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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 2025**

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 2025 (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
	2025 <i>HK\$'000</i> (unaudited)	2024 <i>HK\$'000</i> (unaudited) (Restated)		31 December 2024 <i>HK\$'000</i> (audited) (Restated)
Revenue	111,892	119,570	(6.4)	500,870
<i>Revenue generated from online games</i>	109,284	117,973	(7.4)	444,701
– Web-based games	27,782	35,301	(21.3)	127,281
– Mobile games	81,502	82,672	(1.4)	317,420
<i>Revenue from other sources</i>	2,608	1,597	63.3	56,169
– Digital assets value-added gain	2,608	1,597	63.3	56,169
Gross profit	77,464	84,962	(8.8)	364,111
Other (losses)/gains, net <i>(including but not limited to)</i>	(303,007)	399,433	–	922,058
– Unrealised fair value (losses)/ gains on digital assets	(315,564)	388,556	–	947,942
(Loss)/profit attributable to owners of the Company	(223,561)	387,592	–	968,880
Non-IFRS adjusted net (loss)/ profit (unaudited)***	(213,469)	388,072	–	971,678
BTC Yield*****	2.4%	–	–	65,324%

REVENUE GENERATED FROM ONLINE GAMES BY GAMES

	For the three months ended		Year-on-Year Change*
	31 March		
	2025	2024	
	HK\$'000	HK\$'000	%
	(unaudited)	(unaudited)	
		(Restated)	
Texas Hold'em Series	68,849	75,269	(8.5)
Other Card and Board*****	40,435	42,704	(5.3)
Total	109,284	117,973	(7.4)

REVENUE GENERATED FROM ONLINE GAMES BY LANGUAGE VERSIONS OF GAMES

	For the three months ended		Year-on-Year Change*
	31 March		
	2025	2024	
	HK\$'000	HK\$'000	%
	(unaudited)	(unaudited)	
		(Restated)	
Simplified Chinese	5,522	5,008	10.3
Other languages	103,762	112,965	(8.1)
Total	109,284	117,973	(7.4)

OPERATIONAL HIGHLIGHTS

	For the three months ended			Year-on- Year Change*	Quarter-on- Quarter Change**
	31 March	31 December	31 March		
	2025	2024	2024		
	(unaudited)	(unaudited)	(unaudited)	%	%
Paying Players (in thousands)	227	201	221	2.7	12.9
• Web-based games	2	2	3	(33.3)	–
• Mobile games	225	199	218	3.2	13.1
Daily Active Users (“DAUs”) (in thousands)****	1,246	1,201	1,146	8.7	3.7
• Web-based games	123	128	65	89.2	(3.9)
• Mobile games	1,123	1,073	1,081	3.9	4.7
Monthly Active Users (“MAUs”) (in thousands)****	4,389	4,151	4,162	5.5	5.7
• Web-based games	276	301	286	(3.5)	(8.3)
• Mobile games	4,113	3,850	3,876	6.1	6.8

	For the three months ended			Year-on-Year Change* %	Quarter-on-Quarter Change** %
	31 March 2025 (unaudited)	31 December 2024 (unaudited) (Restated)	31 March 2024 (unaudited) (Restated)		
Average Revenue Per Paying User (“ARPPU”) for Texas Hold’em Series (in HK\$)					
• Web-based games	4,630.3	4,865.5	5,883.5	(21.3)	(4.8)
• Mobile games	291.3	250.6	246.7	18.1	16.2
ARPPU for Other Card and Board (in HK\$)					
• Web-based games	–	–	–	–	–
• Mobile games	76.1	84.1	86.8	(12.3)	(9.5)
* <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 2025 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>					
***** <i>BTC Yield is a KPI (key performance indicator) that represents the % change year-on-year or quarter-on-quarter of the ratio between the number of Bitcoin holding to our number of issued shares.</i>					

BUSINESS OVERVIEW AND OUTLOOK

In terms of financial performance, we recorded an unaudited non-IFRS adjusted loss of approximately HK\$213 million in the first quarter of 2025 as compared to an unaudited non-IFRS adjusted net profit of approximately HK\$388 million (restated) recorded in the first quarter of 2024, the change in the unaudited non-IFRS adjusted loss for the first quarter of 2025 as compared to the unaudited non-IFRS adjusted net profit for the first quarter of 2024 was mainly due to the decrease in the market price of BTC during the first quarter of 2025, which resulted in a decrease in the fair value of the Group's digital assets as at 31 March 2025 as compared to that of 31 December 2024. Excluding the impact of non-operating one-off factors such as the change in fair value of financial assets such as digital assets and equity investment partnerships, the unaudited non-IFRS adjusted net profit for the three months ended 31 March 2025 represented a year-on-year decrease of approximately 38.9%, which was mainly due to a slight decrease in revenue year-on-year and a decrease in interest income on deposits year-on-year as a result of a decrease in bank deposits upon the purchase of cryptocurrencies. In the fourth quarter of 2024, we recorded an unaudited non-IFRS adjusted net profit of approximately HK\$736 million (restated) as compared to an unaudited non-IFRS adjusted loss in the first quarter of 2025, the change was principally due to the decrease in the market price of BTC during the first quarter of 2025, resulting in a decrease in the fair value of the Group's digital assets as at 31 March 2025 as compared to the fair value of the Group's digital assets as at 31 December 2024. Excluding the impact of non-operating one-off factors such as the change in fair value of financial assets such as digital assets and equity investment partnerships, the unaudited non-IFRS adjusted net profit for the three months ended 31 March 2025 represented a quarter-on-quarter decrease of approximately 59.1%, which was mainly due to a quarter-on-quarter decrease in value-added gain of digital assets.

We recorded revenue of approximately HK\$112 million in the first quarter of 2025, representing a year-on-year decrease of approximately 6.4% as compared to that in the first quarter of 2024, primarily due to market conditions and the cyclical influences of operational activities, resulting in the slight decrease in the revenue generated from online games for the first quarter of 2025 as compared to the periodic peak in the same period of 2024. Revenue for the first quarter of 2025 recorded a quarter-on-quarter decrease of approximately 25.8% as compared to that for the fourth quarter of 2024, mainly due to a quarter-on-quarter decrease in value-added gain of digital assets held by the Group in this quarter, nevertheless, revenue generated from our online games continued to grow quarter-on-quarter at a steady rate.

In terms of the operating data performance, we recorded an increase in the number of paying players and the number of users in the first quarter of 2025 as compared to the fourth quarter of 2024. The number of paying players for the first quarter of 2025 increased by 12.9% to approximately 0.23 million from approximately 0.20 million for the fourth quarter of 2024. The number of DAU increased by 3.7% from approximately 1.20 million in the fourth quarter of 2024 to approximately 1.25 million in the first quarter of 2025. The number of MAUs increased by 5.7% from approximately 4.2 million in the fourth quarter of 2024 to approximately 4.4 million in the first quarter of 2025. The ARPPU has grown in mobile version of Texas Hold'em.

The Company will further ramp up its R&D efforts for Web3 game products, enrich contents and rules of game products, and enhance game features and infrastructure (including Web3-related infrastructure). The aim is to elevate user experience, while exploring innovative operational models for game products, especially Web3 game products. Concurrently, we will prioritize product refinement and operational diversification to craft high-quality card and board game products, competition products, and industry-leading Web3 game 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 realize the Group's strategic plan for Web3 business development.

Continuous expansion of BTC reserves is an important strategy of the Group. 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 continue to expand its BTC reserves in the long run. The Group will further explore increasing its holding of BTC on a continuous basis and will not exclude the possibility of raising funds in the secondary market by way of issuing bonds and placing of shares, etc. to expand its reserves.

The Company will strictly comply with various laws and regulations in various jurisdictions that it has operations, make steady efforts in the fields of online chess and board games and Web3, and be committed to developing high-quality card and board game products and industry-leading Web3 game products, with a focus on building the Company as a pure and leading Web3 listed company.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

Our revenue for the three months ended 31 March 2025 amounted to approximately HK\$111.9 million, representing an decrease of approximately 6.4% from approximately HK\$119.6 million (restated) recorded in the same period in 2024. The year-on-year decrease was mainly due to market conditions and the cyclical influences of operational activities, resulting in the slight decrease in the revenue generated from online games for the first quarter of 2025 as compared to the periodic peak in the same period of 2024. For the three months ended 31 March 2025, revenue generated from our mobile games, web-based games and value-added from digital assets accounted for approximately 72.8%, 24.8% and 2.4% of our total revenue, respectively, as compared with approximately 69.1%, 29.5% and 1.4%, respectively, 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 year ended 31 December 2024, our Group had acquired certain cryptocurrencies pursuant to the two acquisition mandates (the “**Acquisition Mandates**”) granted by our shareholders at the extraordinary general meeting held on 22 December 2023 and the annual general meeting held on 19 April 2024, respectively, which authorised the purchase of cryptocurrencies in an aggregate amount of not exceeding US\$200 million (For details, please refer to the circulars of the Company dated 5 December 2023 and 28 March 2024, respectively). 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 cryptocurrencies 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 Ethereum 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 interests and rewards generated from cryptocurrencies mentioned 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, subject to the compliance of the relevant Listing Rules, it is expected that the amount of cryptocurrency acquired by our Group will continue to increase in the future, and 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

For the three months ended 31 March 2025, our cost of revenue was approximately HK\$34.4 million, compared to approximately HK\$34.6 million (restated) for the same period in 2024, representing a decrease of approximately 0.5%.

Gross profit and gross profit margin

As a result of the above, our gross profit for the three months ended 31 March 2025 amounted to approximately HK\$77.5 million, representing a year-on-year decrease of 8.8% from approximately HK\$85.0 million (restated) recorded for the same period in 2024. The year-on-year decrease was primarily due to the decrease in revenue.

For the three months ended 31 March 2025 and the same period in 2024, our gross profit margin were approximately 69.2% and 71.1%, respectively.

Selling and marketing expenses

For the three months ended 31 March 2025, our selling and marketing expenses amounted to approximately HK\$14.7 million, representing a year-on-year increase of 82.2% from approximately HK\$8.1 million (restated) recorded for the same period in 2024. The year-on-year increase was mainly attributable to the increased marketing and promotional expenses during the Reporting Period, driven by enhanced promotional efforts for games (particularly new games).

Administrative expenses

For the three months ended 31 March 2025, our administrative expenses amounted to approximately HK\$34.8 million, representing a year-on-year increase of 17.2% from approximately HK\$29.7 million (restated) recorded for the same period in 2024. The year-on-year increase was mainly attributable to the increase in employee compensation and welfare expenses compared to the same period in 2024.

Other (losses)/gains – net

For the three months ended 31 March 2025, we recorded net other losses of approximately HK\$303.0 million, compared to net other gains of approximately HK\$399.4 million (restated) recorded for the same period in 2024. The change of position from net other gains for the three months ended 31 March 2024 to the net other losses for the three months ended 31 March 2025, was primarily due to the decrease in fair value of digital assets held by the Group. The net other (losses)/gains 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 2025, our net finance income was approximately HK\$1.4 million compared to approximately HK\$9.6 million (restated) recorded for the same period of 2024. The change was primarily due to the use of bank deposits to purchase digital assets, which led to the decrease in interest income compared to the same period in 2024.

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 2025 (31 December 2024: five associates), all of which were online game or internet technology companies. We recorded a share of losses of associates of approximately HK\$0.04 million for the three months ended 31 March 2025, compared to a share of losses of associates of approximately HK\$0.13 million (restated) recorded for the same period in 2024.

Income tax credit/(expense)

For the three months ended 31 March 2025, our income tax credit was approximately HK\$50.1 million, whereas we recorded income tax expense of approximately HK\$68.5 million (restated) for the same period in 2024. The year-on-year change was mainly due to the decrease in the fair value of digital assets, which led to the income tax credit.

* For identification purpose only

(Loss)/Profit attributable to owners of the Company

As stated above, we recorded a loss attributable to owners of the Company of approximately HK\$223.6 million for the three months ended 31 March 2025, whereas our profit attributable to owners of the Company amounted to approximately HK\$387.6 million (restated) for the same period in 2024. The change of position from profit attributable to owners of the Company for the three months ended 31 March 2024 to loss attributable to owners of the Company for the three months ended 31 March 2025 was mainly due to a decrease in the fair value of digital assets at 31 March 2025 compared to 31 December 2024.

Non-International Financial Reporting Standards (“Non-IFRS”) adjusted net (loss)/profit

To supplement our consolidated financial statements which are presented in accordance with IFRS, we also use unaudited non-IFRS adjusted net (loss)/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 (loss)/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 (loss)/profit has material limitations as an analytical tool, as adjusted net (loss)/profit does not include all items that impact our (loss)/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 loss for the three months ended 31 March 2025 was approximately HK\$213.5 million, which was derived from our unaudited loss for the same period excluding share-based compensation expenses of approximately HK\$10.1 million included in administrative expenses, as compared to our unaudited non-IFRS adjusted net profit for the three months ended 31 March 2024 of approximately HK\$388.1 million (restated) which was derived from our unaudited profit for the same period excluding share-based compensation expenses of approximately HK\$0.5 million (restated) 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 2025 decreased approximately 38.9% as compared to the same period in 2024, which is mainly due to the decrease in revenue and a decrease in interest on deposits year-on-year as a result of a decrease in bank deposits upon the purchase of cryptocurrencies.

BTC Yield

To supplement the performance of the Bitcoin acquired by our Group, we are following the industry best practice pioneered by MicroStrategy Inc. (a company listed on NASDAQ, stock code: MSTR), and adopt “BTC Yield” as a Key Performance Indicator (KPI). BTC Yield is a KPI that represents the percentage change quarter-on-quarter of the ratio between the number of Bitcoin held by our Group and our total number of issued shares.

The Company uses BTC Yield as a KPI to help assess the performance of its strategy of acquiring Bitcoin in a manner the Company believes is accretive to its shareholders. When the Company uses this KPI, management also takes into account the various limitations of this metric, including that it does not take into account debt and other liabilities, etc.

Additionally, this KPI is not, and should not be understood as, an operating performance measure or a financial or liquidity measure. In particular, BTC Yield is not equivalent to “yield” in the traditional financial context. It is not a measure of the return on investment the Company’s shareholders may have achieved historically or can achieve in the future by purchasing shares of the Company, or a measure of income generated by the Company’s operations or its Bitcoin holdings, or any other similar financial measure of the performance of its business or assets.

For the three months ended 31 March 2025, the Company’s BTC Yield was 2.4%. BTC Yield and total number of issued shares:

	12/31/2023	3/31/2024	6/30/2024	9/30/2024	12/31/2024	3/31/2025
Total Bitcoin held	5	1,194	2,079	2,635	3,274	3,351
Total number of issued shares*	709,576,301	709,576,301	709,576,301	709,576,301	710,183,730	710,183,730
Bitcoin per 10,000 shares	0.0001	0.0168	0.0293	0.0371	0.0461	0.0472
BTC Yield % (quarter-to-quarter)		23,780.0%	74.1%	26.7%	24.1%	2.4%
BTC Yield % (3/31/2025 compared to 12/31/2024)						2.4%

* According to the numbers of issued shares as at the relevant dates as stated in the monthly returns on movement in securities of the Company.

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 continuous expansion of BTC reserves is an important strategy of the Group.

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 which the Company shall use approximately US\$45 million to acquire each of Bitcoin and Ether 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 extraordinary general meeting held to conduct acquisitions of cryptocurrencies in an aggregate amount not exceeding US\$100 million in open market transaction. For details, please refer to the announcement of the Company dated 8 March 2024, the circular of the Company dated 28 March 2024 and the poll results announcement of the Company dated 19 April 2024.

As at 31 March 2025, the fair value of digital assets amounted to approximately HK\$2,334.0 million (31 December 2024: approximately HK\$2,548.6 million (restated)), which mainly consisted of BTC, USDT and ETH. The fair value measurement of digital assets were determined based on their quoted prices in open market. For the three months ended 31 March 2025, we recorded unrealised fair value losses on digital assets of approximately HK\$315.6 million (unrealised fair value gains for the three months ended 31 March 2024: approximately HK\$388.6 million (restated)).

As at 31 March 2025, the Group held approximately 3,351 units of BTC with an average cost of approximately US\$58,628 per unit and approximately 297 units of ETH with an average cost of approximately US\$1,661 per unit.

As at the date of this announcement, the Group held approximately 3,353 units of BTC with an average cost of approximately US\$58,699 per unit and approximately 298 units of ETH with an average cost of approximately US\$1,661 per unit.

Up to the date of this announcement, other than BTC, ETH and USDT, the Group also held ATOM and BNB. Cosmos is a public blockchain network with development potential. ATOM, as the core governance token of the Cosmos public chain network, was purchased by the Company with the aim of laying out the Web3 business ecosystem in Cosmos public chain network, strengthening the Company's competitiveness in the Web3 field and laying a solid foundation for future technological innovation and market expansion. BNB is the cryptocurrency that supports the entire BNB Chain ecosystem, which can be used as a transaction fee on the Binance cryptocurrency exchange and to participate in the activities of the Binance cryptocurrency exchange. It is one of the most popular utility tokens in the world. As at the date of this announcement, the Group had purchased ATOM and BNB with a total amount of approximately US\$2.58 million.

The Group has established a specialized virtual asset management and risk control department, responsible for establishing relevant policies and systems for cryptocurrency trading and management, monitoring and analyzing the cryptocurrency market and cryptocurrency price, overseeing the standardization and security of all cryptocurrency trading applications, approvals, operations, storage management, transaction reporting, and other processes, and evaluating and reviewing the reasonableness, appropriateness and security of the price range, number and type of cryptocurrencies and timing of each proposed cryptocurrency transaction. The Group will strictly comply with the relevant policies and regulations of the Hong Kong Government on the regulation of cryptocurrencies, and strictly follow the Group's policies and rules on the purchase, use, and management of cryptocurrencies.

The aforementioned data in relation to the fair value of the digital assets for the three months ended 31 March 2025 is recorded based on the market price of the relevant cryptocurrencies as at 31 March 2025. The price of cryptocurrencies may show real time fluctuations, and the impact of the fair value of digital assets on the financial performance of the Company may vary accordingly. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

Cash and cash equivalents

As at 31 March 2025, we had cash and cash equivalents of approximately HK\$58.4 million (31 December 2024: approximately HK\$138.7 million (restated)), which primarily consisted of cash at bank and in hand and short-term bank deposits, which were mainly denominated in HK\$ (as to 10.2%), USD (as to 53.5%) and other currencies (as to 36.3%). We currently do not hedge transactions undertaken in foreign currencies. 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 tremendous 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 2025, we had only one unlisted investment, the fair value of which amounted to approximately zero (31 December 2024: zero). These equity investments at fair value through other comprehensive income mainly consisted of both listed and unlisted equity securities.

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 2025.

Investments at fair value through profit or loss

As at 31 March 2025, we also recorded investments at fair value through profit or loss of approximately HK\$105.3 million (31 December 2024: approximately HK\$96.4 million (restated)), which consisted of non-quoted investments in asset management plans, equity investment partnerships and wealth management products. As at 31 March 2025, 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; and the fair values of the funds were determined by an independent professional valuer engaged by the Company using market approach and discount cash flows model. For the three months ended 31 March 2025, we recorded fair value gains on investments at fair value through profit or loss of approximately HK\$9.2 million (fair value losses for the three months ended 31 March 2024: approximately HK\$2.6 million (restated)).

The 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. 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. During the three months ended 31 March 2025, 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.

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 Jiaxing 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)) ("**Jiaxing 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 2025, the Group's accumulated contribution of RMB300.0 million represented 99.0% of the total capital contribution of Jiaxing Boyaa. The fair value of the investment in Jiaxing Boyaa as at 31 March 2025 was zero (for the three months ended 31 March 2024: zero). Jiaxing Boyaa was established for carrying out equity investments, venture capital investments and investments in securities, subject to certain investment restrictions. The partnership term of Jiaxing Boyaa had expired during the year 2024, and after continuing close monitoring of its performance, based on the investment policy and strategies of the Company and for the protection of the interests of the Company and its shareholders, the Company had decided to terminate Jiaxing Boyaa's operation. As at 31 March 2025, Jiaxing Boyaa was undergoing liquidation process. The Company has designated representative to participate in the liquidation team and is conducting the liquidation in accordance with the Company's relevant procedures.

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 2025.

* For identification purpose only

Investment properties

As at 31 March 2025, we also recorded investment properties amounted to approximately HK\$62.7 million (31 December 2024: approximately HK\$63.3 million (restated)), representing less than 5% of the total assets of the Group as at 31 March 2025. The investment properties include, amongst others, an office building known as Svotek Technology R&D Center* (索泰克技術研發中心), its ancillary factory building and certain ancillary facilities, and was acquired through the Judicial Auction Process. For details, please refer to the announcement of the Company dated 4 September 2024.

Borrowings

During the three months ended 31 March 2025, 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 2025, our total capital expenditures amounted to approximately HK\$44.8 million (for the three months ended 31 March 2024: approximately HK\$0.05 million (restated)). The capital expenditure mainly included purchasing land and equipment, which was funded by using our cash flows generated from our operations.

Contingent liabilities and guarantees

As at 31 March 2025, 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 2025, none of the Group's assets was pledged or charged.

* *For identification purpose only*

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**
FOR THE THREE MONTHS ENDED 31 MARCH 2025

		Three months ended	
		31 March	
	<i>Notes</i>	2025	2024
		<i>HK\$'000</i>	<i>HK\$'000</i>
		(unaudited)	(unaudited)
			(Restated)
			(Note 1)
Revenue	5	111,892	119,570
Cost of revenue		<u>(34,428)</u>	<u>(34,608)</u>
Gross profit		77,464	84,962
Other (losses)/gains, net	6	(303,007)	399,433
Selling and marketing expenses		(14,687)	(8,060)
Administrative expenses		<u>(34,837)</u>	<u>(29,712)</u>
Operating (loss)/profit		(275,067)	446,623
Finance income	7	1,601	9,862
Finance costs	8	(190)	(231)
Share of losses of associates		<u>(37)</u>	<u>(133)</u>
(Loss)/profit before income tax		(273,693)	456,121
Income tax credit/(expense)	9	<u>50,132</u>	<u>(68,529)</u>
(Loss)/profit for the period attributable to owners of the Company	10	<u>(223,561)</u>	<u>387,592</u>
Other comprehensive income/(expenses):			
<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/(expenses)		–	(483)
Exchange differences on translation		787	(194)
<i>Item that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		<u>25,144</u>	<u>(10,218)</u>
Other comprehensive income/(expenses) for the period, net of tax		<u>25,931</u>	<u>(10,895)</u>
Total comprehensive (expenses)/income for the period attributable to owners of the Company		<u>(197,630)</u>	<u>376,697</u>
(Loss)/earnings per share (HK\$ cents)	12		
– Basic		<u>(33.33)</u>	<u>58.72</u>
– Diluted		<u>(33.33)</u>	<u>57.89</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2025

		31 March 2025 <i>HK\$'000</i> (unaudited)	31 December 2024 <i>HK\$'000</i> (audited) (Restated) <i>(Note 1)</i>	1 January 2024 <i>HK\$'000</i> (audited) (Restated) <i>(Note 1)</i>
ASSETS				
Non-current assets				
Property, plant and equipment	13	15,640	16,214	26,792
Right-of-use assets	13	56,681	13,436	13,040
Investment properties		62,726	63,257	–
Intangible assets		227	362	1,825
Investments in associates		4,198	4,221	3,956
Equity investments at fair value through other comprehensive income		–	–	11,549
Investments at fair value through profit or loss	14	105,346	96,447	84,848
Prepayments, deposits and other receivables		18,326	18,929	15,323
Deferred tax assets		568	567	600
Term deposits		195,066	194,382	255
		458,778	407,815	158,188
Current assets				
Digital assets	15	2,334,035	2,548,592	86,733
Trade receivables	16	28,485	26,225	32,409
Prepayments, deposits and other receivables		67,468	47,218	76,541
Investments at fair value through profit or loss	14	–	–	145,233
Term deposits		2,200	31,810	807,933
Bank and cash balances		58,439	138,656	821,278
		2,490,627	2,792,501	1,970,127
Total assets		2,949,405	3,200,316	2,128,315

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(CONTINUED)**

AT 31 MARCH 2025

		31 March 2025	31 December 2024	1 January 2024
	<i>Notes</i>	HK\$'000 (unaudited)	<i>HK\$'000</i> (audited) (Restated) <i>(Note 1)</i>	<i>HK\$'000</i> (audited) (Restated) <i>(Note 1)</i>
EQUITY AND LIABILITIES				
Equity				
Share capital	18	278	278	278
Reserves		<u>2,471,664</u>	<u>2,659,202</u>	<u>1,764,006</u>
Total equity		<u>2,471,942</u>	<u>2,659,480</u>	<u>1,764,284</u>
Liabilities				
Non-current liabilities				
Lease liabilities		5,795	10,323	9,721
Deferred tax liabilities		<u>107,394</u>	<u>159,202</u>	<u>989</u>
		<u>113,189</u>	<u>169,525</u>	<u>10,710</u>
Current liabilities				
Trade payables	17	1,085	1,064	799
Accruals and other payables		79,180	91,551	80,411
Contract liabilities		13,558	13,770	12,105
Lease liabilities		7,379	3,653	3,938
Current tax liabilities		<u>263,072</u>	<u>261,273</u>	<u>256,068</u>
		<u>364,274</u>	<u>371,311</u>	<u>353,321</u>
Total liabilities		<u>477,463</u>	<u>540,836</u>	<u>364,031</u>
Total equity and liabilities		<u>2,949,405</u>	<u>3,200,316</u>	<u>2,128,315</u>
Net current assets		<u>2,126,353</u>	<u>2,421,190</u>	<u>1,616,806</u>
Total assets less current liabilities		<u>2,585,131</u>	<u>2,829,005</u>	<u>1,774,994</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2025

(Unaudited)

	Attributable to owners of the Company									
	Share capital HK\$'000	Share premium HK\$'000	Shares held for RSU scheme HK\$'000	Capital reserve HK\$'000	Foreign currency translation reserve HK\$'000	Statutory reserve HK\$'000	Share-based payments reserve HK\$'000	Other reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 January 2024, as restated	278	411,643	(15)	2,207	8,583	37,508	93,354	(278,295)	1,489,021	1,764,284
Total comprehensive (expenses)/ income for the period, as restated	-	-	-	-	(10,412)	-	-	(483)	387,592	376,697
Share-based payments, as restated										
- exercise and lapse of share options and RSUs, as restated	-	4,955	-	-	-	-	(4,955)	-	-	-
- value of employee services, as restated	-	-	-	-	-	-	480	-	-	480
Changes in equity for the period, as restated	-	4,955	-	-	(10,412)	-	(4,475)	(483)	387,592	377,177
At 31 March 2024, as restated	<u>278</u>	<u>416,598</u>	<u>(15)</u>	<u>2,207</u>	<u>(1,829)</u>	<u>37,508</u>	<u>88,879</u>	<u>(278,778)</u>	<u>1,876,613</u>	<u>2,141,461</u>
At 1 January 2025, as restated	<u>278</u>	<u>429,792</u>	<u>(15)</u>	<u>2,207</u>	<u>(47,821)</u>	<u>37,508</u>	<u>56,934</u>	<u>(277,256)</u>	<u>2,457,853</u>	<u>2,659,480</u>
Total comprehensive income/ (expenses) for the period	-	-	-	-	25,931	-	-	-	(223,561)	(197,630)
Share-based payments										
- exercise and lapse of share options and RSUs	-	2,495	-	-	-	-	(2,495)	-	-	-
- value of employee services	-	-	-	-	-	-	10,092	-	-	10,092
Changes in equity for the period	-	2,495	-	-	25,931	-	7,597	-	(223,561)	(187,538)
At 31 March 2025	<u>278</u>	<u>432,287</u>	<u>(15)</u>	<u>2,207</u>	<u>(21,890)</u>	<u>37,508</u>	<u>64,531</u>	<u>(277,256)</u>	<u>2,234,292</u>	<u>2,471,942</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2025

	Three months ended	
	31 March	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
		(Restated)
		(Note 1)
Cash flows from operating activities		
Cash generated from operating activities	33,892	61,958
Income tax paid	(1,741)	(3,601)
Lease interests paid	(190)	(231)
	<hr/>	<hr/>
Net cash generated from operating activities	31,961	58,126
	<hr/>	<hr/>
Cash flows from investing activities		
Placement of term deposits with original maturities over three months	(208,482)	(201)
Proceeds from maturity of term deposits with original maturities over three months	236,390	462,871
Interest received	1,149	6,352
Dividends from investments at fair value through profit or loss	8,820	17,806
Purchases of investments at fair value through profit or loss	(22,470)	(8,634)
Proceeds from settlements of investments at fair value through profit or loss	22,317	111,539
Purchases of digital assets	(109,330)	(696,353)
Purchases of property, plant and equipment	(457)	(48)
Purchases of right-of-use assets	(44,182)	–
Proceeds from disposals of property, plant and equipment	3	–
	<hr/>	<hr/>
Net cash used in investing activities	(116,242)	(106,668)
	<hr/>	<hr/>
Cash flows from financing activities		
Repayment of lease liabilities	(1,041)	(1,115)
	<hr/>	<hr/>
Net cash used in financing activities	(1,041)	(1,115)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(85,322)	(49,657)
Effect of foreign exchange rate changes	5,105	3,692
Cash and cash equivalents at beginning of the period	138,656	821,278
	<hr/>	<hr/>
Cash and cash equivalents at end of the period	58,439	775,313
	<hr/>	<hr/>
Analysis of cash and cash equivalents		
Bank and cash balances	58,439	775,313
	<hr/>	<hr/>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED 31 MARCH 2025

1. GENERAL INFORMATION

Boyaa Interactive International Limited (the “**Company**”) was incorporated in the Cayman Islands. The address of its registered office is P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. The address of its headquarter in Hong Kong is 19/F., Golden Centre, 188 Des Voeux Road Central, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

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 games and cryptocurrencies related investments. The Group will generate revenue from operation of online games and the value-added gain from digital assets that we hold during our operation.

Change of presentation currency

The company’s functional currency is United States dollars (“**USD**”) since majority of the activities of the Company are conducted in USD. In prior years, Renminbi (“**RMB**”) was used as the presentation currency of the Group’s consolidated financial statements. During the period, the directors of the Company (the “**Director**”) has decided to adopt Hong Kong dollars (“**HK\$**”) as the presentation currency for the consolidated financial statements of the Group. Having considered that the Company’s shares are listed on the Stock Exchange and are traded in HK\$, the Directors believe that the change of presentation currency will enable the shareholders and potential investors of the Company to have a more accurate understanding of the Group’s financial performance. As such, the Directors believes that it is more appropriate to adopt HK\$ as its presentation currency for the consolidated financial statements of the Group.

The change in presentation currency of the Group was applied retrospectively, as if the new presentation currency had always been applied. The Group has also presented the consolidated statement of financial position as at 1 January 2024 without related notes. The retrospective change of the presentation currency of the Group has had no material effects on the financial positions of the Group as at 31 December 2024 and 1 January 2024 and its financial performance for the period ended 31 March 2024.

All values are rounded to the nearest thousand except when otherwise indicated.

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 2024 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 2024.

3. ADOPTION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

In the current period, the Company and its subsidiaries (collectively referred as the “**Group**”) has adopted all the new and revised IFRS Accounting Standards issued by the IASB that are relevant to its operations and effective for its accounting year beginning on 1 January 2025. IFRS Accounting Standards comprise International Financial Reporting Standards; International Accounting Standards; and Interpretations. The adoption of these new and revised IFRS Accounting Standards 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 IFRS Accounting Standards that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised IFRS Accounting Standards but is not yet in a position to state whether these new and revised IFRS Accounting Standards would have a material impact on its results of operations and financial position.

4. SEGMENT INFORMATION

For the purpose of resources allocation and performance assessment, the chief operating decision-maker (i.e. the chief executive of the Group) reviews the overall results and financial position of the Group, which are prepared based on the same accounting policies.

The Group has two reportable segments as follows:

Mobile gaming related business - engaged in mobile and computer games development, operations and the related advisory services.

Web3 related business – engaged in crypto-currencies related investments.

The Group’s reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

Information about reportable segment profits or losses, assets and liabilities:

	Mobile gaming related business	Web3 related business	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(unaudited)
For the period ended 31 March 2025			
Segment revenue			
Revenue from external customers	109,284	2,608	111,892
Segment gain	35,899	(318,570)	(282,671)
Reconciliation:			
Unallocated gain			9,168
Finance cost			(190)
			<hr/>
Loss before income tax			(273,693)

	Mobile gaming related business	Web3 related business	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(unaudited)
	(Restated)	(Restated)	(Restated)
For the period ended 31 March 2024			
Segment revenue			
Revenue from external customers	117,973	1,597	119,570
Segment gain	68,817	390,153	458,970
Reconciliation:			
Unallocated losses			(2,618)
Finance cost			(231)
			<hr/>
Profit before income tax			456,121

	Mobile gaming related business	Web3 related business	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(unaudited)
For the period ended 31 March 2025			
Segment assets	575,561	2,373,844	2,949,405
Segment liabilities	371,060	106,403	477,463

	Mobile gaming related business	Web3 related business	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)	(audited)
	(Restated)	(Restated)	(Restated)

For the year ended 31 December 2024			
Segment assets	631,906	2,568,410	3,200,316
Segment liabilities	373,445	167,391	540,836

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

	31 March 2025	31 December 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(audited)
		(Restated)
Mainland China	103,987	106,226
Other locations	54,038	10,239
	<u>158,025</u>	<u>116,465</u>

5. REVENUE

	Three months ended	
	31 March	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
		(Restated)
Revenue from contracts with customers:		
Web-based games	27,782	35,301
Mobile games	81,502	82,672
	109,284	117,973
Revenue from other sources:		
Digital assets value-added gain	2,608	1,597
	111,892	119,570

Disaggregation of revenue from contracts with customers:

Timing of revenue recognition

	Three months ended	
	31 March	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
		(Restated)
At a point of time	109,284	117,973

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:

	Three months ended	
	31 March	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
		(Restated)
Simplified Chinese	5,522	5,008
Other languages	<u>103,762</u>	<u>112,965</u>
	<u>109,284</u>	<u>117,973</u>

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 2024: nil).

6. OTHER (LOSSES)/GAINS, NET

	Three months ended	
	31 March	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
		(Restated)
Dividends from investments at fair value through profit or loss	8,820	17,786
Government subsidies and tax rebates (<i>Note a</i>)	69	127
Net foreign exchange gain/(loss)	136	(4,418)
Unrealised fair value changes on digital assets	(315,564)	388,556
Unrealised fair value changes on investments at fair value through profit or loss	9,168	(2,618)
Others	<u>(5,636)</u>	<u>–</u>
	<u>(303,007)</u>	<u>399,433</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.

7. FINANCE INCOME

	Three months ended 31 March	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited) (Restated)
Interest revenue	1,394	9,724
Interest revenue on non-current loans to employees	207	138
	<u>1,601</u>	<u>9,862</u>

8. FINANCE COSTS

	Three months ended 31 March	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited) (Restated)
Lease interests	190	231

9. INCOME TAX (CREDIT)/EXPENSE

	Three months ended 31 March	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited) (Restated)
Current tax		
– PRC Enterprise Income Tax (“EIT”) and other jurisdictions	1,679	2,975
Deferred tax	(51,811)	65,554
	<u>(50,132)</u>	<u>68,529</u>

(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 2025 and 2024, 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. Boyaa On-line Game Development (Shenzhen) Co., Limited is still renewing the HNTE qualification as at the date of this report. Therefore, the applicable tax rate for Boyaa On-line Game Development (Shenzhen) Co., Limited was 15% (for the three months ended 31 March 2024: 15%) for the three months ended 31 March 2025.

Shenzhen Intelligent Innovation Technology Co., Limited has successfully obtained income tax incentives of the integrated circuit and software sectors under EIT Law during the year ended 31 December 2025 and as a result, Shenzhen Intelligent Innovation Technology Co., Limited enjoy a 50% tax reduction period from 1 January 2025 to 31 December 2025. Therefore, the applicable tax rate for Shenzhen Intelligent Innovation Technology Co., Limited was 12.5% for the three months ended 31 March 2025 (for the three months ended 31 March 2024: 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 2024: 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 (2024: Shenzhen Dong Fang Bo Ya Technology Co., Limited, Boyaa On-line Game Development (Shenzhen) Co., Limited and Shenzhen Intelligent Innovation Technology Company Limited) had claimed such Super Deduction in ascertaining its tax assessable profits for the three months ended 31 March 2025.

(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 2025, 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 HK\$444,725,000 (31 December 2024: HK\$422,502,000 (restated)). 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 2025 and 2024.

(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 2025 and 2024.

10. (LOSS)/PROFIT FOR THE PERIOD

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

	Three months ended	
	31 March	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
		(Restated)
Amortisation of intangible assets		
– included in administrative expenses	<u>135</u>	<u>180</u>
	<u>135</u>	<u>180</u>
Depreciation	2,537	2,268
Research and development expenditure		
– included in staff costs	13,103	17,251
– included in depreciation	156	123
– included in other administrative expenses	<u>2,780</u>	<u>696</u>
	<u>16,039</u>	<u>18,070</u>
Provision/(reversal of) loss allowance for trade receivables	23	(23)
Staff costs including directors' emoluments		
– Wages, salaries and bonuses	17,113	17,141
– Retirement benefit scheme contributions	2,255	5,512
– Share-based payments expenses	<u>10,092</u>	<u>480</u>
	<u>29,460</u>	<u>23,133</u>

11. 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 2025 (for the three months ended 31 March 2024: nil).

12. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share is based on the following:

	Three months ended	
	31 March	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
		(Restated)
(Loss)/earnings		
(Loss)/earnings for the purpose of basic and diluted (loss)/earnings per share	<u>(223,561)</u>	<u>387,592</u>
Number of shares ('000)		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	670,788	660,019
Effect of dilutive potential ordinary shares arising from RSUs	<u>–</u>	<u>9,526</u>
Weighted average number of ordinary shares for the purpose of diluted (loss)/earnings per share	<u>670,788</u>	<u>669,545</u>

13. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the three months ended 31 March 2025, the Group acquired property, plant and equipment of approximately HK\$457,000 (for the three months ended 31 March 2024: HK\$48,000 (restated)).

Property, plant and equipment with a carrying amount of approximately HK\$4,000 (for the three months ended 31 March 2024: HK\$ nil) were disposed by the Group during the three months ended 31 March 2025.

During the three months ended 31 March 2025, the Group acquired land in Thailand of approximately HK\$44,182,000 which included in right-of-use assets. During the three months ended 31 March 2024, the additions to right-of-use assets related to lease were approximately HK\$16,537,000 (restated).

14. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 March 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited) (Restated)
Included in non-current assets		
Non-quoted investments in:		
– asset management plans	–	–
– equity investment partnerships	<u>105,346</u>	<u>96,447</u>
	<u>105,346</u>	<u>96,447</u>

15. DIGITAL ASSETS

	31 March 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited) (Restated)
Crypto-currencies and stable coins	<u>2,334,035</u>	<u>2,548,592</u>

16. TRADE RECEIVABLES

	31 March 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited) (Restated)
Trade receivables	28,687	26,404
Provision for loss allowance	<u>(202)</u>	<u>(179)</u>
Carrying amount	<u>28,485</u>	<u>26,225</u>

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

	31 March 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited) (Restated)
0 to 30 days	18,016	17,735
31 to 60 days	10,086	7,899
61 to 90 days	64	246
91 to 180 days	31	243
181 to 365 days	47	100
Over 365 days	241	2
	28,485	26,225

17. TRADE PAYABLES

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

	31 March 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited) (Restated)
0 to 30 days	1,085	1,059
31 to 90 days	–	2
91 to 180 days	–	3
	1,085	1,064

18. SHARE CAPITAL

The total authorised share capital of the Company comprises 2,000,000,000 ordinary shares (31 December 2024: 2,000,000,000 ordinary shares) with par value of United States dollar (“USD”) 0.00005 per share (31 December 2024: USD0.00005 per share).

	Number of ordinary shares	Nominal value of ordinary shares USD'000	Equivalent nominal value of ordinary shares HK\$'000 (Restated)
Issued and fully paid:			
At 1 January 2024 (audited)	709,576,301	36	278
Issue of new shares (i)	4,052,429	–	1
Cancellation of ordinary shares (ii)	<u>(3,445,000)</u>	<u>–</u>	<u>(1)</u>
31 December 2024 (audited), 1 January 2025 (audited) and 31 March 2025 (unaudited)	<u>710,183,730</u>	<u>36</u>	<u>278</u>

Note:

- (i) During the year ended 31 December 2024, a total of 4,052,429 ordinary shares of the Company were issued upon exercise of the share options of the Company.
- (ii) The Group repurchased 3,445,000 shares of its own shares from the market during the year ended 31 December 2024. The total amount paid to acquire the shares was approximately HK\$5,636,330 and has been deducted from the shareholders' equity. The related weighted average price at the time of buy-back was HK\$1.63 per share. Such 3,445,000 repurchased shares have been cancelled as at 31 December 2024.

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 2025, both the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme were expired. After the expiration of such share option schemes, no further options will be granted but the provisions of such share option schemes shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto which are at that time or become thereafter capable of exercise under such share option schemes, or otherwise to the extent as may be required in accordance with the provisions of such share option schemes.

On 19 April 2024, the shareholders of the Company approved and adopted a new share option scheme (the “**2024 Share Option Scheme**”) at the annual general meeting with the objective to incentivize and reward the eligible persons for their contribution to the Group and to align their interests with that of the Company so as to encourage them to work towards enhancing the value of the Company. The contractual life of all options under the 2024 Share Option Scheme is ten years from the grant date.

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

	<u>Number of share options</u>	
	For the three months ended	
	31 March	
	2025	2024
	(unaudited)	(unaudited)
Outstanding at the beginning of the period	820,000	4,872,429
Lapsed during the period	(200,000)	–
Outstanding at the end of the period	<u>620,000</u>	<u>4,872,429</u>
Exercisable at the end of the period	<u>620,000</u>	<u>4,872,429</u>

No options were exercised during the three months ended 31 March 2025 and 2024.

Details of the exercise prices and the respective numbers of share options which remained outstanding as at 31 March 2025 and 2024 are as follows:

	<u>Exercise price</u>		<u>Number of share options</u>	
			For the three months ended	
			31 March	
Expiry date	Original currency	Equivalent to HK\$	2025	2024
			(unaudited)	(unaudited)
6 September 2025	HK\$3.108	3.108	<u>620,000</u>	<u>4,872,429</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**”) to motivate and contain the contributing staff, senior management, directors (not including INED) and senior staff within the Group. The 2024 RSU Scheme shall be valid and effective for a period of eight years commencing on 28 March 2024. After the termination of the RSU Scheme and 2021 RSU Scheme, the rights and obligations of the grantees and the Company with respect to the RSUs that have been granted or earmarked pursuant to the RSU Scheme and the 2021 RSU Scheme on or before the termination dates as provided (or will be provided) in the relevant grant letters shall survive termination and remain in full force and effect except otherwise provided for in such grant letters.

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 HK\$0.445 per share. The expiry date of the above newly granted RSUs is 26 August 2029. Based on the performance and contributions of the relevant participants, the Board of Directors approved to waive the remaining vesting period and other vesting conditions for the unvested RSUs held by the relevant participants, resulted in a total of the remaining 571,865 RSUs, which were held by twelve individuals, vested in advance on 4 December 2024.

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 HK\$0.465 per share. The expiry date of the above newly granted RSUs is 14 April 2030. Based on the performance and contributions of the relevant participants, the Board of Directors approved to waive the remaining vesting period and other vesting conditions for the unvested RSUs held by the relevant participants, resulted in a total of the remaining 404,169 RSUs, which were held by two individuals, vested in advance on 4 December 2024.

On 19 June 2024, the Group granted 1,900,000 RSUs under the 2024 RSU Scheme to its employees. No vesting period of the RSUs granted. 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 HK\$1.89 per share. The expiry date of the above newly granted RSUs is 18 June 2032.

On 14 March 2025, the Group granted 5,850,000 RSUs under the 2024 RSU Scheme to its employees. The RSUs granted shall be vested within 30 months in 30 equal installments per month starting from the date of grant (i.e. 14 March 2025). 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 HK\$3.88 per share. The expiry date of the above newly granted RSUs is 13 March 2033. Based on the performance and contributions of the relevant participants, the Board of Directors approved to waive the remaining vesting period and other vesting conditions for the unvested RSUs held by the relevant participants, resulted in a total of the remaining 2,126,667 RSUs, vested in advance on 14 March 2025.

Movements in the number of RSUs outstanding:

	Number of RSUs	
	2025 (unaudited)	2024 (unaudited)
At 1 January	1,345,000	19,588,089
Granted	5,850,000	–
Lapsed	–	(3,628,089)
Vested and transferred	(2,470,000)	(2,541,000)
At 31 March	<u>4,725,000</u>	<u>13,419,000</u>
Vested but not transferred at 31 March	<u>1,196,666</u>	<u>3,012,750</u>

The related weighted-average share price at the time when the RSUs were vested and transferred was HK\$1.01 (for the three months ended 31 March 2024: HK\$1.95) 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, 2,470,000 (for the three months ended 31 March 2024: 2,541,000) of RSUs were vested and transferred (note (b) above), and as a result, 38,735,237 ordinary shares (31 December 2024: 41,205,237 ordinary shares) of the Company underlying the RSUs were held by Core Administration RSU Limited as at 31 March 2025.

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:

	31 March 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited) (Restated)
Amount due from a director included in other receivables	882	882
Amount due from a related party included in other receivables	<u>2,163</u>	<u>2,163</u>

21. CAPITAL COMMITMENT

Capital contribution contracted for but not yet provided as at 31 March 2025 and 31 December 2024 were as follows:

	31 March 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Acquisition of MTT token	<u>27,150</u>	<u>–</u>

22. APPROVAL OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on 29 May 2025.

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

FOR THE THREE MONTHS ENDED 31 MARCH 2025

	For the three months ended			Year-on-Year Change*	Quarter-on-Quarter Change**
	31 March 2025	31 December 2024	31 March 2024		
	HK\$'000	HK\$'000	HK\$'000	%	%
	(unaudited)	(unaudited)	(unaudited)		
		(Restated)	(Restated)		
Revenue	111,892	150,788	119,570	(6.4)	(25.8)
Cost of revenue	<u>(34,428)</u>	<u>(34,990)</u>	<u>(34,608)</u>	(0.5)	(1.6)
Gross profit	77,464	115,798	84,962	(8.8)	(33.1)
Other (losses)/gains, net	(303,007)	816,432	399,433	–	–
Selling and marketing expenses	(14,687)	(13,645)	(8,060)	82.2	7.6
Administrative expenses	(34,837)	<u>(30,923)</u>	<u>(29,712)</u>	17.2	12.7
Operating (loss)/profit	(275,067)	887,662	466,623	–	–
Finance income, net	1,411	1,836	9,631	(85.3)	(23.1)
Share of losses of associates	(37)	85	(133)	(72.2)	–
Profit before income tax	(273,693)	889,583	456,121	–	–
Income tax credit/(expenses)	50,132	<u>(152,024)</u>	<u>(68,529)</u>	–	–
(Loss)/profit for the period	<u>(223,561)</u>	<u>737,559</u>	<u>387,592</u>	–	–
Non-IFRS Adjustment (unaudited)					
Share-based compensation expense included in administrative expenses	10,092	<u>(1,635)</u>	<u>480</u>	2,002.5	–
Non-IFRS adjusted net profit (unaudited)	<u>(213,469)</u>	<u>735,924</u>	<u>388,072</u>	–	–

* *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 2025 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, 29 May 2025

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.