

2024 BOYAA INTERACTIVE THIRD QUARTERLY RESULTS

Announces Third Quarterly Results Announcement For The Three and Nine Months Ended 30 September 2024

Net Profit Increased Almost 1.5 Times to RMB 212 Million Following Continuous Appreciation of Bitcoin and Other Digital Assets, and the Steady Growth of the Online Gaming Business Continuously Expanding Bitcoin Reserves

(21 November 2024 – Hong Kong) Boyaa Interactive International Limited (“Boyaa Interactive”, and together with its subsidiaries, the “Group”, stock code: 433.HK) is pleased to announce its unaudited consolidated results for the three and nine months ended 30 September 2024.

Boyaa Interactive recorded revenue of approximately RMB318.2 million for the nine months ended 30 September 2024, representing an increase of approximately 8.1% as compared to the same period in 2023, which was primarily due to value-added gain of digital assets generated from the cryptocurrencies held by the Group; and the increase in the Group’s revenue generated from online games as a result of certain online operational activities and continuous optimization of its gaming products and gameplay. During the Period, there is an increase of 149.4% in profit attributable to equity holders to RMB212.3 million, mainly due to the increase in the fair value of cryptocurrencies, the increase in the Group’s revenue recorded, as well as the reduction in the decrease in the fair value of financial assets.

Digital Assets - Hold and continuously expand Bitcoin reserves for the long term

Continuous expansion of BTC reserves is an important strategy of the Group. Since the end of 2023, Boyaa Interactive has been continuously purchasing and holding cryptocurrencies.

As at 30 September 2024, the Group held approximately 2,635 units of BTC (average cost of approximately US\$54,022 per unit) and approximately 15,388 units of ETH (average cost of approximately US\$2,756 per unit). The fair value of digital assets amounted to approximately RMB1,569.0 million, which mainly consisted of BTC, ETH and USDT. Compared to December 31, 2023, the number of Bitcoins held by the Group increased significantly by 52,600.0%, from 5 to 2,635 as of September 30, 2024.

As of September 30, 2024, the fair value gains from digital assets amounted to approximately RMB 98.1 million.

As of November 21, 2024, the Group held approximately 2,688 units of BTC with an average cost of approximately US\$54,385 per unit, which has further increased 53 units when compared to September 30, 2024.

Online Games – Maintain strong contribution of cash flow

For the nine months ended September 30, 2024, online games revenue increased by 3.8% year-on-year to RMB 305.5 million, with mobile games revenue rising by 5.6% to RMB 216.3 million. For the three months ended September 30, 2024, the Group had 201,000 paying players in its online games, with daily active users reaching 1.17 million and monthly active users increasing by 15.7% year-on-year to 4.51 million.

During the Period, the Group successfully held the online integrated server sessions of BPT branded competition series – BPT 2024 match. It has attracted approximately 78.6 thousand participants from various countries and regions including but not limited to Asia and Europe, further strengthened the brand influence and propelled the Group forward in establishing its international, premier poker tournament brand.

Web3 Business layout – Web3 Projects R&D and investment incubation

The Group continues to focus on and explore Web3-related investment projects. The Web3 projects announced for investment by the Group in the third quarter of 2024 are as follows:

1. Invest in MTT ESports – a company principally engaged in the development and operation of Web3 infrastructure and Web3 games. It develops and owns the MTT Sports Platform and MTT Network. MTT Sports Platform is an Esports competition app that supports both PC and mobile platforms, which is highly complementary to the Group's traditional gaming business, while MTT Network is a high-performance Cosmos ecological blockchain.
2. Invest in the UTXO Fund (which primarily focuses on the emerging Bitcoin ecosystem, from consumer to institutional use cases) and will engage in strategic cooperation with BTC Inc. in the Bitcoin ecosystem.

As of September 30, 2024, in addition to the aforementioned investment projects, the Group has also invested in other Web3-related projects, including but not limited to:

1. Invest in the Awakening Ventures Fund (which primarily invests in the Web3 racing sector and focuses on programmable Bitcoin networks, Web3 games, Easy Smart Earn (ESE) for facilitating large-scale user access, application infrastructure, etc.);
2. Invest in the Web3 asset data platform RootData (which was launched in 2022 and its data library has been adopted by The Wall Street Journal, Coindesk, Decrypt and other key opinion leaders in the industry);
3. Invest in the Pacific Waterdrop Digital Asset Fund (which primarily focuses on the blockchain industry on metaverse, non-fungible tokens (NFTs) and Web3 infrastructures and etc), and will concurrently and strategically cooperate on the development of in Web3 games and in the field of Bitcoin ecosystem.

Prospects

The Group is optimistic about the cryptocurrency market and the development of BTC and is of the view that BTC has long-term value. The Group will hold and will continue to expand its BTC

reserves for the long term. Continuous expansion of BTC reserves is an important strategy of the Group.

In the future, Boyaa Interactive will continue to ramp up its R&D efforts for Web3 gaming products, enriching the content and rules of gaming products. By continuously improving game features and infrastructure, the Group aims to elevate user experience and continuously explore the operational models of gaming products, especially Web3 gaming products. Additionally, Boyaa Interactive will prioritize product refinement and operational diversification to craft high-quality card and board gaming products, competition products, and industry-leading Web3 gaming products

Boyaa Interactive will maintain its focus on establishing itself as a pure and leading Web3 listed company.