the three months ended 31 March 2023: nil) per share.

**(c) Shares held for RSU scheme**

The shares held for RSU scheme were regarded as treasury shares and had been presented as a deduction against shareholders' equity. During the period, 2,541,000 (for the three months ended 31 March 2023: nil) of RSUs were vested and transferred (note (b) above), and as a result, 54,569,829 ordinary shares (31 December 2023: 57,110,829 ordinary shares) of the Company underlying the RSUs were held by Core Administration RSU Limited and The Core Admin Boyaa RSU Limited as at 31 March 2024.

**20. RELATED PARTY TRANSACTIONS**

In addition to those related party transactions and balances disclosed elsewhere in the condensed consolidated financial statements, the Group had the following balances with its related parties at end of the period:

	<b>31 March</b>	31 December
	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(audited)
Amount due from a director included in other receivables	<b>830</b>	840
Amount due from a related party included in other receivables	<b>2,003</b>	<b>2,003</b>

The amounts due from a director and related party are unsecured, interest-free and repayable on demand.

**21. APPROVAL OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

These condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on 23 May 2024.

**RECONCILIATION FROM UNAUDITED NET PROFIT TO UNAUDITED NON-IFRS ADJUSTED NET PROFIT**

*FOR THE THREE MONTHS ENDED 31 MARCH 2024*

	For the three months ended			Year-	Quarter-
	31 March	31 December	31 March	on-Year	on-Quarter
	2024	2023	2023	Change*	Change**
	RMB'000	RMB'000	RMB'000	%	%
	(unaudited)	(unaudited)	(unaudited)		
<b>Revenue</b>	<b>108,522</b>	100,262	95,229	14.0	8.2
Cost of revenue	<u>(31,410)</u>	<u>(27,399)</u>	<u>(31,922)</u>	(1.6)	14.6
<b>Gross profit</b>	<b>77,112</b>	72,863	63,307	21.8	5.8
Other gains/(losses), net	<b>362,549</b>	(16,271)	(6,662)	–	–
Selling and marketing expenses	<b>(7,323)</b>	(11,128)	(10,322)	(29.1)	(34.2)
Administrative expenses	<b>(26,969)</b>	<u>(30,725)</u>	<u>(23,338)</u>	15.6	(12.2)
<b>Operating profit</b>	<b>405,369</b>	14,739	22,985	1,663.6	2,650.3
Finance income, net	<b>8,741</b>	14,963	11,022	(20.7)	(41.6)
Share of losses of associates	<b>(120)</b>	<u>(529)</u>	<u>(372)</u>	(67.7)	(77.3)
<b>Profit before income tax</b>	<b>413,990</b>	29,173	33,635	1,130.8	1,319.1
Income tax (expenses)/credit	<b>(62,199)</b>	<u>2,877</u>	<u>(4,978)</u>	1,149.5	–
<b>Profit for the period</b>	<b><u>351,791</u></b>	<b><u>32,050</u></b>	<b><u>28,657</u></b>	1,127.6	997.6
<b>Non-IFRS Adjustment</b>					
<b>(unaudited)</b>					
Share-based compensation expense included in administrative expenses	<b>436</b>	<u>(185)</u>	<u>858</u>	(49.2)	–
<b>Non-IFRS adjusted net profit</b>					
<b>(unaudited)</b>	<b><u>352,227</u></b>	<b><u>31,865</u></b>	<b><u>29,515</u></b>	1,093.4	1,005.4

\* *Year-on-Year Change % represents a comparison between the current reporting period and the corresponding period last year.*

\*\* *Quarter-on-Quarter Change % represents a comparison between the quarter ended 31 March 2024 and the immediately preceding quarter.*

**The Board wishes to remind investors and shareholders that the above financial information is based on the Group's unaudited management accounts. Investors are cautioned not to unduly rely on such information and are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board of  
**Boyaa Interactive International Limited**  
**Dai Zhikang**  
*Chairman and Executive Director*

Hong Kong, 23 May 2024

*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. Ma Jingchun.*