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(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2100)

ANNOUNCEMENT

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

BACKGROUND INFORMATION

Reference is made to the announcements of the Company dated 9 March 2021, 1 April 2021, 15 December 2021, 23 February 2022, 30 March 2022, 28 June 2022 and 16 February 2023 in relation to the continuing connected transactions of the Company with Tencent Group.

CCT AGREEMENTS

The Board is pleased to announce that on 1 February 2024, it had renewed the continuing connected transactions under various existing agreements entered into between the Group and Tencent Group.

The term of each of the 2024 Aola Star Mobile Cooperation Agreement and the 2024 Legend of Aoqi Mobile Cooperation Agreement is one year commencing from 1 February 2024 and ending on 31 January 2025. The term of the 2024 Guangzhou Baitian — WeChat Pay Service Agreement is one year commencing from 24 February 2024 and ending on 23 February 2025.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Tencent is indirectly interested in approximately 11.55% of the total issued share capital of the Company, and it (and its associates, including Tencent Computer and Tenpay) are connected persons of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, transactions between the Group and Tencent Group constitute continuing connected transactions of the Company and are subject to the requirements of Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, since the 2024 Guangzhou Baitian — WeChat Pay Service Agreement and the 2023 Guangzhou Tianti — WeChat Pay Service Agreement were entered into between the Group and the same party within a 12-month period, the transactions contemplated under the WeChat Pay Service Agreements shall be aggregated as if they were one transaction.

Given that one or more of the applicable percentage ratio(s) (as defined under Rule 14.07 of the Listing Rules) calculated with reference to each of the Annual Cap is more than 0.1% but less than 5%, the transactions contemplated under the CCT Agreements are subject to the reporting, annual review and announcement requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND INFORMATION

Reference is made to the announcements of the Company dated 9 March 2021, 1 April 2021, 15 December 2021, 23 February 2022, 30 March 2022, 28 June 2022 and 16 February 2023 in relation to the continuing connected transactions of the Company with Tencent Group.

2024 AOLA STAR MOBILE COOPERATION AGREEMENT

The Board is pleased to announce that on 1 February 2024, the Company had renewed the continuing connected transaction under the 2023 Aola Star Mobile Cooperation Agreement, which will expire on or about 28 February 2024 (as updated for operating purpose to 31 January 2024, such update has no material effect to the annual cap as set out in the announcement of the Company dated 16 February 2023).

Details of the 2024 Aola Star Mobile Cooperation Agreement are as follows:

Date:	1 February 2024
Parties:	(1) Guangzhou Tianti; and (2) Tencent Computer
Term:	One year commencing from 1 February 2024 and ending on 31 January 2025.
Subject Matter:	Guangzhou Tianti releases and operates the mobile game "Aola Star Mobile" (「奧拉星手遊」) on Tencent's mobile game platform.
Pricing Policy and Payment Terms:	Tencent Computer shall share with Guangzhou Tianti the revenue received from game players when they recharge their game accounts.

The amount paid to Tencent Computer by Guangzhou Tianti pursuant to the 2024 Aola Star Mobile Cooperation Agreement is calculated as follows:

$$\text{Amount payable to Tencent Computer} = (A \times 25\%) + (B \times 40\%)$$

Notes:

A = revenue received from game players when they recharge their game accounts; and

B = A × 75%.

The total revenue received from game players, less of above amount will be paid by Tencent Computer to the designated bank account of Guangzhou Tianti by bank transfer, and will be payable within twenty (20) Business Days from the date of Tencent Computer's receipt of invoice issued by Guangzhou Tianti and monthly statements affixed with Guangzhou Tianti's official seal.

The aggregate service fees paid by Guangzhou Tianti to Tencent Computer pursuant to the 2022 Aola Star Mobile Cooperation Agreement and the 2023 Aola Star Mobile Cooperation Agreement are set out below:

- (i) approximately RMB4,200,000 for the period from 1 March 2022 to 28 February 2023 pursuant to the 2022 Aola Star Mobile Cooperation Agreement (with historical annual cap at RMB10,000,000); and
- (ii) approximately RMB1,100,000 for the period from 1 March 2023 to the date of this announcement pursuant to the 2023 Aola Star Mobile Cooperation Agreement (with historical annual cap at RMB6,500,000).

The proposed Aola Star Annual Cap in respect of the services provided and fees due pursuant to the 2024 Aola Star Mobile Cooperation Agreement is RMB2,200,000, which had been determined principally with reference to:

- (i) the aggregate amount paid under the 2022 Aola Star Mobile Cooperation Agreement and the 2023 Aola Star Mobile Cooperation Agreement;
- (ii) the reduced distribution requirement of the Group in respect of "Aola Star Mobile" (「奧拉星手遊」) based on the anticipated number of new users on the same game; and
- (iii) the distribution coverage of the game platforms.

The parties (or through their respective affiliated companies) may enter into subsequent agreements to further specify the rights and obligations between them under the 2024 Aola Star Mobile Cooperation Agreement.

2024 LEGEND OF AOQI MOBILE COOPERATION AGREEMENT

The Company had also renewed the continuing connected transaction under the 2023 Legend of Aoqi Mobile Cooperation Agreement, which will expire on 15 February 2024 (as updated for operating purpose to 31 January 2024, such update has no material effect to the annual cap as set out in the announcement of the Company dated 16 February 2023)..

Details of the 2024 Legend of Aoqi Mobile Cooperation Agreement are as follows:

Date:	1 February 2024
Parties:	(1) Guangzhou Tianti; and (2) Tencent Computer
Term:	One year commencing from 1 February 2024 and ending on 31 January 2025.
Subject Matter:	Guangzhou Tianti releases and operates the mobile game “Legend of Aoqi Mobile” (「奧奇傳說手遊」) on Tencent’s mobile game platform.
Pricing Policy and Payment Terms:	Tencent Computer shall share with Guangzhou Tianti the revenue received from game players when they recharge their game accounts. The amount payable to Tencent Computer by Guangzhou Tianti will be calculated as follows:

$$\text{Amount payable to Tencent Computer} = (A \times 25\%) + (B \times 40\%)$$

Notes:

A = revenue received from game players when they recharge their game accounts; and

B = A × 75%.

The total revenue received from game players, less the above amount will be paid by Tencent Computer to the designated bank account of Guangzhou Tianti by bank transfer, and will be payable within twenty (20) Business Days from the date of Tencent Computer’s receipt of invoice issued by Guangzhou Tianti and monthly statements affixed with Guangzhou Tianti’s official seal.

The aggregate amount paid by Guangzhou Tianti to Tencent Computer pursuant to the Renewed Legend of Aoqi Mobile Cooperation Agreement and the 2023 Legend of Aoqi Mobile Cooperation Agreement are set out below:

- (i) approximately RMB3,160,000 for the period from 16 February 2022 to 15 February 2023 pursuant to the Renewed Legend of Aoqi Mobile Cooperation Agreement (with historical annual cap at RMB6,000,000); and
- (ii) approximately RMB2,740,000 for the period from 16 February 2023 to the date of this announcement pursuant to the 2023 Legend of Aoqi Mobile Cooperation Agreement (with historical annual cap at RMB5,000,000).

The proposed Aoqi Annual Cap in respect of the services provided and fees due pursuant to the 2024 Legend of Aoqi Mobile Cooperation Agreement is RMB3,200,000, which had been determined principally with reference to:

- (i) the aggregate amount paid under the Renewed Legend of Aoqi Mobile Cooperation Agreement and the 2023 Legend of Aoqi Mobile Cooperation Agreement;
- (ii) the reduced distribution requirement of the Group in respect of “Legend of Aoqi Mobile” (「奧奇傳說手遊」) based on the anticipated number of new users on the same game; and
- (iii) the distribution coverage of the game platforms.

The parties (or through their respective affiliated companies) may enter into subsequent agreements to further specify the rights and obligations between them under the 2024 Legend of Aoqi Mobile Cooperation Agreement.

2024 GUANGZHOU BAITIAN — WECHAT PAY SERVICE AGREEMENT

The Company had further renewed the continuing connected transaction under the 2023 Guangzhou Baitian — WeChat Pay Service Agreement, which will expire on 23 February 2024.

Details of the 2024 Guangzhou Baitian — WeChat Pay Service Agreement are as follows:

Date:	1 February 2024
Parties:	(1) Guangzhou Baitian; and (2) Tenpay
Term:	One year commencing from 24 February 2024 and ending on 23 February 2025.
Subject Matter:	Tenpay provides certain payment-related services under WeChat Pay to Guangzhou Baitian, including but not limited to payment channel services for the Group’s customers. In exchange, the Guangzhou Baitian pays a service fee to Tenpay.

Pricing Policy and
Payment Terms:

The service fee payable to Tenpay by its customers for each service provided is denominated in RMB and calculated according to the standard service charges published on the official website (www.tenpay.com) or relevant product pages of Tenpay and as amended by notices and announcements issued by Tenpay from time to time (the “**Published Rates**”). The Published Rates are generally a fixed percentage of the transaction amount settled through Tenpay’s platform by Guangzhou Baitian.

The service fee will be settled either by deducting credits brought forward by Guangzhou Baitian through its merchant account with Tenpay, or making real-time deduction from the payments made by customers to Guangzhou Baitian through Tenpay’s platform.

The aggregate amounts paid by Guangzhou Baitian to Tenpay pursuant to the 2022 Guangzhou Baitian — WeChat Pay Service Agreement and the 2023 Guangzhou Baitian — WeChat Pay Service Agreement are set out below:

- (i) approximately RMB1,570,000 for the period from 24 February 2022 to 23 February 2023 pursuant to the 2022 Guangzhou Baitian — WeChat Pay Service Agreement (with historical annual cap at RMB3,500,000); and
- (ii) approximately RMB1,630,000 for the period from 24 February 2023 to the date of this announcement pursuant to the 2023 Guangzhou Baitian — WeChat Pay Service Agreement (with historical annual cap at RMB3,500,000).

The proposed WeChat Pay Annual Cap in respect of the services provided and fees due pursuant to the WeChat Pay Service Agreements is RMB4,000,000, which had been determined principally with reference to:

- (i) the aggregate amount paid to Tenpay under the Previous WeChat Pay Service Agreements;
- (ii) the anticipated demand for the Group’s products and services by the PRC markets in 2024; and
- (iii) the dominance of WeChat Pay as the principal payment channel adopted by PRC internet users.

The parties (or through their respective affiliated companies) may enter into subsequent agreements to further specify the rights and obligations between them under the WeChat Pay Service Agreements.

To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, the Annual Caps were arrived at after arm’s length negotiations between the parties.

If further revisions are proposed to the Annual Caps, the Company will re-comply with the requirements under Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TRANSACTIONS

Tencent Group owns a large amount of top-rated game products and game platforms, and the Group has been dedicated to the development and operation of popular mobile and PC games. It is expected that the Tencent Group and the Group could leverage on each other's competitive advantages in products and platforms to increase the number of game users and hence improve the popularity of mobile games developed by the Group. As a one-stop game publishing solution to game developers, we are able to leverage the 2024 Aola Star Mobile Cooperation Agreement and the 2024 Legend of Aoqi Mobile Cooperation Agreement to release, distribute and/or operate “Aola Star Mobile” (「奧拉星手遊」) and “Legend of Aoqi Mobile” (「奧奇傳說手遊」) on Tencent Group's mobile game platforms.

Tencent Group is also a leading provider of Internet value-added services in the PRC, and offers a wide range of high-quality technological products and services. The Company considers that, taking into account the limited choices of online payment channels in the PRC, the leading position of Tencent Group in the PRC online payment service industry and the Company's users' profile where many of its users are existing users of Tencent Group's online payment services, the entries into the 2024 Guangzhou Baitian — WeChat Pay Service Agreement would enable the Group to provide its users access to payment channels of Tencent Group and thus enhance its users' satisfactions with the Group's products and services.

The Directors (including independent non-executive Directors) of the Company are of the view that the CCT Agreements and the transactions contemplated thereunder have been entered into in the ordinary and usual course of business of the Group, are on normal commercial terms (on arm's length basis or terms no less favourable to the Group than terms available from independent third parties) or better. The Directors (including independent non-executive Directors) are also of the view that the CCT Agreements and the Annual Caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As at the date of this announcement, none of the Directors has any material interest in the transactions contemplated under the CCT Agreements. None of the Directors had abstained from voting on the resolutions approving the transactions under the CCT Agreements and the Annual Caps at the Board meeting.

INFORMATION ABOUT THE PARTIES

The Company is principally engaged in the business of developing and publishing mobile and PC games. Guangzhou Baitian is a consolidated affiliated entity of the Company and is principally engaged in developing mobile and PC games, as well as operating the virtual worlds of the Group. Guangzhou Tianti is a wholly-owned subsidiary of Guangzhou Baitian and is principally engaged in providing software and information technology services to facilitate Guangzhou Baitian's role and function in certain series of contractual arrangements.

Tencent Group principally provides value-added services and online advertising services to users mainly in the PRC. Tencent Computer is a consolidated affiliated entity of Tencent and is principally engaged in the business of provision of value-added services and internet advertisement services in the PRC. Tenpay is a subsidiary of Tencent Computer and is principally engaged in provision of payment related services such as WeChat Pay in the PRC.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Tencent is indirectly interested in approximately 11.55% of the total issued share capital of the Company, and it (and its associates, including Tencent Computer and Tenpay) are connected persons of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, transactions between the Group and Tencent Group constitute continuing connected transactions of the Company and are subject to the requirements of Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, since the 2024 Guangzhou Baitian — WeChat Pay Service Agreement and the 2023 Guangzhou Tianti — WeChat Pay Service Agreement were entered into between the Group and the same party within a 12-month period, the transactions contemplated under the WeChat Pay Service Agreements shall be aggregated as if they were one transaction.

Given that one or more of the applicable percentage ratio(s) (as defined under Rule 14.07 of the Listing Rules) calculated with reference to each of the Aola Star Annual Cap, the Aoqi Annual Cap and the WeChat Pay Annual Cap is more than 0.1% but less than 5%, the transactions contemplated under the CCT Agreements are subject to the reporting, annual review and announcement requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

“2022 Aola Star Mobile Cooperation Agreement”	a Tencent mobile online game cooperation access agreement in relation to the mobile game “Aola Star Mobile” (「奧拉星手遊」) entered into by Tencent Computer and Guangzhou Tianti dated 23 February 2022 for a term of one year commencing from 1 March 2022 and ending on 28 February 2023;
“2022 Guangzhou Baitian — WeChat Pay Service Agreement”	a WeChat Pay user service agreement entered into by Tenpay and Guangzhou Baitian dated 23 February 2022 for a term of one year commencing from 24 February 2022 and ending on 23 February 2023;
“2022 Guangzhou Tianti — WeChat Pay Service Agreement”	a WeChat Pay user service agreement entered into by Tenpay and Guangzhou Tianti dated 28 June 2022 for a term of one year commencing from 29 June 2022 and ending on 28 June 2023;

“2023 Aola Star Mobile Cooperation Agreement”	a Tencent mobile online game cooperation access agreement in relation to the mobile game “Aola Star Mobile” (「奧拉星手遊」) entered into by Tencent Computer and Guangzhou Tianti dated 16 February 2023 for a term of one year commencing from 1 March 2023 and ending on or about 28 February 2024 (as updated for operating purpose to 31 January 2024, such update has no material effect to the annual cap as set out in the announcement of the Company dated 16 February 2023);
“2023 Guangzhou Baitian — WeChat Pay Service Agreement”	a WeChat Pay user service agreement entered into by Tenpay and Guangzhou Baitian dated 16 February 2023 for a term of one year commencing from 24 February 2023 and ending on 23 February 2024;
“2023 Guangzhou Tianti — WeChat Pay Service Agreement”	a WeChat Pay user service agreement entered into by Tenpay and Guangzhou Tianti dated 28 June 2023 for a term of one year commencing from 29 June 2023 and ending on 28 June 2024;
“2023 Legend of Aoqi Mobile Cooperation Agreement”	a Tencent mobile online game cooperation access agreement in relation to the mobile game “Legend of Aoqi Mobile” (「奧奇傳說手遊」) entered into by Tencent Computer and Guangzhou Tianti dated 16 February 2023 for a term of one year commencing from 16 February 2023 and ending on 15 February 2024 (as updated for operating purpose to 31 January 2024, such update has no material effect to the annual cap as set out in the announcement of the Company dated 16 February 2023);
“2024 Aola Star Mobile Cooperation Agreement”	a Tencent mobile online game cooperation access agreement in relation to the mobile game “Aola Star Mobile” (「奧拉星手遊」) entered into by Tencent Computer and Guangzhou Tianti dated 1 February 2024, the details of which are set out in this announcement;
“2024 Guangzhou Baitian — WeChat Pay Service Agreement”	a WeChat Pay user service agreement entered into by Tenpay and Guangzhou Baitian dated 1 February 2024, the details of which are set out in this announcement;
“2024 Legend of Aoqi Mobile Cooperation Agreement”	a Tencent mobile online game cooperation access agreement in relation to the mobile game “Legend of Aoqi Mobile” (「奧奇傳說手遊」) entered into by Tencent Computer and Guangzhou Tianti dated 1 February 2024, the details of which is set out in this announcement;
“Annual Caps”	collectively refer to (1) the Aola Star Annual Cap, (2) the Aoqi Annual Cap, and (3) the WeChat Pay Annual Cap;

“Aola Star Annual Cap”	the maximum aggregate annual value of RMB2,200,000 proposed in respect of the services provided and fees due pursuant to the 2024 Aola Star Mobile Cooperation Agreement;
“Aoqi Annual Cap”	the maximum aggregate annual value of RMB3,200,000 proposed in respect of the services provided and fees due pursuant to the 2024 Legend of Aoqi Mobile Cooperation Agreement;
“associate(s)”	shall have the meaning ascribed to it under the Listing Rules;
“Board” or “Board of Directors”	the board of directors of the Company;
“Business Day(s)”	day(s) on which commercial banks are open for business in the PRC (excluding Saturdays, Sundays and public holidays);
“CCT Agreements”	collectively refer to (1) the 2024 Aola Star Mobile Cooperation Agreement, (2) the 2024 Legend of Aoqi Mobile Cooperation Agreement, and (3) the 2024 Guangzhou Baitian — WeChat Pay Service Agreement;
“Company”	BAIOO Family Interactive Limited (百奧家庭互動有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 25 September 2009, with its Shares listed on the Main Board of the Stock Exchange since 10 April 2014;
“connected person(s)”	shall have the meaning ascribed to it under the Listing Rules;
“Director(s)”	director(s) of the Company;
“Group”	the Company, its subsidiaries and its PRC operating companies, the financial results of which have been consolidated and accounted for by the Company as controlled structured entities of the Company by virtue of a series of contractual arrangements;
“Guangzhou Baitian”	Guangzhou Baitian Information Technology Ltd.* (廣州百田信息科技有限公司), a limited liability company incorporated in the PRC and the PRC operating entity of the Company, the financial results of which have been consolidated and account for as a subsidiary of the Company by virtue of a series of contractual arrangements;
“Guangzhou Tianti”	Guangzhou Tianti Network Technology Co., Ltd.* (廣州天梯網絡科技有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of Guangzhou Baitian;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC” or “China”	the People’s Republic of China which, for the purposes of this announcement only, shall exclude the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan;
“Previous WeChat Pay Service Agreements”	collectively refer to (1) the Renewed Guangzhou Tianti — WeChat Pay Service Agreement, (2) the Renewed Guangzhou Baitian — WeChat Pay Service Agreement, (3) the 2022 Guangzhou Baitian — WeChat Pay Service Agreement, (4) the 2022 Guangzhou Tianti — WeChat Pay Service Agreement, and (5) the 2023 Guangzhou Baitian — WeChat Pay Service Agreement, and (6) 2023 Guangzhou Tianti — WeChat Pay Service Agreement;
“Renewed Guangzhou Baitian — WeChat Pay Service Agreement”	a WeChat Pay user service agreement entered into by Tenpay and Guangzhou Baitian dated 24 February 2021 and expired on 23 February 2022;
“Renewed Guangzhou Tianti — WeChat Pay Service Agreement”	a WeChat Pay user service agreement entered into by Tenpay and Guangzhou Tianti dated 29 June 2021 and expired on 28 June 2022;
“Renewed Legend of Aoqi Mobile Cooperation Agreement”	a Tencent mobile online game cooperation access agreement in relation to the mobile game “Legend of Aoqi Mobile” (「奧奇傳說手遊」) entered into by Tencent Computer and Guangzhou Tianti dated 30 March 2022 for a term of one year commencing from 16 February 2022 and ending on 15 February 2023;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	ordinary share(s) of US\$0.0000005 each in the issued share capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	shall have the meaning ascribed to it under the Listing Rules;
“Tencent”	Tencent Holdings Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 700);

“Tencent Computer”	Shenzhen Tencent Computer Systems Company Limited* (深圳市騰訊計算機系統有限公司), a limited liability company established in the PRC and a PRC operating entity of Tencent, the financial results of which have been consolidated and account for by Tencent as a controlled structured entity of Tencent by virtue of a series of contractual arrangements;
“Tencent Group”	Tencent and its subsidiaries;
“Tenpay”	Tenpay Payment Technology Co., Ltd.* (財付通支付科技有限公司), a limited liability company established in the PRC and a subsidiary of Tencent Computer;
“WeChat Pay”	a payment platform on WeChat APP that provides monetary and fund transfer services for the users;
“WeChat Pay Annual Cap”	the maximum aggregate annual value of RMB4,000,000 proposed in respect of the services provided and fees due pursuant to the WeChat Pay Service Agreements;
“WeChat Pay Service Agreements”	collectively refer to (1) the 2023 Guangzhou Tianti — WeChat Pay Service Agreement, and (2) the 2024 Guangzhou Baitian — WeChat Pay Service Agreement; and
“%”	per cent.

By order of the Board
BAIOO Family Interactive Limited
DAI JIAN
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 1 February 2024

As at the date of this announcement, the executive directors of the Company are Mr. DAI Jian, Mr. WU Lili and Mr. LI Chong; the independent non-executive directors of the Company are Ms. LIU Qianli, Dr. WANG Qing, Mr. MA Xiaofeng and Mr. WEI, Kevin Cheng.

In this announcement, the English names of the PRC entities marked with “” are translations of their Chinese names, and are included herein for identification purposes only.*

In the event of any inconsistency, the Chinese names shall prevail. In case of any inconsistency between the English and Chinese versions, the English text of this announcement shall prevail over the Chinese text.