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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Boyaa Interactive International Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**POSSIBLE VERY SUBSTANTIAL ACQUISITION
ACQUISITION MANDATE IN RELATION TO
THE POTENTIAL CRYPTOCURRENCY ACQUISITIONS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A letter from the Board is set out on pages 3 to 12 of this circular.

A notice convening the extraordinary general meeting of the Company to be held physically at Plaza 4, Basement 3, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 22 December 2023 at 3:00 p.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the extraordinary general meeting is also enclosed. Whether or not you are able to attend the extraordinary general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the extraordinary general meeting (i.e. not later than 3:00 p.m. on Wednesday, 20 December 2023) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the extraordinary general meeting or any adjourned meeting should you so wish and in such event the form of proxy shall be deemed to be revoked.

5 December 2023

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If any shareholder chooses not to attend the Extraordinary General Meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, he/she is welcome to send such question or matter in writing to our principal place of business in Hong Kong. If any shareholder has any question relating to the Extraordinary General Meeting, please contact Computershare Hong Kong Investor Services Limited, the Company's Hong Kong branch share registrar and transfer office at:

Computershare Hong Kong Investor Services Limited

17M Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Website: www.computershare.com/hk/contact

Tel: +852 2862 8555

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Acquisition Mandate”	a specific mandate proposed by the Board in order to seek Shareholders’ approval to authorize and empower the Board to conduct the Potential Cryptocurrency Acquisitions during the Mandate Period
“Board”	the board of Directors of the Company
“Company”	Boyaa Interactive International Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Extraordinary General Meeting”	an extraordinary general meeting of the Company to approve, among other things, the Acquisition Mandate and the Potential Cryptocurrency Acquisitions to be held physically at Plaza 4, Basement 3, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 22 December 2023 at 3:00 p.m., or any adjournment thereof
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Government”	the government of Hong Kong
“Latest Practicable Date”	30 November 2023, being the latest practicable date for ascertaining certain information referred to in this circular prior to its publication
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Mandate Period”	a period of 12 months from the date on which the ordinary resolution in relation to the Acquisition Mandate and the Potential Cryptocurrency Acquisitions is duly passed by the Shareholders at the Extraordinary General Meeting
“Potential Cryptocurrency Acquisitions”	the potential acquisitions of cryptocurrencies in an aggregate amount not exceeding US\$100 million in open market transactions on an ongoing basis
“PRC” or “China”	the People’s Republic of China, excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“RSU(s)”	Restricted share unit(s) as defined under the restricted share units schemes of the Company
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of USD0.00005 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“US\$” or “USD”	United States dollars, the lawful currency of the United States
%	per cent



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)

Executive Directors:

Mr. DAI Zhikang (*Chairman*)

Ms. TAO Ying (*Acting Chief Executive Officer*)

Independent Non-executive Directors:

Mr. CHEUNG Ngai Lam

Mr. CHOI Hon Keung Simon

Mr. KONG Fanwei

Registered Office:

The offices of Maples

Corporate Services Limited

P.O. Box 309

Ugland House

Grand Cayman KY1-1104

Cayman Islands

Principal Place of Business

in Hong Kong:

14/F, Golden Centre

188 Des Voeux Road Central

Hong Kong

5 December 2023

To the Shareholders

Dear Sir or Madam,

**POSSIBLE VERY SUBSTANTIAL ACQUISITION
ACQUISITION MANDATE IN RELATION TO
THE POTENTIAL CRYPTOCURRENCY ACQUISITIONS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

References are made to the announcements of the Company dated 10 August 2023 and 13 November 2023. As the Directors are of the view that purchase and holding of cryptocurrencies is a pivotal and strategic move for the Group to path its business layout and development in the field of Web3, and a significant component of the Group's asset allocation strategy, after careful consideration, the Board proposed to seek approval for the Acquisition Mandate from the Shareholders in advance to authorize and empower the Board to conduct the Potential Cryptocurrency Acquisitions, for an aggregate amount not exceeding US\$100 million, during the 12 months from the date on which the ordinary resolution in relation to the Acquisition Mandate and the Potential Cryptocurrency Acquisitions is duly passed at the Extraordinary General Meeting.

LETTER FROM THE BOARD

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Potential Cryptocurrency Acquisitions is expected to exceed 100%, the Potential Cryptocurrency Acquisitions, if materialized, may constitute a very substantial acquisition of the Company and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the Potential Cryptocurrency Acquisitions will be open market transactions and will be conducted on an ongoing basis and considering the cryptocurrency investment market is volatile and fast-changing, acquiring cryptocurrencies at the best possible prices requires prompt actions at the right timing and it would not be practicable to seek prior Shareholders' approval for each acquisition of cryptocurrencies. Accordingly, the Board proposed to seek the Shareholders' prior approval for the grant of the Acquisition Mandate at the Extraordinary General Meeting.

The purpose of this circular is to provide you with, among other things, (i) details of the Potential Cryptocurrency Acquisitions and the Acquisition Mandate; (ii) the financial information of the Group and other information as required under the Listing Rules; and (iii) a notice of the Extraordinary General Meeting.

1. ACQUISITION MANDATE IN RELATION TO THE POTENTIAL CRYPTOCURRENCY ACQUISITIONS

References are made to the announcements of the Company dated 10 August 2023 and 13 November 2023. As the Directors are of the view that purchase and holding of cryptocurrencies is a pivotal and strategical move for the Group to path its business layout and development in the field of Web3, and a significant component of the Group's asset allocation strategy, after careful consideration, the Board proposed to seek approval for the Acquisition Mandate from the Shareholders in advance to authorize and empower the Board to conduct the Potential Cryptocurrency Acquisitions, for an aggregate amount not exceeding US\$100 million, during the 12 months from the date on which the ordinary resolution in relation to the Acquisition Mandate and the Potential Cryptocurrency Acquisitions is duly passed at the Extraordinary General Meeting.

The Terms of the Acquisition Mandate

The Acquisition Mandate to be sought from the Shareholders at the Extraordinary General Meeting will be on the following terms:

Mandate Period

The Acquisition Mandate is for the Mandate Period, namely a period of 12 months from the date on which the ordinary resolution in relation to the Acquisition Mandate and the Potential Cryptocurrency Acquisitions is duly passed by the Shareholders at the Extraordinary General Meeting.

LETTER FROM THE BOARD

Maximum Amount

The Acquisition Mandate shall authorize and empower the Board to acquire cryptocurrencies in an aggregate amount not exceeding US\$100 million in open market transactions, which was determined with reference to the Group's business development strategy in the field of Web3 in the future, the asset allocation strategy of the Group and the possible increase in the price for cryptocurrency acquisition in the future.

Types of Cryptocurrencies to be Acquired

The types of cryptocurrencies which the Board intends to purchase should be cryptocurrencies that accord with the Group's business development strategy and asset allocation demands, as assessed by the Group's virtual asset management and risk control department and approved by the Board under the Acquisition Mandate, and have good market liquidity, large market value, wide recognition on the market and relatively long-term holding value. The cryptocurrencies that the Group intends to purchase under the Acquisition Mandate will consist mainly of Bitcoin (BTC) and Ether (ETH). It is currently expected that the Company will use approximately US\$45 million to acquire each of BTC and ETH and the remainder of not more than US\$10 million will be used to purchase Tether USD (USDT) and USD Coin (USDC), which are cryptocurrencies of similar nature as they are pegged to US dollars and are considered as stablecoin.

Acquisition Consideration for the Cryptocurrencies

The consideration for the Potential Cryptocurrency Acquisitions will be determined according to the bid and ask prices of the cryptocurrencies as quoted on the open market, and the Company will purchase cryptocurrencies at its discretion with reference to the cryptocurrency market and price. The maximum percentage of premium the Company would pay for acquisition of relevant cryptocurrencies will not exceed 10% of the market price.

The consideration for the Potential Cryptocurrency Acquisitions will be satisfied in cash and will be funded by the idle cash reserve of the Group generated from business operation in Hong Kong and overseas.

Scope of Authorization

The Board shall be authorized and empowered to determine, decide, execute and implement with full discretion in relation to the Potential Cryptocurrency Acquisitions, that is, the number of each type of cryptocurrencies to be acquired under each transaction, the number of batches of each type of cryptocurrencies to be acquired, the timing, price and purchase platform of the Potential Cryptocurrency Acquisitions.

LETTER FROM THE BOARD

Manner of the Potential Cryptocurrency Acquisitions

The Potential Cryptocurrency Acquisitions by the Group shall be conducted in the open market on regulated and licensed trading platforms, including but not limited to HashKey Exchange. HashKey Exchange is a virtual asset trading platform operated by Hash Blockchain Limited, which is a virtual asset trading platform operator licensed by the Securities and Futures Commission of Hong Kong (CE Reference: BPL992).

The Group may also continue to explore to conduct the Potential Cryptocurrency Acquisitions on other trading platforms which are regulated and licensed by relevant regulatory authorities under the Acquisition Mandate. Furthermore, the Group has formed up a specialized supervisory team, which will monitor the licensing and regulatory environment of the trading platforms on a regular basis and ensure that the platforms used by the Group are secure and recognised.

2. INFORMATION ON CRYPTOCURRENCY

Cryptocurrencies are digital currencies in which encryption techniques are used to regulate the generation of units of currency and verify the transfer of funds using blockchain technology. The blockchain is a public record of cryptocurrency transactions in chronological order and is shared between all users in that blockchain so as to verify the permanence of transactions and to prevent double spending. Cryptocurrencies make it easier to transfer funds between two parties in a transaction and these transfers are facilitated through the use of public and private keys for security purposes.

Among various types of cryptocurrencies, BTC was launched in 2009 and has become the world's largest cryptocurrency by market capitalization, while ETH was launched in 2014 and is second only to BTC in market capitalization up to the present.

USDT is a cryptocurrency stablecoin launched in 2014 and has become the third largest cryptocurrency after BTC and ETH and the stablecoin with the largest market value. USDC is another type of stablecoin backed by reserve assets like US dollars and euros, which was launched in 2018. USDC is the stablecoin second only to USDT by market value currently. As stablecoins pursue steady valuation and the prices of stablecoins are relatively stable, stablecoins are usually favored by investors who want to avoid the volatility typical of cryptocurrencies.

LETTER FROM THE BOARD

3. REASONS FOR AND BENEFITS OF THE POTENTIAL CRYPTOCURRENCY ACQUISITIONS AND THE GRANT OF THE ACQUISITION MANDATE

Since October 2022, the Hong Kong Government has released a series of regulating policies on cryptocurrency transactions, recognizing the potential of Web3 to become the future trends in the development of finance and commerce. In view of the virtual assets' attraction to global investors and the future opportunities that will be opened up as virtual assets move into the field of Web3, the Hong Kong Government has been committed to providing a facilitating environment for promoting the sustainable development of the virtual asset transaction. In view of the remarkable results achieved by Hong Kong in the development of Web3 industry, and the promulgation of relevant regulating policies by the Hong Kong Government in forming up a facilitating environment for the sustainable development of Web3 industry, the Group is confident in the future of Web3 industry and understands that it is an emerging market with great development potential.

Besides, the principal business operated by the Group, namely the online gaming business, has high compatibility with Web3 technology, and its focus on communities, users and virtual assets may enable an easier and wider application of Web3 technology to the online gaming industry. Currently, the development of Web3 games is still at its early stage with explorations and attempts being made to form up the unique game rules and operating mechanism. The Group as a global online gaming business operator has launched gaming products in multi-languages in over 100 countries and regions, and thus is in a particularly advantageous position to develop Web3 games. Deeply rooted in the online gaming industry for years, we have acquired solid and leading technologies related to online gaming and network security maintenance, which provides strong support for our business expansion in the field of Web3. The Group intends to create industry-leading Web3 games through a combination of existing online games and Web3 technology and make more profound business layout in the field of Web3. The Board is confident in the Group's innovation on Web3 games and continuous development in the field of Web3. The Group has built up a Web3 research, development and operation team to focus on (i) the development, operation and expansion of Web3 games; and (ii) the research and development of Web3 infrastructure, including but not limited to Web3 wallet, DeFi infrastructure^(Note) and etc. The Group will also make every effort to bring in and cultivate expertise in Web3 industry and crypto assets to promote the Group's achievement of business development strategies in the field of Web3.

Note: DeFi infrastructure means Decentralised Finance infrastructure, which is the infrastructure used for a blockchain based financial system, for example, smart contract used for validating financial transactions etc..

LETTER FROM THE BOARD

The purchase and holding of cryptocurrencies is expected to be the pivotal basis of and move for the Group's expansion and operation of Web3 games and pathing of its layout in the field of Web3 to achieve its continuous development. Given that Web3 is a network architecture based on blockchain, and cryptocurrency is a circulating token based on the foundation of blockchain technology, the operations and execution of services on the blockchain requires the use of digital tokens compatible with that blockchain as applications and media. Cryptocurrencies enable users and companies to interact, communicate and collaborate conveniently and smoothly on the Web3 network. Correspondingly, BTC, ETH, USDT and USDC, as the largest and most common types of cryptocurrencies, are the foundation of Web3's development. Therefore, the purchase of cryptocurrencies is of great importance to the Group's development in the Web3 field. Specifically, the Group's potential purchase of cryptocurrencies will be used for the development and operation of Web3 businesses, including but not limited to the promotion and construction of Web3 gaming communities, token payment of Web3 game collaboration, and the construction and use of other Web3 infrastructures (including Web3 wallets and DeFi infrastructures) etc..

Besides, purchase of cryptocurrencies is also an important arrangement for the Group's asset allocation, as allocating part of the Group's idle reserve funds in cryptocurrencies can serve as a diversification to holding cash in treasury management, and a measure to balance investment risks and returns. We believe that cryptocurrencies, as means of storing value, are backed up by strong public open source architecture, and therefore have the potential to resist inflation in the long run and appreciate the value stored and have long-term value. The Group is confident in the development of the cryptocurrency market, and considers that now is the right timing for purchasing cryptocurrencies.

The Group also notes that cryptocurrency price may be highly volatile and therefore the Group intends to mainly invest in cryptocurrencies that are more mature, and have wider recognition, desirable market liquidity, relatively large market value on the market and relatively long-term holding value. Therefore, the cryptocurrencies that the Group intends to purchase consist mainly of BTC and ETH, with the possibility of including a small amount of USDT and USDC as well. The Group will choose appropriate timing based on the performance of the cryptocurrency market and price, and purchase cryptocurrencies by steps at separate timing and by separate batches after strict assessment and review of the type, price range, and appropriateness of the timing of each proposed transaction. 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.

LETTER FROM THE BOARD

In view of the above, the Board believes that the Potential Cryptocurrency Acquisitions is in line with the Group's long-term business development strategy and asset allocation strategy, and is an important and pivotal move for the Group to explore and achieve sustainable development in the field of Web3 in the future, and will have a positive and crucial impact on the Group's future development. The Potential Cryptocurrency Acquisitions is a highly forward-looking strategic layout pathed after careful consideration by the Group. The approval of the Acquisition Mandate by the Shareholders will provide the Board with flexibility in dealing in cryptocurrencies and reacting promptly to the rapidly changing market. The Board are therefore of the view that the terms of the Acquisition Mandate are fair and reasonable and on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

4. FINANCIAL EFFECTS OF THE POTENTIAL CRYPTOCURRENCY ACQUISITIONS AND THE ACQUISITION MANDATE

The maximum value of the Potential Cryptocurrency Acquisitions accounts for approximately 38.03% of the Group's total assets as of 30 June 2023 (approximately RMB1.887 billion), and approximately 43.91% of the Group's current assets as of 30 June 2023 (approximately RMB1.635 billion). According to the financial data as of 30 June 2023, without taking into account the US\$100 million purchase of the cryptocurrencies (which is also categorised as the Group's current asset as digital assets), the Group will still have other types of current assets of approximately RMB917 million. The Group's annual revenue generated from traditional business operations is sufficient to support its daily operation with a surplus, and the above plan for purchasing cryptocurrencies has no substantial impact on the financial needs related to the Group's daily operation.

The above figures are for illustrative purpose only. The actual financial effects of the Potential Cryptocurrency Acquisitions and the Acquisition Mandate will be determined based on the actual acquisition and selling consideration for each of the cryptocurrencies transactions to be conducted under the Acquisition Mandate, the actual revenue and net cash inflow from operating activities recorded by the Company.

Since the Potential Cryptocurrency Acquisitions is to be financed by the Group's internal resources and accounted as digital assets, the acquisition will not have an impact on the Company's liabilities and such impact on assets and earnings of the Company will be subject to the price fluctuation of the cryptocurrency purchased.

LETTER FROM THE BOARD

5. INFORMATION ON THE GROUP

The Company is an investment holding company. The principal activity of the Group is the development and operation of online card and board games, and the Group will be committed to promoting and developing Web3 gaming related business.

As the Potential Cryptocurrency Acquisitions will be conducted in the open market and on licensed and regulated trading platforms, the identities and principal business activities of the vendors of the Potential Cryptocurrency Acquisitions cannot be ascertained. The Company hereby undertake that to the best of their knowledge, information and belief, having made all reasonable enquiries, in the event that any vendor or its ultimate beneficial owner is a connected person of the Company or the Company's connected persons, the Company will comply with the requirements under the Chapter 14A of the Listing Rules.

6. LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Potential Cryptocurrency Acquisitions is expected to exceed 100%, the Potential Cryptocurrency Acquisitions, if materialized, may constitute a very substantial acquisition of the Company and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the Potential Cryptocurrency Acquisitions will be open market transactions and will be conducted on an ongoing basis and the cryptocurrency investment market is volatile and fast-changing, acquiring cryptocurrencies at the best possible prices requires prompt actions at the right timing and it would not be practicable to seek prior Shareholders' approval for each acquisition of cryptocurrencies. Accordingly, the Board proposed to seek the Shareholders' prior approval for the grant of the Acquisition Mandate at the Extraordinary General Meeting.

To the best of the Board's knowledge, information and belief having made all reasonable enquiries, no Shareholders have a material interest in the Acquisition Mandate and the Potential Cryptocurrency Acquisitions. Accordingly, it is expected that no Shareholder is required to abstain from voting at the Extraordinary General Meeting.

LETTER FROM THE BOARD

7. CLOSURES OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 19 December 2023 to Friday, 22 December 2023 (both days inclusive), during which period no transfer of Shares will be registered. In order to determine the identity of the Shareholders who are entitled to attend and vote at the Extraordinary General Meeting, all transfer of share documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 18 December 2023.

8. EXTRAORDINARY GENERAL MEETING

A notice convening the Extraordinary General Meeting to be held physically at Plaza 4, Basement 3, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 22 December 2023 at 3:00 p.m. is set out on pages EGM-1 to EGM-3 of this circular. At the Extraordinary General Meeting, resolutions will be proposed to consider and, if thought fit, to approve the Acquisition Mandate to authorize and empower the Directors to conduct the Potential Cryptocurrency Acquisitions. As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, no Shareholder has a material interest in the Acquisition Mandate and the Potential Cryptocurrency Acquisitions.

9. ACTIONS TO BE TAKEN

A form of proxy for use at the Extraordinary General Meeting is enclosed with this circular. Whether or not you are able to attend the Extraordinary General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Extraordinary General Meeting (i.e. not later than 3:00 p.m. on Wednesday, 20 December 2023) or any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting or any adjourned meeting should you so wish and in such event the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

10. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the Extraordinary General Meeting will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

11. RECOMMENDATION

Based on the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Acquisition Mandate in relation to the Potential Cryptocurrency Acquisitions are fair and reasonable and on normal commercial terms and in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolutions to be proposed at the Extraordinary General Meeting.

12. ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

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

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for the financial years ended 31 December 2020, 2021 and 2022 and the six months ended 30 June 2023 were set out in the relevant annual and interim reports of the Company uploaded to the Stock Exchange's website (<http://www.hkexnews.hk>) and the Company's website (<http://www.boyya.com.hk/>).

Please also see below links to the relevant annual and interim reports:

- Interim report of the Company for the six months ended 30 June 2023 published on 19 September 2023 (pages 30 to 60)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0919/2023091900488.pdf>

- Annual report of the Company for the year ended 31 December 2022 published on 28 April 2023 (pages 97 to 180)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0428/2023042801750.pdf>

- Annual report of the Company for the year ended 31 December 2021 published on 28 April 2022 (pages 95 to 170)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0428/2022042801364.pdf>

- Annual report of the Company for the year ended 31 December 2020 published on 23 April 2021 (pages 88 to 162)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0423/2021042301669.pdf>

The financial information set out in this appendix are extracted from the annual reports of the Company for the years ended 31 December 2020, 2021 and 2022 and the interim report of the Company for the six months ended 30 June 2023.

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 October 2023, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the indebtedness of the Group was as follows:

As at 31 October 2023, the Group had unaudited outstanding lease liabilities of approximately RMB13,085,000 which was not covered by any guarantees and unsecured as at 31 October 2023.

Save as disclosed above and for intra-group liabilities, the Group did not have any debt securities authorized or created but unissued, issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance leases, hire purchase commitments, guaranteed, unguaranteed, secured and unsecured borrowing and debt, or other material contingent liabilities as at the close of business on 31 October 2023.

3. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that, in absence of unforeseeable circumstances, after taking into consideration the effect of the maximum amount of the Acquisition Mandate (being not exceeding US\$100 million in aggregate) and the financial resources available to the Group including funds internally generated from its business operation and current assets of the Group, the Group has sufficient working capital for its present requirements and for at least twelve (12) months from the date of this circular.

The Company has obtained the relevant confirmation as required under Rule 14.66 (12) of the Listing Rules.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Company is an investment holding company and its subsidiaries are principally engaged in the development and operation of online card and board games, and the Group will be committed to promoting and developing Web3 gaming related business. The Group recorded revenue of approximately RMB366.2 million, RMB375.3 million and RMB194.3 million for the two years ended 31 December 2021 and 2022 and the six months ended 30 June 2023, respectively, and current assets of approximately RMB1,420.0 million, RMB1,497.4 million and RMB1,634.5 million as at 31 December 2021 and 2022 and 30 June 2023, respectively.

Based on the current operational situation, it is expected that the operation of the traditional online gaming business of the Group will remain stable. In terms of its traditional online card and board games businesses, the Group will continue to expand in both domestic and overseas markets and explore other card and board games businesses, enrich and innovate the gameplay, while striving to improve the players' gaming experience, further refine our products and diversify our operation and make every effort to create high-quality online and offline internet intellectual competitive card and board games and competition products. Meanwhile, in view of the remarkable results achieved by Hong Kong in the development of Web3 industry, and the promulgation of relevant regulating policies by the Hong Kong Government in forming up a facilitating environment for the sustainable development of Web3 industry, the Group is confident in the future of Web3 industry and understands that it is an emerging market with great development potential. In terms of the Web3 games related business, the Group intends to create industry-leading Web3 games through a combination of existing online games and Web3 technology and make more profound business layout in the field of Web3. The Group has built up a Web3 research, development and operation team to focus on (i) the development, operation and expansion of Web3 games; and (ii) the research and development of Web3 infrastructure, including but not limited to Web3 wallet, DeFi infrastructure and etc., and the Group will make every effort to bring in and cultivate expertise in Web3 industry and crypto assets to promote the Group's achievement of business development strategies in the field of Web3. With the steady development of traditional online gaming business of the Group and the innovation and expansion of the Web3 games related business, the Group will review its business strategy regularly to capture business opportunities in the PRC and abroad.

5. MANAGEMENT DISCUSSION AND ANALYSIS OF THE GROUP

Set out below are the management discussion and analysis on the Group for the three years ended 31 December 2020, 2021 and 2022 and the six months ended 30 June 2023.

Business Review

The Group's principal business is the development and operation of online card and board games and, will be committed to promoting and developing Web3 gaming related business.

For the year ended 31 December 2020

For the year ended 31 December 2020, the Group recorded revenue of approximately RMB351.5 million, representing a year-on-year increase of approximately 8.5% compared to the year ended 31 December 2019. The increase in revenue was primarily attributable to (i) the quarantine and social distance measures imposed by competent authorities in Mainland China, Hong Kong, Taiwan and overseas regions during the outbreak of COVID-19; and (ii) the holding of certain online operating activities by the Group increasing the online time of game users and their consumption in online games for the first half of 2020.

In 2020, the Group recorded an unaudited non-IFRS adjusted loss of approximately RMB45.1 million, whereas it recorded position of unaudited non-IFRS adjusted net profit of approximately RMB34.2 million in 2019. The change of position from unaudited non-IFRS adjusted net profit for 2019 to an unaudited non-IFRS adjusted net loss for 2020 was mainly attributable to a decrease in fair value of financial assets such as equity investment partnerships of the Group for 2020 due to the economic downturn and market factors caused by the COVID-19 pandemic. Excluding the impact of non-operating one-off factors such as the changes in the fair value of financial assets including equity investment partnerships, the unaudited non-IFRS adjusted net profit in 2020 represented an increase of approximately 10.3% compared to the corresponding period in 2019, which was mainly due to a year-on-year increase in revenue.

In terms of the operating data performance, the Group recorded a decrease in the number of paying players and users during the fourth quarter of 2020 as compared to the fourth quarter of 2019. In particular, the number of paying players decreased by 29.6% from approximately 0.3 million in the fourth quarter of 2019 to approximately 0.2 million in the fourth quarter of 2020. The number of Daily Active Users (the “DAUs”) decreased by 36.5% from approximately 2.6 million in the fourth quarter of 2019 to 1.6 million in the fourth quarter of 2020. The number of Monthly Active Users (the “MAUs”) decreased by 37.2% from approximately 7.1 million in the fourth quarter of 2019 to approximately 4.5 million in the fourth quarter of 2020. However, the Average Revenue Per Paying User (the “ARPPU”) grew in both web-based version of Overseas Texas Hold'em and the mobile version of other card and board games.

During the fourth quarter of 2020, the Group successfully held BPT branded competition series – 2020 BPT Consolidated Server Online Competition of Southeast Asia, three 2020 “Boyaa” Online Chess Competitions for Education Aid. “Boyaa” Competitions aim to promote the philosophy of public welfare by way of card and board games, and to guide and encourage our users to actively participate in public welfare undertakings through these competitions. The Group donated a total of RMB30,000 for the public welfare program for students in poverty to the Charity Federation in Nanshan District Shenzhen through these events. Holding of public welfare events involve game users actively participating in the Boyaa games and public welfare undertakings, and thus further increase the loyalty of our users, and strengthen the influence of its “Boyaa” brand. Inheritance of the traditional culture of Chinese card and board games in the form of public welfare competition have created a healthy and green environment for card and board games and brought good experience for the users.

In terms of gaming products, the Group provided a total of 75 online gaming product portfolio with a total of 11 languages as at 31 December 2020. During 2020, while continued to intensify in-depth market research and focus on research and development of game products, innovation of gameplay, enrichment of game products and optimisation of user experience, the Group made efforts to refine our products and diversify our operation in a steady manner to improve the quality of its gaming products while also constantly exploring and trying new domestic and overseas card and board games operation modes.

For the year ended 31 December 2021

For the year ended 31 December 2021, the Group recorded the revenue of approximately RMB366.2 million, representing a year-on-year increase of approximately 4.2% compared to the year ended 31 December 2020. The increase in revenue was primarily due to the stable increase in the revenue of the Group as the Group held certain online operational activities and continuously optimized the gaming products and gameplay.

In 2021, the Group recorded an unaudited non-IFRS adjusted net profit of approximately RMB8.4 million, whereas it recorded position of unaudited non-IFRS adjusted losses of approximately RMB45.1 million in 2020. The change in positions of unaudited non-IFRS adjusted net profit for the year of 2021 as compared to the position of unaudited non-IFRS adjusted losses in 2020 was mainly due to the respective year-on-year increases in revenue and the smaller extent of the decrease in the fair value of financial assets such as equity investment partnerships as compared to 2020. Excluding the impact of non-operating one-off factors such as a decrease in fair value of financial assets such as equity investment partnerships, the unaudited non-IFRS adjusted net profit in 2021 represented a year-on-year increase of approximately 18.5% as compared with that of 2020, which was mainly due to a year-on-year increase in revenue and a year-on-year decrease in administrative expenses.

In terms of the operating data performance, the Group recorded an increase in the number of paying players during the fourth quarter of 2021 as compared to the fourth quarter of 2020, the number of paying players increased by approximately 4.7% from approximately 0.24 million in the fourth quarter of 2020 to approximately 0.25 million in the fourth quarter of 2021. The Group recorded a decrease in the number of users during the fourth quarter of 2021 as compared to the fourth quarter of 2020. In particular, the number of DAUs decreased by approximately 20.7% from approximately 1.6 million in the fourth quarter of 2020 to 1.3 million in the fourth quarter of 2021. The number of MAUs decreased by approximately 10.8% from approximately 4.5 million in the fourth quarter of 2020 to approximately 4.0 million in the fourth quarter of 2021. However, the ARPPU grew in the mobile version of other card and board games and the mobile version and the web-based version of Overseas Texas Hold'em.

In terms of gaming products, the Group provided a total of 69 online gaming product portfolio with a total of 11 languages as of 31 December 2021. During 2021, while continued to intensify indepth market research and focus on R&D of game products, innovation of gameplay, enrichment of game products and optimisation of user experience, the Group made efforts to refine our products and diversify our operation in a steady manner to improve the quality of its gaming products while also constantly exploring and trying new domestic and overseas card and board games operation modes.

For the year ended 31 December 2022

For the year ended 31 December 2022, the Group recorded revenue of approximately RMB375.3 million in 2022, representing a year-on-year increase of approximately 2.5% compared to year ended 31 December 2021. The increase in revenue was primarily due to the stable increase in the revenue of the Group as the Group held certain online operational activities and continuously optimized the gaming products and gameplay.

In 2022, the Group recorded an unaudited non-IFRS adjusted net profit of approximately RMB67.1 million, whereas it recorded an unaudited non-IFRS adjusted net loss of approximately RMB4.0 million in 2021. The change in the position of unaudited non-IFRS adjusted net profit for the year of 2022 as compared to the position of unaudited non-IFRS adjusted net loss for the same period in 2021 was mainly due to, among others, (i) the increase in revenue recorded for the year ended 31 December 2022 as compared to the same period in 2021; (ii) optimisation of the organizational structure and gaining on disposal of subsidiary of the Group in 2022; (iii) the reduction in the decrease in the fair value of the Group's financial assets such as equity investment partnerships for the year ended 31 December 2022 as compared to the same period in 2021; and (iv) the decrease in impairment of frozen sum of the Group for the year ended 31 December 2022 as compared to the same period in 2021. Excluding the impact of non-operating one-off factors such as the change in fair value of financial assets such as equity investment partnerships and the impairment of frozen sum, the unaudited non-IFRS adjusted net profit of the Group for the year ended 31 December 2022 represented a year-on-year increase of approximately 9.4%, which was mainly attributable to, among others, the increase in the Group's revenue in 2022 as compared to the same period of 2021 and optimisation of the organizational structure and gaining on disposal of subsidiary of the Group in 2022.

In terms of the operating data performance, the Group recorded a decrease in the number of paying players and users during the fourth quarter of 2022 as compared to the fourth quarter of 2021, of which the number of paying players decreased by approximately 12.2% from approximately 0.25 million in the fourth quarter of 2021 to approximately 0.22 million in the fourth quarter of 2022. The number of DAUs decreased by approximately 8.2% from approximately 1.3 million in the fourth quarter of 2021 to approximately 1.2 million in the fourth quarter of 2022. The number of MAUs was approximately 4.0 million in both the fourth quarter of 2021 and the fourth quarter of 2022. However, the ARPPU grew in the mobile versions of other card and board games and both Overseas Texas Hold'em mobile and web-based games.

In terms of gaming products, the Group provided a total of 66 online gaming product portfolio with a total of 12 languages as at 31 December 2022. In 2022, the Group continued to intensify in-depth market research and focus on the R&D of game products, innovation of gameplay, enrichment of game products and optimisation of user experience, and made efforts to refine its products and diversify our operation in a steady manner to improve the quality of its gaming products while also constantly exploring and trying new domestic and overseas card and board games operation modes.

Due to the re-assessment of the recoverability of the relevant frozen sum, prior year adjustments were provided in the consolidated financial statement for the year ended 31 December 2022. Details of the adjustments are described on note 4 to the annual report of the Company for the year ended 31 December 2022.

For the six months ended 30 June 2023

For the six months ended 30 June 2023, the Group recorded revenue of approximately RMB194.3 million in the first half of 2023, representing a year-on-year increase of approximately 4.2% compared to the first half of 2022. The revenue has maintained a steady increase, primarily due to the Group's holding of certain online operational activities and continuous optimization of its gaming products and gameplay during the six months ended 30 June 2023.

In the first half of 2023, the Group recorded an unaudited non-IFRS adjusted net profit of approximately RMB57.0 million, representing a year-on-year increase of approximately 133.1% as compared to the same period in 2022, mainly due to (i) the increase in revenue recorded for the six months ended 30 June 2023 as compared to the same period in 2022; (ii) the reduction in the decrease in the fair value of the financial assets such as equity investment partnerships for the six months ended 30 June 2023 as compared to the same period in 2022, and the impairment of frozen sum recorded for the six months ended 30 June 2022, while there was no impairment of frozen sum recorded in 2023; and (iii) the increase in interest income for the six months ended 30 June 2023 as compared to the same period in 2022. Excluding the impact of non-operating one-off factors such as the change in fair value of financial assets such as equity investment partnerships and the impairment of frozen sum in the first half of 2022, the unaudited non-IFRS adjusted net profit for six months ended 30 June 2023 represented a year-on-year increase of approximately 35.5%, which was mainly due to the increase in revenue and interest income as compared to the same period in 2022.

In terms of the operating data performance, the Group recorded a decrease in the number of paying players and users in the second quarter of 2023 as compared to the first quarter of 2023, of which the number of paying players decreased by approximately 8.4% from approximately 0.24 million in the first quarter of 2023 to approximately 0.22 million in the second quarter of 2023. The number of DAUs decreased by approximately 2.1% from approximately 1.3 million in the first quarter of 2023 to approximately 1.2 million in the second quarter of 2023. The number of MAUs decreased by approximately 10.0% from approximately 4.8 million in the first quarter of 2023 to approximately 4.3 million in the second quarter of 2023. However, the ARPPU grew in both the mobile versions of other card and board games and overseas Texas Hold'em mobile and web-based games.

The Group stay true to the mission and have upheld the concept of “growing in love” on charity work, continuing our fulfilment of social responsibility to make contributions to society. During the second quarter of 2023, the Group participated in the welfare activity “Caring for Mountainous Areas and Donating Books to Help Rural Students” organized by the Guangdong Provincial Education Foundation, by donating funds to establish libraries in rural schools. The Group also participated in the love donation activity for schools in mountainous areas of Yunnan Province organized by the China Audio-video and Digital Publishing Association, by donating school supplies in rural schools in the second quarter of 2023.

Liquidity and Financial Resources

As at 31 December 2020, 31 December 2021, 31 December 2022 and 30 June 2023, the Group had net current assets of approximately RMB896.2 million, RMB1,139.0 million, RMB1,181.5 million and RMB1,305.7 million, respectively, cash and cash equivalents of approximately RMB389.1 million, RMB248.3 million, RMB294.0 million and RMB194.4 million, respectively, and term deposits of approximately RMB725.6 million, RMB1,015.0 million, RMB1,157.4 million and RMB1,363.6 million, respectively.

As at 31 December 2020, the cash and cash equivalents of the Group were mainly denominated in Renminbi (as to 77.5%), USD (as to 19.4%) and other currencies (as to 3.1%). As at 31 December 2021, the cash and cash equivalents of the Group were mainly denominated in Renminbi (as to 32.1%), USD (as to 25.1%) and other currencies (as to 42.8%). As at 31 December 2022, the cash and cash equivalents of the Group were mainly denominated in Renminbi (as to 19.9%), USD (as to 37.9%) and other currencies (as to 42.2%). As at 30 June 2023, the cash and cash equivalents of the Group were mainly denominated in RMB (as to 7.1%), USD (as to 51.6%) and other currencies (as to 41.3%).

For the years ended 31 December 2020, 2021 and 2022, and the six months ended 30 June 2023, the Group financed operations primarily through cash generated from operating activities.

The gearing ratio of the Group, as measured by total liabilities divided by total equity, was 17.2%, 17.6%, 18.4% and 18.0% as at 31 December 2020, 31 December 2021, 31 December 2022 and 30 June 2023.

Borrowings

During the years ended 31 December 2020, 2021 and 2022, and the six months ended 30 June 2023, the Group did not have any short-term or long-term bank borrowings and had no outstanding, utilized or unutilized banking facilities.

Commitment

As at 31 December 2020, 31 December 2021, 31 December 2022 and 30 June 2023, the Group did not have any significant commitments.

Contingent Liabilities, guarantees and litigation

The Group did not have any significant unrecorded contingent liabilities, guarantees or any litigation against us as at 31 December 2020, 31 December 2021, 31 December 2022 and 30 June 2023.

Charges on Assets

The Group did not have any charges on assets as at 31 December 2020, 31 December 2021, 31 December 2022 and 30 June 2023.

Treasury Policies

According to the Company's treasury and investment policies, the Company will taking into account, among others, the level of risk, return on investment, liquidity and the term to maturity when making investments, and will ensure that there remains sufficient working capital for the Company's business needs even after the investments. The Company has dedicated investment department and investment project management team to conduct, oversee and manage its investment activities. The Company have established specialized investment management policies and risk management systems to safeguard and improve its investment practices and control the investment risks.

Capital Structure

As at 31 December 2020, 31 December 2021, 31 December 2022 and 30 June 2023, the Group had share capital of approximately RMB232,000, RMB232,000, RMB232,000 and RMB232,000 respectively, constituted of 710,876,301 shares, 709,876,301 shares, 709,876,301 shares and 709,576,301 shares, respectively.

Significant Investments/Material Acquisitions and Disposals

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 years ended 31 December 2020, 2021 and 2022, and the six months ended 30 June 2023, 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 December 2020, 31 December 2021, 31 December 2022 and 30 June 2023 was approximately RMB113.8 million, RMB17.4 million, RMB7.4 million and RMB7.0 million, respectively, representing approximately 6.82%, 1.07%, 0.41% and 0.37% of the total assets of the Company as at the respective dates. The Group recorded unrealised loss on Jiaxing Boyaa amounted to approximately RMB153.8 million, RMB96.4 million, RMB10.0 million and RMB0.4 million for each of the three years ended 31 December 2020, 2021, 2022 and the six months ended 30 June 2023. No dividends had been received from Jiaxing Boyaa during the three years ended 31 December 2020, 2021 and 2022 and six months ended 30 June 2023. Jiaxing Boyaa was mainly established for carrying out equity investments and venture capital investments, subject to certain investment restrictions. It was expected that the investment in Jiaxing Boyaa would provide the Group a platform to acquire, explore and pursue new investment opportunities and cooperation opportunities in related or complementary businesses that align with the Group’s long-term corporate strategy, and through this opportunity to expand and diversify the investment portfolio of the Group. For details of Jiaxing Boyaa, please refer to the Company’s announcement dated 28 December 2016. The Group will continue to monitor the performance of Jiaxing Boyaa and will take necessary actions at the appropriate time to protect the interests of the Company and its Shareholders.

On 25 October 2018, the Group, through Boyaa On-line Game Development (Shenzhen) Co., Ltd.* (博雅網絡遊戲開發(深圳)有限公司), had subscribed for two RMB wealth management products issued by Industrial and Commercial Bank of China at the amount of RMB200.0 million (the “**Wealth Management Product I**”) and RMB128.5 million (the “**Wealth Management Product II**”, together with Wealth Management Product I, the “**Wealth Management Products**”), respectively. The Wealth Management Product I had matured on 24 November 2022. As at 31 December 2020 and 2021, the fair value of the Wealth Management Product I were approximately RMB215.3 million and RMB222.3 million, respectively, representing approximately 12.91% and 13.67% of the total assets of the Company as at the respective dates. The realised and unrealised gain from the Wealth Management Product I for the years ended 31 December 2020, 2021 and 2022 were approximately RMB7.0 million, RMB7.0 million and RMB1.3 million, respectively. The Wealth Management Product II had matured on 9 December 2021. As at 31 December 2020, the fair value of the Wealth Management Product II was approximately RMB136.9 million, representing approximately 8.21% of the total assets of the Company as at 31 December 2020. The realised and unrealised gain from the Wealth Management Product II for the years ended 31 December 2020 and 2021 were approximately RMB3.9 million and RMB3.2 million, respectively. As at 31 December 2020 and 31 December 2021, the bank accounts which held the Wealth Management Products had been frozen. As at 31 December 2022, the Wealth Management Products and the

* For identification purpose only

relevant interests had been withdrawn from the frozen bank accounts pursuant to a ruling made by the High People's Court of Hebei Province in relation to a case involving former individual employees of the Company (the "Case"). For details of the Wealth Management Products and the Case, please refer to the Company's announcement dated 25 October 2018 and note 21 of the Notes to the Condensed Consolidated Financial Statements in the 2023 interim report of the Company published on 19 September 2023, respectively. The investments in wealth management products under investments at fair value through profit or loss were made in line with the Company's 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 have 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 Group had also ensured that there remains sufficient working capital for the Group's business needs even after the investments in wealth management products. Generally speaking, as agreed with the financial institutions, the underlying investment portfolio of the wealth management products of the Group were primarily represented by money market instruments such as bank deposits, bond reverse repurchase, money funds and other inter-bank and exchange-traded funds financing instruments; treasury bonds, financial bonds, local government bonds, central bank bills, interbank certificates of deposit, short-term financing bonds, ultra-short-term financing bonds, medium-term bills, enterprise bonds, corporate bonds, project revenue bonds, project revenue bills, asset-backed securities, subordinated bonds, convertible bonds, and other inter-bank and exchange-market bonds and debt financing instruments, as well as other fixed-income investment instruments, etc., which were highly liquid with a relatively short term of maturity and a relatively low level of risk, whilst enabling the Group to earn an attractive rate of return.

Saved as disclosed above and the disclosures in the 2020, 2021 and 2022 annual reports and 2023 interim report of the Company, the Group had no other significant investment as at 31 December 2020, 2021 and 2022 and 30 June 2023, and had no other material acquisition or disposal of subsidiaries and associated companies during the years ended 31 December 2020, 2021 and 2022 and the six months ended 30 June 2023.

Future Plans for Material Investment and Capital Assets

In the future, the Group will continue to identify new opportunities for business development. The Group has not executed any agreement in respect of material acquisitions, investments or capital asset and does not have any other future plans relating to material acquisitions, investments or capital asset as at the date of this circular. Nonetheless, if any potential investment opportunity arises in the future, the Group will perform feasibility studies and prepare implementation plans to consider whether it is beneficial to the Group and the shareholders of the Company as a whole.

Exposure to Fluctuations in Exchange Rates

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are denominated in either RMB or US\$. For the years ended 31 December 2020, 2021 and 2022 and the six months ended 30 June 2023, the Group recorded net foreign exchange gain of approximately RMB165,000, net foreign exchange loss of approximately RMB1.41 million, net foreign exchange loss of approximately RMB6.43 million and net foreign exchange loss of approximately RMB3.78 million.

Due to the persistent efforts of the Group in managing exposure to foreign currency risks, fluctuations in currency exchange rates do not have any material adverse impact on the financial results of the Group. For the years ended 31 December 2020, 2021 and 2022 and the six months ended 30 June 2023, the Group did not hedge transactions undertaken in foreign currencies or use any financial instruments for hedging purposes. However, the Group will constantly monitor and manage its exposure to foreign exchange risk.

Human Resources and Relations with the Employees

As at 31 December 2020, 31 December 2021, 31 December 2022 and 30 June 2023, the Group had 279, 294, 295 and 263 full-time employees, who are mainly based in China, Hong Kong, Thailand, etc. Staff costs of the Group amounted to approximately RMB82.7 million, RMB80.4 million, RMB84.4 million and RMB46.3 million for the years ended 31 December 2020, 31 December 2021 and 31 December 2022 and the six months ended 30 June 2023, respectively.

The Group organise and launch various training programs on a regular basis for employees to enhance their knowledge and skills of online game development and operation, improve time management and internal communications and strengthen team bonds. The Group also provide various incentives, including share-based awards, such as share options and RSUs granted pursuant to the share incentive schemes of the Company, and performance-based bonuses to better motivate employees. As required by PRC laws and regulations, the Group have also made contributions to various mandatory social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, occupational injury insurance and maternity insurance, and to mandatory housing accumulation funds, for or on behalf of employees.

6. MATERIAL ADVERSE CHANGE

The Directors have confirmed that they were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2022, being the date to which the latest published audited accounts of the Company were made up.

A. INTRODUCTION TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The accompanying unaudited pro forma consolidated statement of profit or loss and other comprehensive income and unaudited pro forma consolidated statement of assets and liabilities of the Group (the “**Unaudited Pro Forma Financial Information**”) have been prepared to illustrate the effect of the acquisition of the cryptocurrencies (the “**Acquisition**”) might have affected the financial information of the Group.

The unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Group are prepared based on the audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2022 as extracted from the annual report of the Company for the year ended 31 December 2022 as if the Acquisition had been completed on 1 January 2022.

The unaudited pro forma consolidated statement of assets and liabilities of the Group is prepared based on the unaudited condensed consolidated statement of financial position of the Group as at 30 September 2023 as extracted from the Group’s unaudited condensed consolidated financial statements for the nine months ended 30 September 2023 as if the Acquisition had been completed on 30 September 2023.

The Unaudited Pro Forma Financial Information is prepared based on a number of assumptions, estimates, uncertainties and currently available information, and is provided for illustrative purposes only. Accordingly, as a result of the nature of the Unaudited Pro Forma Financial Information, it may not give a true picture of the actual financial position and results of operation of the Group that would have been attained had the Acquisition actually occurred on the dates indicated herein. Furthermore, the Unaudited Pro Forma Financial Information does not purport to predict the Group’s future financial position and results of operation.

The Unaudited Pro Forma Financial Information should be read in conjunction with the financial information of the Group as set out in Appendix I of the Circular and other financial information included elsewhere in the Circular.

B. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF THE GROUP

	Consolidated statement of profit or loss and other comprehensive income and Unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2022 RMB'000 (Note 1)
Revenue	375,266
Cost of sales	(129,421)
	<hr/>
Gross profit	245,845
Other loss, net	(55,072)
Selling and distribution expenses	(35,418)
Administrative expenses	(98,619)
	<hr/>
Operating profit	56,736
Finance income	29,748
Finance costs	(657)
Share of losses of associates	(630)
	<hr/>
Profit before income tax	85,197
Income tax expense	(20,997)
	<hr/>
Profit for the year attributable to owners of the Company	64,200
	<hr/>
Other comprehensive income	
<i>Items that may not be reclassified to profit or loss:</i>	
Changes in fair value of equity investments at fair value through other comprehensive income	(13,186)
Exchange differences on translation	20,418
<i>Items that may be reclassified to profit or loss:</i>	
Exchange difference arising on translating of foreign operations	43,085
	<hr/>
Other comprehensive income for the year, net of tax	50,317
	<hr/>
Total comprehensive income for the year attributable to owners of the Company	114,517
	<hr/> <hr/>

C. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF ASSETS AND
LIABILITIES OF THE GROUP

	The assets and liabilities of the Group as at 30 September 2023 RMB'000 (Note 2)	Pro forma adjustment RMB'000 (Note 3)	Unaudited pro forma consolidated statement of assets and liabilities of the Group as at 30 September 2023 RMB'000
Non-current assets			
Property, plant and equipment	25,813	-	25,813
Right-of-use assets	12,948	-	12,948
Intangible assets	1,818	-	1,818
Investments in associates	6,832	-	6,832
Equity investments at fair value through other comprehensive income	22,604	-	22,604
Investments at fair value through profit or loss	92,087	-	92,087
Prepayments, deposits and other receivables	13,392	-	13,392
Deferred tax assets	352	-	352
Term deposits	60,000	-	60,000
	235,846	-	235,846
Current assets			
Digital assets	3,542	689,730	693,272
Trade receivables	27,895	-	27,895
Prepayments, deposits and other receivables	62,838	-	62,838
Investments at fair value through profit or loss	133,301	-	133,301
Term deposits	1,191,726	(689,730)	501,996
Bank and cash balances	253,420	-	253,420
	1,672,722	-	1,672,722
Current liabilities			
Trade payables	1,126	-	1,126
Accruals and other payables	68,814	-	68,814
Contract liabilities	10,975	-	10,975
Lease liabilities	5,681	-	5,681
Current tax liabilities	237,551	-	237,551
	324,147	-	324,147
Net current assets	1,348,575	-	1,348,575
Total assets less current liabilities	1,584,421	-	1,584,421
Non-current liabilities			
Lease liabilities	7,755	-	7,755
Deferred tax liabilities	903	-	903
	8,658	-	8,658
Net assets	1,575,763	-	1,575,763

D. NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

- (1) Figures are extracted from the audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2022 which is part of the consolidated financial statements of the Group included in the Company's published annual report dated 23 March 2023.

For the purpose of this unaudited pro forma financial information, the directors of the Company considered and assumed that there are no changes in the fair values of the cryptocurrencies between 1 January 2022 and 31 December 2022.

- (2) Figures are extracted from the unaudited condensed consolidated statement of financial position of the Group as at 30 September 2023 as set out in the published results announcement of the Group for the nine months ended 30 September 2023 dated 23 November 2023.
- (3) The adjustments represent the proposed purchase of cryptocurrencies for the maximum aggregate amount US\$100 million (equivalent to RMB689,730,000, at the exchange rate of 6.8973 for the purpose of the Unaudited Pro Forma Financial Information). The consideration for the potential cryptocurrencies acquisitions will be satisfied in cash. The cryptocurrencies are classified as digital assets. The Group applies the guidance in International Accounting Standard 2 "Inventories" for commodity broker-traders and measures the digital assets at fair value less costs to sell.

E. ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report, prepared for the sole purpose of inclusion in this circular, from the independent reporting accountants, ZHONGHUI ANDA CPA Limited, Certified Public Accountants, Hong Kong.



ZHONGHUI ANDA CPA Limited

Certified Public Accountants

5 December 2023

The Board of Directors

Boyaa Interactive International Limited

Dear Sirs,

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Boyaa Interactive International Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of assets and liabilities of the Group as at 30 September 2023, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2022 and related notes as set out on pages II-1 to II-4 of the circular issued by the Company dated 5 December 2023 (the “**Circular**”). The applicable criteria on the basis of which the directors have compiled the unaudited pro forma financial information are described on pages II-1 to II-4 of the Circular.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed acquisition of the cryptocurrencies on the Group’s financial position as at 30 September 2023 and on the Group’s financial performance for the year ended 31 December 2022 as if the transaction had been taken place at 30 September 2023 and 1 January 2022 respectively. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Group’s unaudited condensed consolidated financial statements for the nine months ended 30 September 2023, on which a review report has been issued and information about the Group’s financial performance has been extracted by the Directors from the Group’s consolidated financial statements as included in the annual report for the year ended 31 December 2022, on which an audit report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("**AG 7**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 1 January 2022 and 30 September 2023 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Yours faithfully,

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Yeung Hong Chun

Practising Certificate Number P07374

Hong Kong, 5 December 2023

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

Directors' and chief executive's long and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of the Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Director of Listed Issuers were as follows:

(a) Interests and short positions in shares and underlying shares of the Company

Long and short positions in the ordinary shares/underlying shares of the Company:

Name	Name of Company	Capacity/Nature of Interest	Number of Shares held (Note 1)	Approximate percentage of shareholding (Note 4)
Mr. Dai Zhikang (Note 2)	The Company	Founder of a discretionary trust	36,500,000 (L)	5.14%
Ms. Tao Ying (Note 3)	The Company	Beneficial owner	135,000 (L)	0.02%

Notes:

1. The letter “L” denotes the person’s long position in such shares.
2. Visioncode Holdings Limited, a company wholly-owned by a trust named the Visioncode Trust (the “**Dai Family Trust**”), directly holds the entire issued share capital of Comsenz Holdings Limited. Mr. Dai Zhikang is the director of Comsenz Holdings Limited. The Dai Family Trust is a discretionary trust established by Mr. Dai Zhikang (as the settlor) and the discretionary beneficiaries of which include Mr. Dai Zhikang and his children. Accordingly, Mr. Dai Zhikang is deemed to be interested in the 36,500,000 Shares held by Comsenz Holdings Limited under the SFO.
3. Ms. Tao Ying is interested in 50,000 underlying Shares in respect of the RSUs granted by Company under the 2013 RSU scheme of the Company (the “**2013 RSU Scheme**”) and 85,000 underlying Shares in respect of the options granted by the Company under the Post-IPO share option scheme of the Company.
4. As at the Latest Practicable Date, the Company had 709,576,301 issued Shares.

(b) Interests in associated corporations of the Company

Name	Name of associated corporation	Capacity/Nature of Interest	Number of Shares held	Approximate percentage of shareholding
Mr. Dai Zhikang	Shenzhen Dong Fang Bo Ya Technology Co., Limited (深圳市東方博雅科技有限公司) (“Boyaa Shenzhen”)	Beneficial owner	200,000	2.00%

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors is a director or employee of a company which has an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Substantial Shareholders who have an interest and/or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO

As at the Latest Practicable Date, the following persons (other than Directors and chief executives of the Company) had, or were deemed or taken to have an interest or short position in the Shares and underlying Shares of the Company, which are required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name	Name of Company	Capacity/Nature of Interest	Number of Shares held (Note 1)	Approximate percentage of shareholding (Note 6)
Mr. Zhang Wei (Note 2)	The Company	Founder of a discretionary trust	246,237,474 (L)	34.70%
Cantrust (Far East) Limited (Note 3)	The Company	Trustee of a trust	282,737,474 (L)	39.85%
Rustem Limited (Note 3)	The Company	Nominee for another person	282,737,474 (L)	39.85%
Chunlei Investment (Note 2)	The Company	Interest in a controlled corporation	246,237,474 (L)	34.70%
Boyaa Global Limited (Note 3)	The Company	Beneficial owner	176,572,474 (L)	24.88%
Emily Technology Limited (Note 3)	The Company	Beneficial owner	69,665,000 (L)	9.82%
Visioncode Holdings Limited (Note 4)	The Company	Interest in a controlled corporation	36,500,000 (L)	5.14%
The Core Trust Company Limited (Notes 5 and 7)	The Company	Trustee of a trust	56,430,350 (L)	7.95%
Core Administration RSU limited (Notes 5 and 7)	The Company	Nominee for another person	53,040,494 (L)	7.47%
TCT (BVI) Limited (Notes 5 and 7)	The Company	Other	56,430,350 (L)	7.95%

Notes:

1. The letter “L” denotes the person’s long position in such shares.
2. Chunlei Investment Limited (“**Chunlei Investment**”), a company wholly-owned by a trust named the Chunlei Trust (the “**Zhang Family Trust**”), directly holds the entire issued share capital of each of Boyaa Global Limited and Emily Technology Limited. The Zhang Family Trust is a discretionary trust established by Mr. Zhang Wei (as the settlor) and the discretionary beneficiaries of which include Mr. Zhang Wei and his children. Accordingly, Mr. Zhang Wei is deemed to be interested in the 176,572,474 Shares and 69,665,000 Shares held by each of Boyaa Global Limited and Emily Technology Limited under the SFO, respectively.
3. Cantrust (Far East) Limited, the trustee of the Zhang Family Trust, holds the entire issued share capital of Chunlei Investment through Rustem Limited (as nominee for Cantrust (Far East) Limited). Chunlei Investment in turn holds the entire issued share capital of each of Boyaa Global Limited and Emily Technology Limited. The Zhang Family Trust is a discretionary trust established by Mr. Zhang Wei (as the settlor) and the discretionary beneficiaries of which include Mr. Zhang Wei and his children. Accordingly, each of Mr. Zhang Wei, Cantrust (Far East) Limited and Chunlei Investment are deemed to be interested in the shares held by each of Boyaa Global Limited and Emily Technology Limited under the SFO, respectively.
4. Visioncode Holdings Limited, a company wholly-owned by the Dai Family Trust, directly holds the entire issued share capital of Comsenz Holdings Limited. Accordingly, Visioncode Holdings Limited is deemed to be interested in the 36,500,000 Shares held by Comsenz Holdings Limited under the SFO.
5. The Core Trust Company Limited, through its wholly-owned subsidiary, TCT (BVI) Limited, indirectly holds the entire issued share capital of The Core Admin Boyaa RSU Limited, while The Core Admin Boyaa RSU Limited holds 3,382,335 Shares underlying the RSUs granted and to be granted under the 2013 RSU Scheme for the benefit of eligible participants pursuant to the 2013 RSU Scheme. After the adoption of the 2021 RSU scheme of the Company (the “**2021 RSU Scheme**”) on 19 July 2021, the RSUs under the 2021 RSU Scheme were held by Core Administration RSU Limited (indirectly held by The Core Trust Company Limited through its wholly-owned subsidiary TCT (BVI) Limited). As at the Latest Practicable Date, Core Administration RSU Limited held 53,040,494 Shares underlying the RSUs. In addition, the share options under the Pre-IPO share option scheme of the Company were held by The Core Admin Boyaa Option Limited (indirectly held by The Core Trust Company Limited through its wholly-owned subsidiary TCT (BVI) Limited). As at the Latest Practicable Date, The Core Admin Boyaa Option Limited held 7,521 Shares underlying the share options. Pursuant to Rules 17.12(2) and 17.05A of the Listing Rules, the Core Trust Company Limited, being the trustee of the RSU schemes of the Company, will abstain from voting in respect of unvested 46,890,494 Shares it holds on the ordinary resolutions to be considered and, if thought fit, passed at the Extraordinary General Meeting.
6. As at the Latest Practicable Date, the Company had 709,576,301 issued Shares.
7. Pursuant to Section 336 of the SFO, the shareholders are required to file a disclosure of interests form when certain criteria are fulfilled. When a shareholding in the Company changes, it is not necessary for the shareholder to notify the Company and the Stock Exchange unless several criteria have been fulfilled, therefore a shareholder’s latest shareholding in the Company may be different from the shareholding filed with the Stock Exchange.

Save as disclosed above, as at the Latest Practicable Date, none of the other person (other than the Directors and chief executives of the Company) who had, or was deemed or taken to have, an interest or short position in the Shares and underlying Shares of the Company which are required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which would not expire or would not be determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

4. DIRECTORS' INTERESTS IN THE ASSETS, CONTRACTS OR ARRANGEMENT SIGNIFICANT TO THE GROUP

None of the Directors was materially interested in any contract or arrangement which was entered into by any member of the Group and subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group.

None of the Directors has or had any interest, direct or indirect, in any asset which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2022, being the date to which the latest published audited financial statements of the Group were made up.

5. MATERIAL CONTRACTS

There were no contracts (not being contracts entered into in the ordinary course of business), which are, or may be, material to the Group, which had been entered into by any member of the Group within two years immediately preceding the issue of this circular and up to the Latest Practicable Date.

6. COMPETING INTERESTS OF DIRECTORS AND CLOSE ASSOCIATES

Mr. Dai Zhikang, the executive Director, holds approximately 4.3% equity interest in and is also one of the four directors of Blingstorm Entertainment Ltd. (晶合思動(北京)科技有限公司) (a company in which Boyaa Shenzhen holds approximately 9.4% equity interest), which is mainly engaged in provision of mobile games (other than online card and board games) in the PRC.

As at the Latest Practicable Date, save as disclosed above, none of the Directors and their respective close associates had any interest in any business (apart from the Group's business) which competes or is likely to compete, either directly or indirectly, with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder) or have or may have any other conflict of interest with the Group pursuant to the Listing Rules.

7. LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or arbitration of material importance was pending or threatened against any member of the Group.

8. QUALIFICATION AND CONSENT OF EXPERT

The following is the qualification of an expert who has given opinions, letter or advice which are contained in this circular:

Name	Qualification
ZHONGHUI ANDA CPA Limited	Certified public accountants

As at the Latest Practicable Date, the above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letters/reports or its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the expert had no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the above expert had no interest, direct or indirect, in the promotion of, or in any assets which since 31 December 2022, the date to which the latest published audited financial statements of the Company were made up, have been acquired or disposed of by or leased to, any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

9. GENERAL

- (i) The registered office of the Company is situated at the offices of Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands;
- (ii) The principal place of business in Hong Kong of the Company is situated at 14/F, Golden Centre, 188 Des Voeux Road Central, Hong Kong;
- (iii) The branch share registrar and the transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong;
- (iv) The joint company secretaries of the Company are Ms. Tao Ying and Mr. Poon Ping Yeung. Mr. Poon Ping Yeung is an associate member (holder of practitioner's endorsement) of The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) in the United Kingdom and The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries).
- (v) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text thereof.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<http://www.boyyaa.com.hk/>) for a period of not less than 14 days from the date of this circular:

- (i) the report on unaudited pro forma financial information of the Group from ZHONGHUI ANDA CPA Limited as set out in appendix II to this circular;
- (ii) the consent letter referred to in the section headed "8. QUALIFICATION AND CONSENT OF EXPERT" in this appendix; and
- (iii) the annual reports of the Company for each of the years ended 31 December 2020, 2021 and 2022, respectively, and the interim report of the Company for the six months ended 30 June 2023.

NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the Company will be convened physically at Plaza 4, Basement 3, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 22 December 2023 at 3:00 p.m. for the purposes of considering and, if thought fit, passing, with or without modification, the following resolution as an ordinary resolution of the Company. Capitalised terms defined in the circular of the Company dated 5 December 2023 (the “Circular”) shall have the same meanings when used in this notice unless otherwise specified.

ORDINARY RESOLUTION

1. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“THAT:

- (a) the Acquisition Mandate to authorize and empower the Directors in advance to conduct the Potential Cryptocurrency Acquisitions, for an aggregate amount not exceeding US\$100 million, which is expected to be approximately US\$45 million for each of BTC and ETH and the remainder of not more than US\$10 million on USDT and USDC, during the Mandate Period, namely a period of 12 months from the date on which this ordinary resolution is duly passed by the Shareholders, as more particularly described in the Circular be and is hereby approved and confirmed; and
- (b) any one or more of the Directors be and are hereby authorised for and on behalf of the Company and in its name to execute each other documents, instruments, instructions and agreements and to do all such acts or things which he/she/they may consider necessary, expedient or desirable to give effect to the Acquisition Mandate and any one of the Potential Cryptocurrency Acquisitions contemplated thereunder.”

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

Hong Kong, 5 December 2023

NOTICE OF EXTRAORDINARY GENERAL MEETING

Registered Office:

The offices of Maples Corporate
Services Limited
P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

Principal Place of Business in Hong Kong:

14/F, Golden Centre
188 Des Voeux Road Central
Hong Kong

Notes:

1. Any shareholder entitled to attend and vote at the above Extraordinary General Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
2. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the above Extraordinary General Meeting (i.e. not later than 3:00 p.m. on Wednesday, 20 December 2023) or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person if he/she is subsequently able to be present.
3. A form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be either executed under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.
4. In the case of joint holders of any Shares, any one of such joint holders may vote at the above Extraordinary General Meeting, either personally or by proxy, in respect of such Shares as if he were solely entitled thereto. However, if more than one of such joint holders is present at the Extraordinary General Meeting, either personally or by proxy, the vote of the joint holder whose name stands first in the register of members of the Company and who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s).
5. On a poll, every member present in person or by proxy shall be entitled to one vote for each Share registered in his name. The result of such poll shall be deemed to be the resolution of the Extraordinary General Meeting at which the poll was so taken.
6. For determining the entitlement to attend and vote at the above Extraordinary General Meeting, the register of members of the Company will be closed from Tuesday, 19 December 2023 to Friday, 22 December 2023, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the above Extraordinary General Meeting, unregistered shareholders shall ensure that all transfer documents accompanied by the relevant Share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 18 December 2023.
7. In case the above Extraordinary General Meeting is anticipated to be affected by black rainstorms or tropical cyclone with warning signal no. 8 or above, or "extreme conditions" caused by super typhoons, please refer to the Company's website at www.boyya.com.hk and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk for announcement on bad weather arrangement for the Extraordinary General Meeting.

NOTICE OF EXTRAORDINARY GENERAL MEETING

If any shareholder chooses not to attend the Extraordinary General Meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, he/she is welcome to send such question or matter in writing to our principal place of business in Hong Kong. If any shareholder has any question relating to the Extraordinary General Meeting, please contact Computershare Hong Kong Investor Services Limited, the Company's Hong Kong branch share registrar and transfer office at:

Computershare Hong Kong Investor Services Limited

17M Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Website: www.computershare.com/hk/contact

Tel: +852 2862 8555

Fax: +852 2865 0990

As at the date of this notice, 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. KONG Fanwei.