



## Boyaa Interactive Announces 2017 Annual Results

Adjusted Net Profit Increased by 8.7%

**Strive for Forging a Century-Old Brand Name for Card & Board Games**

Financial Highlights	For the year ended 31 December 2017 ( RMB'000 )
<b>Revenue</b>	<b>735,602</b>
<b>Gross Profit</b>	<b>457,267</b>
<b>Profit Attributable to owners of the Company</b>	<b>243,245</b>
<b>Non-IFRS adjusted net profit</b>	<b>253,110</b>

[23 March 2018 - Hong Kong] Boyaa Interactive International Limited ("Boyaa Interactive" or the "Company", together with its subsidiaries, the "Group", stock code: 0434), a leading online card and board game developer and operator in China, is pleased to announce the audited consolidated results of the Company and its subsidiaries for the year ended 31 December 2017 (the "Reporting Period").

In 2017, Boyaa Interactive continued to focus on the development and innovation of online card and board game products and further enriched product portfolio, striving to enhance the users' experience. As of 31 December 2017, the Group recorded revenue of approximately RMB735.6 million, gross profit amounted to approximately RMB457.3 million, gross profit margin amounted to approximately 62.2%, profit attributable to owners of the Company amounted to approximately RMB243.2 million, representing a year-on-year increase of approximately 15.1% compared to 2016. Due to the continuous enlargement and enrichment on game product portfolio, improvement on payment channel and promotion strategy, as well as smooth implementation of the cost control policy, the Group recorded an unaudited non-IFRS adjusted net profit of approximately RMB253.1 million in 2017, representing a year-on-year increase of approximately 8.7% compared to 2016.

In the fourth quarter of 2017, the Group recorded revenue of approximately RMB159.5 million, gross profit amounted to approximately RMB96.1 million, gross profit margin amounted to approximately 60.3%. For the three months ended 31 December 2017, revenue generated from the Group's mobile games amounted to approximately RMB109.7 million; the number of paying players was approximately 0.8 million. The number of daily active players was approximately 4.2 million; the number of monthly active player was approximately 17.4 million. Although the Apple Incident had a certain impact on the industry, with the Group's positive effort, the impact arising from the Apple

Incident was addressed, most of the Group's products have resumed normal operation, and ARPPU of Texas Hold'em mobile games and ARPPU of Other Card and Board mobile games increased.

### **Conducting sophisticated and diversified product operation and promoting optimization of strategy with a focus on giving back to players**

In 2017, the Group continued to focus on the development and innovation of products, enrichment of the variety of games and enhancement of users' experience, thereby steadily and consistently enhancing operations by refining and diversifying products and improving the quality of games. As of 31 December 2017, the number of Boyaa Interactive's online games product portfolio increased from 65 in 2016 to 79, with 17 language versions available. In particular, Simplified Chinese versions of games recorded revenue of approximately RMB383.7 million, representing a year-on-year increase of approximately 13.9% compared to 2016. The proportion of revenue of mobile games and web-based games was in line with the Group's strategic plan. As of 31 December 2017, revenue generated from mobile games and web-based games accounted for approximately 70.0% and 30.0% of the Group's total revenue, respectively. In particular, revenue generated from mobile games amounted to approximately RMB514.9 million, representing a year-on-year increase of approximately 6.1% compared to 2016.

The Group continued to optimize promotion strategy and implement effective and control cost. The selling and marketing expenses decreased by approximately 24.0% from approximately RMB44.9 million in 2016 to approximately RMB34.1 million in 2017, accounting for approximately 4.6% of the Group's revenue in 2017, decreased from approximately 6.0% in 2016, the decrease in selling and marketing expenses was mainly attributable to decreased advertising and promotional activities.

### **Global Boyaa Poker Tour achieved huge success again and the Goup's brand values were well recognized**

The Group has successfully organized and held the Third Boyaa Poker Tour during the fourth quarter of 2017. The total cash reward of the competition was HKD600 million and competition arrangement was diversified. The top 200 players in the competition would be given cash reward and ranked in the list of GPI (Global Poker Index), therefore attracting online players from two continents and several countries and regions to participate in. BPT further increased Boyaa Interactive's brand influence and the loyalty of players, making a stable progress in organizing a world-class poker tour.

In addition, in 2017, we were awarded "Award for Progress in Corporate Innovation of the Year" in China Financial Market Award Gala organized by China Financial Market magazine, a well-known financial magazine in Hong Kong. The Company has been awarded "Most Promising Listed Company" consecutively in 2015 and 2016, demonstrating the high recognition for the Company and its brand from the capital market.

**Mr. Zhang Wei, Chairman of the Board, Executive Director and CEO of Boyaa Interactive, commented:** “Although 2017 was a challenging year, the Group continued to step forward and have a high expectation for 2018. The Group believes that, through its dedication to and experience in online card and board games as well as its determination and persistence in upholding the player-oriented philosophy, Boyaa Interactive will certainly be able to achieve its goal of becoming the global leading brand in online card and board games. In 2018, the Group intends to place emphasis on developing the following: strengthen the effort on the research on card and board games in different market segments and the exploration for market sectors so as to further expand and enrich product portfolio; further explore the domestic and overseas operational model of card and board games; constantly improve basic infrastructure and game features, and focus on enhancing the experience and service quality provided to users; focus on the development and innovation of mobile-based products to further enrich the contents and rules of the games; organize more professional and high quality competition games to enhance and consolidate the loyalty of players and develop Boyaa Interactive into a century-old brand”.