

AdTiger

虎視傳媒有限公司

ADTIGER CORPORATIONS LIMITED

(incorporated in the Cayman Islands with limited liability)

Stock Code: 1163



2022
INTERIM REPORT

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CORPORATE INFORMATION

Board of Directors

Executive Directors

Ms. CHANG Sufang (*Chairperson and Chief Executive Officer*)

Ms. LI Hui

Non-Executive Director

Mr. HSIA Timothy Chunhon

Independent Non-Executive Directors

Mr. YAO Yaping

Mr. CHAN Foon

Mr. ZHANG Yaoliang

Audit Committee

Mr. CHAN Foon (*Chairperson*)

Mr. ZHANG Yaoliang

Mr. HSIA Timothy Chunhon

Nomination Committee

Mr. YAO Yaping (*Chairperson*)

Ms. CHANG Sufang

Mr. CHAN Foon

Remuneration Committee

Mr. ZHANG Yaoliang (*Chairperson*)

Ms. CHANG Sufang

Mr. YAO Yaping

Joint Company Secretaries

Ms. ZHAO Xiaojuan

Ms. LAM Shi Ping

Authorised Representatives

Ms. CHANG Sufang

Ms. LAM Shi Ping

Auditor

Ernst & Young

Certified Public Accountants

Registered Public Interest Entity Auditor

27/F, One Taikoo Place

979 King's Road

Quarry Bay

Hong Kong

Compliance Advisor

Optima Capital Limited

(創越融資有限公司)

Suite 1501, 15th Floor

Jardine House

1 Connaught Place

Central, Hong Kong

Company's Website

www.adtiger.hk

Stock Code

1163

Board Lots

2,500 Shares

Place of Listing

The Main Board of the Stock Exchange

Head Office and Principal Place of Business in the PRC

Room 1004–1005, Tower 5

Laiguangying Chengying Centre

(來廣營誠盈中心)

Chaoyang District, Beijing, the PRC

Hong Kong Branch Share Registrar

Boardroom Share Registrars (HK) Limited

(寶德隆證券登記有限公司)

2103B, 21/F

148 Electric Road

North Point, Hong Kong

Registered Office

4th Floor, Harbour Place
103 South Church Street, George Town
P.O. Box 10240, Grand Cayman KY1-1002
Cayman Islands

Principal Share Registrar and Transfer Office

Harneys Fiduciary (Cayman) Limited
4th Floor, Harbour Place
103 South Church Street
George Town
P.O. Box 10240, Grand Cayman KY1-1002
Cayman Islands

Principal Place of Business in Hong Kong

31/F., 148 Electric Road
North Point
Hong Kong

Principal Banks

The HongKong and Shanghai Banking Corporation Limited
Citibank, N.A., Hong Kong Branch
China Merchants Bank, Wangjing branch



FINANCIAL HIGHLIGHTS



	Six months ended 30 June		
	2022 (Unaudited) RMB'000	2021 (Unaudited) RMB'000	Period-to-Period Change %
Revenue	190,463	143,456	32.8
Gross profit	32,887	34,250	(4.0)
Profit for the period	6,329	13,763	(54.0)



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

We are an online advertising platform that connects our advertisers with our media publishers, either directly or indirectly through resellers designated by our media publishers. With a view to providing China-based advertisers with overseas online advertising services, it has consistently been our strategy to cover top media publishers, including overseas media such as Facebook, Google, Snapchat, TikTok, Taboola, Kwai, BIGO Ads, Twitter, Bing, Pinterest and Yahoo and top-tier Chinese media platforms such as ByteDance, Kuaishou and iFeng.com so that our advertiser customers can optimise their ad placement and acquire users globally by advertising thereon. We are a partner in the Google AdWords Reseller Programme (since 2016), a China Agency Partner of Facebook (since 2017), a Snapchat sales representative authorised by Baidu (since 2018), a dealer for TikTok (since 2018), a China advertising partner of BIGO Ads (since 2020), a certified agent of Taboola (since 2021), and an overseas advertising partner of Kwai (since 2021). We continue to expand our media coverage and maintain close relationships with such media to provide better placement return for our advertisers. In 2020, we were awarded the title of Snapchat's Official Certified Partner and Lens Creative Partner in China, the Best Value-Added Operation Partner for TikTok Ads, as well as BIGO Ads' 2020 high-quality partner in China. We were also named as the fastest growing digital marketing company in 2020 in the 20th IAI International Advertising Awards. In 2021, we became the first certified agency of Taboola Pro in Greater China, as well as Kwai's overseas advertising partner. We have been recognised as Meta Business Partner in China for six consecutive years since 2017; shortlisted as Overseas Partnership Agent 2022 by TikTok for Business, and Overseas Advertising Partner 2022 by Kuaishou. In 2022, we won the 13th Golden Mouse Digital Marketing Awards (金鼠標數字營銷大賽) — Digital Marketing Influencer Agency of the Year, and the 8th Phoenix Adx Festival (第8屆金梧獎) — Integrated Marketing — Classic Case Award.

Our services are powered by our proprietary ad optimisation and management platform — AdTensor. AdTensor utilises AI technology to conduct ad optimisation and management automatically, intelligently and in real time. Our big data and AI capabilities enable us to achieve advertising targets for our advertisers by delivering appropriate ad content to the ad inventories where they are most likely to be converted, and at the same time maximising the monetisation potential of our media publishers.

AdTensor forms an integral part of our mobile advertising services, offering optimisers a comprehensive analysis in respect of our key operating indicators.



We have accumulated a diverse base of advertisers from various industries, including utility and content app developers, as well as companies in e-commerce, media, tourism, finance, games, education, medical and film industries. The number of our advertisers reached 625 as at 30 June 2022 (as at 31 December 2021: 596).

We have strategically focused on covering top media publishers, including Facebook, Google, Snapchat, TikTok, Taboola, Kwai, BIGO Ads, Twitter, Bing, Pinterest and Yahoo etc. We help match our media publishers' available ad inventories to appropriate ad campaigns that maximise their monetisation potential. Our number of media publishers from whom we purchase ad inventories reached 39 as at 30 June 2022 (as at 31 December 2021: 32). We plan to expand our media publisher base to include a combination of top, medium tail and long tail media publishers in the future, especially those medium tail and long tail media publishers that have global presence and have large operations in certain countries or regions.

Driven by the demands from advertisers and media publishers and the growing competition in the online advertising industry, our R&D team is focused on improving our ad formats and ad creatives as well as supporting the development and maintenance of AdTensor. In order to strengthen our competitive advantage in video AI algorithm capabilities, and considering that AI technology is one of the core technologies supporting the next generation of the internet — Metaverse, we plan to break through in the cutting-edge areas of AI on video, etc.

During the Reporting Period, we have increased our R&D investment in AdTensor; and use AI to develop strategies, manage advertisements, generate advertising materials and report results.

In terms of advertising materials, the production technologies have advanced significantly. We have been adopting AI audio, 3D virtual character and human-like AI character technologies in producing video advertising materials. For AI dubbing, it currently supports more than 70 languages around the world, and has more than 200 voice characters, such as elderly and pirate voice characters, which are highly indistinguishable from human voices, and sound even more expressive in presenting the benefits and functions of the products. For 3D virtual characters, it can be featured in advertisements placed in different countries with different target audiences. We can also customise 3D virtual characters upon request, and generate an animated video in just five minutes, which significantly reduces the difficulty in producing audio advertising material, and enhance the liveliness and authenticity of the advertisement. For human-like AI characters, we have sculpted more than 100 characters via training based on the models built from real-life people. They can be used to promote various types of products, as well as being featured as customised AI advertising characters in the photos or videos provided by the customers to promote the benefits of their products. The advertising materials featuring human-like AI characters are as lively and as agreeable as those featuring human actors, while with a lower production cost.



In order to meet the customers' requests for localized video featuring humans, we have set up a global network of actors and filming resources. The global actor pool has over ten thousand actors from Europe, U.S., Australia, Middle East, Japan, South Korea and Southeast Asia, etc. There are studios in both China and overseas to accommodate different cultural settings. We also have a professional TVC shooting team, with cinematic shooting and production equipment and are able to shoot in both China and overseas. Also, we have built a global network of key opinion leaders for precise engagement with local target audiences.

The combination of technical advertising materials and shooting that features real-person casts could significantly improve the production efficiency, reduce production costs, improve the return on investment of customers, which in turn lead to a more efficient production process, both in terms of the advertising materials and advertisement projects as a whole.

For the Reporting Period, our advertisers' advertising spending amounted to RMB783.8 million (six months ended 30 June 2021: RMB678.9 million, representing an approximately 15.5% increase).

Notwithstanding the outbreak of COVID-19, in the first half of 2022, the Group has maintained a diverse group of advertisers and amicable relationships with the existing advertisers and media publishers. Meanwhile, the Group has expanded its scale and enhanced its reputation by tapping into other potential market of digital marketing, which is conducive to adapting to the rapid changes in the demands of advertising industry. The Group will continue to closely monitor the development of COVID-19 and take appropriate measures in advance.

In light of the global economic downturn and the declining demand of advertisement, we (i) prioritised the new demands of our advertisers and allocated more human resources in helping our advertisers minimise the impact of COVID-19 so as to retain our advertisers; (ii) provided our advertisers with more attractive offers to encourage advertisement orders and boost market share (while there was an increase in revenue, it also led to a drop in profit margin, however, we are of the view that boosting our market share is beneficial in the long run especially during the economic downturn); and (iii) upgraded our online advertising platform in order to achieve higher return on investment for our advertisers given the increased price of ad inventories of our major media publishers.



FINANCIAL REVIEW

Six Months Ended 30 June 2022 Compared to Six Months Ended 30 June 2021

Revenue

During the Reporting Period, we generated all of our revenue from the provision of online advertising services.

The following table sets forth the breakdown of revenue by CPA and CPC/CPM pricing models for the periods indicated:

	For the six months ended 30 June			
	2022		2021	
	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Revenue				
CPA pricing model				
— specified action revenue	164,929	86.6	113,917	79.4
CPC/CPM pricing model				
— specified action revenue	484	0.2	514	0.4
— agreed rebates	25,050	13.2	29,025	20.2
— Sub-total	25,534	13.4	29,539	20.6
Total	190,463	100.0	143,456	100.0

The following table sets forth a breakdown of our revenue by advertisement types and their respective percentages of our total revenue for the periods indicated:

	For the six months ended 30 June			
	2022		2021	
	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Utility and content app developers	81,361	42.7	76,515	53.3
E-commerce	54,052	28.4	49,432	34.5
Education	30,672	16.1	10,736	7.5
Tourism	1,449	0.8	1,722	1.2
Finance	17,178	9.0	1,258	0.9
Others ^{Note}	5,751	3.0	3,793	2.6
Total	190,463	100.0	143,456	100.0

Note: Others primarily include advertisements in the games, media, medical and film industries.

Our total revenue increased by RMB47.0 million, or 32.8%, from RMB143.5 million for the six months ended 30 June 2021 to RMB190.5 million for the Reporting Period, which is mainly attributable to the growing number of advertisers. We provided our advertisers with more attractive offers to encourage advertisement orders and boost market share to minimise the impact of global economic downturn and the declining demand of advertisement.

Cost of Sales

Our cost of sales primarily consists of (i) traffic acquisition costs we paid to media publishers who provide us with ad inventories either directly or through their resellers; (ii) expenses for external optimisers and designers for designing ad content and optimising our ad placements; and (iii) salaries and benefits for internal optimisers and designers.

The following table sets forth a breakdown of our cost of sales, including the breakdown of the traffic acquisition costs recognised in the cost of sales which only relate to the CPA pricing model, as well as the breakdown of the traffic acquisition costs by major media publishers, for the periods indicated:

	For the six months ended 30 June			
	2022		2021	
	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Cost of sales				
Traffic acquisition costs <i>Note</i>				
Google	54,491	34.6	21,092	19.3
Facebook	42,162	26.8	69,129	63.3
TikTok	36,080	22.9	6,240	5.7
Snapchat	1,584	1.0	3,042	2.8
Others	17,652	11.2	1,478	1.3
Sub total	151,969	96.5	100,981	92.4
Salaries and benefits of the external optimisers and designers	2,752	1.7	6,068	5.6
Salaries and benefits for internal optimisers and designers	2,855	1.8	2,157	2.0
Total	157,576	100.0	109,206	100.0

Note: Traffic acquisition costs only incurred by and related to the CPA pricing model.

Our total cost of sales increased by RMB48.4 million, or 44.3%, from RMB109.2 million for the six months ended 30 June 2021 to RMB157.6 million for the Reporting Period, which primarily reflected (i) an increase of 50.5% in traffic acquisition costs of RMB51.0 million resulting from the increased purchase of ad inventory to accommodate the increased ad offers; and (ii) an increase of 32.4% in the salaries and benefits of the internal optimisers and designers as a result of the increase in the number of our optimisers and designers hired for the purpose of enhancing our service capabilities, which is generally in line with the growth of our business.



Total Gross Profit and Total Gross Profit Margin

Our total gross profit represents our total revenue less our total cost of sales. Our total gross profit margin represents our total gross profit as a percentage of our total revenue.

The following table sets forth a breakdown of our total gross profit and total gross profit margin for the periods indicated:

	For the six months ended 30 June	
	2022 RMB'000/% (Unaudited)	2021 RMB'000/% (Unaudited)
Total revenue	190,463	143,456
Total cost of sales	(157,576)	(109,206)
Total gross profit	32,887	34,250
Total gross profit margin	17.3%	23.9%

Our total gross profit decreased by RMB1.4 million, or 4.1%, from RMB34.3 million for the six months ended 30 June 2021 to RMB32.9 million for the Reporting Period, primarily because we provided our advertisers with more attractive offers to encourage advertisement orders and boost market share to minimise the impact of global economic downturn and the declining demand of advertisement.

Other Income and Gains

Our other income and gains primarily consist of (i) other advertising income comprising sponsorship fees received from media publishers for our marketing services at joint promotion events; (ii) bank interest income; and (iii) foreign exchange gains.

Our other income and gains increased by RMB0.5 million, or 83.3%, from RMB0.6 million for the six months ended 30 June 2021 to RMB1.1 million for the Reporting Period, primarily due to the income from wealth management products that were purchased by the Company for the purposes of improving efficient utilisation of funds.

Selling and Distribution Expenses

Our selling and distribution expenses primarily consist of: (i) salaries and benefits for our sales and marketing team; (ii) bonus payments, which primarily consist of bonus payments to our sales and marketing staff based on job performance; and (iii) other selling and distribution expenses, which primarily consist of award application fees and other expenses that are directly related to our marketing and promotion activities.

Our selling and distribution expenses increased by RMB1.0 million, or 40.0%, from RMB2.5 million for the six months ended 30 June 2021 to RMB3.5 million for the Reporting Period, primarily as a result of the increase in marketing headcounts, as the Company has been aiming to expand market share, which gave rise to the additional human resource headcount and marketing expense.

Administrative Expenses

Our administrative expenses primarily consist of: (i) employee salaries and benefits, which primarily consist of salaries and benefits for our management, finance and administration team; (ii) depreciation of right-of-use assets in relation to our leased property; (iii) consultancy fees, which primarily consist of service fees we paid to third party professionals for general operational matters such as recruitment agent fees, trademark registration fees and translations fees; (iv) impairment of trade receivables, which primarily consist of the provisions we made for certain past due trade receivables; (v) depreciation and amortisation expenses in relation to our fixed assets comprising mainly computers and equipment; and (vi) other administrative expenses, which primarily consist of travel expenses, office expenses and other miscellaneous expenses.

Our administrative expenses increased by RMB4.5 million, or 30.0%, from RMB15.0 million for the six months ended 30 June 2021 to RMB19.5 million for the Reporting Period, primarily because of (i) the constant recruitment of R&D experts during the Reporting Period; and (ii) the continuous investment in R&D, which together led to an increase in office lease expense, staff cost and R&D expense during the Reporting Period.

Other Expenses

Our other expenses primarily consist of foreign exchange loss. Our other expenses increased by RMB1.4 million, from RMB1.4 million for the six months ended 30 June 2021 to RMB2.8 million for the Reporting Period, primarily due to the depreciation of Euros held by the Company, which resulted in the increase in foreign exchange loss.

Finance Costs

Our finance costs consist of interest expenses associated with our lease liabilities under HKFRS 16. Our finance costs decreased by RMB5,000, or 31.3%, from RMB16,000 for the six months ended 30 June 2021 to RMB11,000 for the Reporting Period, primarily due to the decrease in the amortised cost of lease liabilities.

Income Tax Expenses

Our income tax expenses consist of current income tax and deferred tax. We are subject to various rates of income tax under different jurisdictions.

Our income tax expenses decreased by RMB0.3 million, or 13.6%, from RMB2.2 million for the six months ended 30 June 2021 to RMB1.9 million for the Reporting Period, primarily due to the decrease in taxable profit.

Profit for the Period

Our profit for the period decreased by RMB7.5 million, or 54.3%, from RMB13.8 million for the six months ended 30 June 2021 to RMB6.3 million for the Reporting Period primarily due to the factors mentioned above.



Employees and Remuneration Policies

The following table sets forth a breakdown of our employees by functions as at the date indicated:

	As at 30 June 2022	
	Number of Employees	% of Total
Optimisers and Designers	65	41.7
Sales and Marketing	18	11.5
Operations	30	19.2
Finance and Administration	19	12.2
IT and R&D	24	15.4
Total	156	100.0

The remuneration of our employees is determined based on their performance, experience, competence and market comparables. We provide our employees with competitive salaries and bonuses determined by performance, housing subsidies, regular team building activities, off site and internal trainings and opportunities of advancement. The Group's total staff costs (including Directors' emolument, salaries, bonus, social insurance and provident funds) amounted to RMB17.2 million for the Reporting Period (for the six months ended 30 June 2021: RMB14.3 million). As required by PRC laws and regulations, we have made contributions to the various mandatory social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, maternity leave insurance and occupational injury. In addition, we also provide our employees with housing fund as well as offer them annual body check benefits.

The remuneration of Directors and members of senior management is determined on the basis of each individual's responsibilities, qualification, position, experience, performance and time commitment. They receive compensation in the form of salaries, bonuses, pension right and benefits-in-kind, including the Company's contribution to their retirement benefit schemes on their behalf.

The Company has adopted the Post-IPO Share Option Scheme. The purpose of the Post-IPO Share Option Scheme is to incentivise and reward the eligible persons for their contribution to the Group and to align their interests with that of the Company so as to encourage them to work towards enhancing the value of the Company. The Post-IPO Share Option Scheme shall be valid and effective for a period of ten years commencing on the Listing Date, after which period no further options will be granted but the provisions of the Post-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto which are at that time or become thereafter capable of exercise under the Post-IPO Share Option Scheme, or otherwise to the extent as may be required in accordance with the provisions of the Post-IPO Share Option Scheme. During the Reporting Period, no option had been granted or agreed to be granted by the Company under the Post-IPO Share Option Scheme.



The Company has also adopted a share award scheme (the “**Share Award Scheme**”) on 29 September 2021 as incentives or rewards to eligible persons for their contributions to the Group. The purposes of the Share Award Scheme are (i) to recognise the contributions by selected participants; (ii) to offer suitable incentives to attract and retain talented selected participants who may be beneficial to the growth and development of the Group; and (iii) to align the interests of the selected participants directly to the Shareholders through ownership of the Shares, dividends and other distributions paid on the Shares and/or the increase in the value of the Shares. The Share Award Scheme shall be valid and effective for a term of ten years commencing on 29 September 2021 (the “**Award Period**”), provided no further awards will be granted after the expiry of the Award Period. During the Reporting Period, no share awards had been granted or agreed to be granted by the Company under the Share Award Scheme.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 30 June 2022 (as at 31 December 2021: nil).

Liquidity, Financial and Capital Resources

During the Reporting Period, the Group continued to maintain a healthy and solid liquidity position by adopting a prudent financial management approach on its financing and treasury policies and we have funded our cash requirements principally from cash generated from our operating activities. As at 30 June 2022, cash and cash equivalents decreased by RMB4.9 million from RMB269.6 million as at 31 December 2021 to RMB264.7 million. The decrease primarily resulted from the purchase of financial assets at FVTPL.

As at 30 June 2022, the Group’s cash and cash equivalents were mainly held in USD and RMB, and the Group did not have any interest-bearing bank borrowings. We currently do not use any financial instruments for hedging purposes.

Significant Investment, Material Acquisition and Disposal of Subsidiaries, Associate and Joint Venture

Saved as disclosed in the section headed “Use of Proceeds” below, there was no significant investment held by the Company nor any material acquisition or disposal of any subsidiary, associate or joint venture during the Reporting Period.

Capital Commitments

As at 30 June 2022, the Group had contracted but not provided for capital contributions payable to FVTPL at an amount of RMB12 million (as at 31 December 2021: RMB16 million).

Charge on the Group’s Assets

As at 30 June 2022, none of the Group’s assets were charged with any parties or financial institutions (as at 31 December 2021: nil).



Top Customers

Our top five customers accounted for 55.6% and 59.2% of our revenue for the six months ended 30 June 2022 and 2021, respectively, on the basis that the net rebates (rebates we receive from the media publishers minus rebates return to advertisers (if any)) under the CPC/CPM pricing model were to be treated as revenue attributable to the corresponding advertisers. Our largest customer accounted for 16.9% and 26.5% of our revenue for the six months ended 30 June 2022 and 2021, respectively, on the basis that the net rebates (rebates we receive from the media publishers minus rebates return to advertisers (if any)) under the CPC/CPM pricing model were to be treated as revenue attributable to the corresponding advertisers.

To the best of our Directors' knowledge, none of our Directors or their respective close associates or any person who owns more than 5% of our issued share capital or of our subsidiary, had any interest in any of our top five customers during the Reporting Period.

Top Suppliers

Our top five suppliers accounted for 71.9% and 88.3% of our total costs of sales for the six months ended 30 June 2022 and 2021, respectively. Our largest supplier accounted for 22.4% and 40.3% of our total costs of sales for the six months ended 30 June 2022 and 2021, respectively.

To the best of our Directors' knowledge, none of our Directors or their respective close associates or any person who owns more than 5% of our issued share capital or of our subsidiary, had any interest in any of our top five suppliers during the Reporting Period.

Cash Flow

The following table is a condensed summary of our condensed consolidated statements of cash flows and analysis of balances of cash and cash equivalents for the periods indicated:

	For the six months ended 30 June	
	2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Net cash flows from operating activities	15,537	8,493
Net cash flows used in investing activities	(23,089)	(157)
Net cash flows used in financing activities	(3,011)	(756)
Net (decrease)/increase in cash and cash equivalents	(10,563)	7,580
Cash and cash equivalents at the beginning of the period	269,576	281,029
Cash and cash equivalents at the end of the period	264,658	288,977



Indebtedness

As at 30 June 2022, we did not apply or obtain any banking facilities and the amount of unutilised banking facilities amounted to nil and we did not have any outstanding debt securities, mortgage, charges, debentures or other loan capital (issued or agreed to be issued), bank overdrafts, loans, liabilities under acceptance or acceptance credits, or other similar indebtedness, financial leasing commitments, hire purchase commitments, guarantees or other material contingent liabilities.

As at 30 June 2022, our total lease liabilities were RMB1.3 million (as at 31 December 2021: RMB343,000).

Certain Financial Ratios

The following table sets forth certain financial ratio as at the balance sheet dates indicated:

	As at 30 June 2022	As at 31 December 2021
Return on equity ⁽¹⁾	6.8%⁽⁶⁾	6.7%
Return on total assets ⁽²⁾	2.8%⁽⁶⁾	2.9%
Current ratio ⁽³⁾	1.7	1.7
Gearing ratio ⁽⁴⁾	—	—
	For the six months ended 30 June	
	2022	2021
Gross profit margin ⁽⁵⁾	17.3%	23.9%

Notes:

- (1) Return on equity ratio is profit for the period/year as a percentage of total equity as at period-end/year-end and multiplied by 100%.
- (2) Return on total assets ratio is profit for the period/year as a percentage of total assets as at period-end/year-end and multiplied by 100%.
- (3) Current ratio is total current assets as at period-end/year-end as a multiple of total current liabilities as at period-end/year-end.
- (4) Gearing ratio is total interest-bearing bank borrowings as at period-end/year-end as a multiple of total assets as at period-end/year-end. As at 30 June 2022 and 31 December 2021, we did not have any interest-bearing bank borrowings.
- (5) Gross profit margin is gross profit for the period as a percentage of revenue.
- (6) Calculated on an annualised basis by multiplying the profit for the six months ended 30 June 2022 by two.



Financial risks

We are exposed to various types of financial and market risks, including foreign currency risk, credit risk and liquidity risk. The Board reviewed and agreed on financial management policies and practices for managing each of these risks.

Foreign currency risk

We mainly operate in Mainland China with most of our monetary assets, liabilities and transactions principally denominated in RMB and USD. We are exposed to foreign currency risk arising from fluctuations in exchange rates between RMB, USD and other currencies in which we conduct our business. We are subject to foreign currency risk attributable to our trade payables and bank balances denominated in currencies other than RMB and USD. We did not use any derivative financial instruments to hedge our foreign currency risk during the Reporting Period.

Credit risk

Credit risk arises mainly from the risk that counterparties may default on the terms of their agreements. The carrying amounts of our other financial assets, which comprises cash and cash balances, deposits, amounts due from related parties and other receivables represent our maximum exposure to credit risk in relation to these instruments.

We have established policies to evaluate credit risk when accepting new business and to limit our credit exposure to individual customers. We only trade with recognised and creditworthy third parties and retail customers. It is our policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, we monitor receivable balances on an on-going basis and our exposure to bad debts is insignificant. Our Directors consider that we did not have a significant concentration of credit risk as at 30 June 2022. As we only trade with recognised and creditworthy third parties and retail customers, we do not require collateral from our customers.

Liquidity risk

We aim to maintain sufficient cash and credit lines to meet our liquidity requirements. We monitor risks of funding shortage using a recurring liquidity planning tool, which takes into consideration the maturity of our financial investments and financial assets (e.g., trade receivables and other financial assets) and projected cash flows from operations.



INDEPENDENT REVIEW REPORT

To the board of directors of AdTiger Corporations Limited

(Incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 18 to 35, which comprises the condensed consolidated statement of financial position of AdTiger Corporations Limited (the “**Company**”) and its subsidiaries (the “**Group**”) as at 30 June 2022 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young

Certified Public Accountants

Hong Kong

29 August 2022

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2022

	Notes	2022 (Unaudited) RMB'000	2021 (Unaudited) RMB'000
REVENUE	4	190,463	143,456
Cost of sales		(157,576)	(109,206)
GROSS PROFIT		32,887	34,250
Other income and gains	4	1,101	595
Selling and distribution expenses		(3,502)	(2,512)
Administrative expenses		(19,464)	(15,040)
Other expenses		(2,789)	(1,363)
Finance costs		(11)	(16)
PROFIT BEFORE TAX	5	8,222	15,914
Income tax expense	6	(1,893)	(2,151)
PROFIT FOR THE PERIOD		6,329	13,763
ATTRIBUTABLE TO:			
Owners of the parent		6,269	13,763
Non-controlling interests		60	—
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT			
Basic and diluted (RMB)	8	0.01	0.02

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2022

	2022 (Unaudited) RMB'000	2021 (Unaudited) RMB'000
PROFIT FOR THE PERIOD	6,329	13,763
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	5,538	382
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	11,867	14,145
Attributable to:		
Owners of the parent	11,807	14,145
Non-controlling interests	60	—

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Notes	30 June 2022 (Unaudited) RMB'000	31 December 2021 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	340	330
Right-of-use assets		1,263	332
Deferred tax assets		2,739	2,630
Financial assets at fair value through profit or loss	10	8,000	4,000
Total non-current assets		12,342	7,292
CURRENT ASSETS			
Trade receivables	11	126,072	107,114
Prepayments, other receivables and other assets		10,471	10,419
Financial assets at fair value through profit or loss	10	35,751	16,575
Cash and cash equivalents		264,658	269,576
Total current assets		436,952	403,684
CURRENT LIABILITIES			
Trade payables	12	203,663	195,720
Other payables and accruals		48,706	26,220
Tax payable		9,298	11,579
Lease liabilities		1,264	343
Total current liabilities		262,931	233,862
NET CURRENT ASSETS		174,021	169,822
TOTAL ASSETS LESS CURRENT LIABILITIES		186,363	177,114
Net assets		186,363	177,114
EQUITY			
Equity attributable to owners of the parent			
Share capital	13	2,157	2,157
Treasury shares		(3,361)	(743)
Reserves		186,467	174,660
		185,263	176,074
Non-controlling interests		1,100	1,040
Total equity		186,363	177,114

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2022

	Attributable to owners of the parent										
	Share capital (RMB'000)	Treasury shares (RMB'000)	Share premium (RMB'000)	Merger reserve (RMB'000)	Capital reserve (RMB'000)	Exchange fluctuation reserve (RMB'000)	Statutory surplus reserve (RMB'000)	Retained profits (RMB'000)	Total (RMB'000)	Non-controlling interests (RMB'000)	Total equity (RMB'000)
At 1 January 2022 (audited)	2,157	(743)	151,072	2,500	466	(8,530)	5,203	23,949	176,074	1,040	177,114
Profit for the period	—	—	—	—	—	—	—	6,269	6,269	60	6,329
Other comprehensive income for the period	—	—	—	—	—	5,538	—	—	5,538	—	5,538
Total comprehensive income for the period	—	—	—	—	—	5,538	—	6,269	11,807	60	11,867
Shares withheld for share award schemes	—	(2,618)	—	—	—	—	—	—	(2,618)	—	(2,618)
At 30 June 2022 (unaudited)	2,157	(3,361)	151,072*	2,500*	466*	(2,992)*	5,203*	30,218*	185,263	1,100	186,363

	Attributable to owners of the parent							
	Share capital (RMB'000)	Share premium (RMB'000)	Merger reserve (RMB'000)	Capital reserve (RMB'000)	Exchange fluctuation reserve (RMB'000)	Statutory surplus reserve (RMB'000)	Retained profits (RMB'000)	Total equity (RMB'000)
At 1 January 2021 (audited)	2,157	151,072	2,500	466	(8,025)	3,732	13,587	165,489
Profit for the period	—	—	—	—	—	—	13,763	13,763
Other comprehensive income for the period	—	—	—	—	382	—	—	382
Total comprehensive income for the period	—	—	—	—	382	—	13,763	14,145
Appropriations to statutory surplus reserve	—	—	—	—	—	1,046	(1,046)	—
At 30 June 2021 (unaudited)	2,157	151,072	2,500	466	(7,643)	4,778	26,304	179,634

* These reserve accounts comprise the consolidated reserves of RMB186,467,000 (six months ended 30 June 2021: RMB177,477,000) in the interim condensed consolidated statement of financial position as at 30 June 2022.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2022

	2022 (Unaudited) RMB'000	2021 (Unaudited) RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax:	8,222	15,914
Adjustments for:		
Finance costs	11	16
Interest income	(74)	(101)
Fair value gains from financial assets at fair value through profit or loss	(177)	—
Impairment/(reversal of impairment) of trade receivables and other receivables	909	(134)
Depreciation of right-of-use assets	373	682
Depreciation of items of property, plant and equipment	81	73
	9,345	16,450
Increase in trade receivables	(19,970)	(5,794)
Increase in prepayments, other receivables and other assets	(52)	(6,823)
Increase in amounts due from related parties	(5)	(14)
Increase in trade payables	7,943	3,817
Increase in other payables and accruals	22,487	2,418
	19,748	10,054
Cash generated from operations	74	101
Interest received	—	(16)
Interest paid	(4,285)	(1,646)
	15,537	8,493
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of items of property, plant and equipment	(89)	(157)
Purchase of financial assets at fair value through profit or loss	(23,000)	—
	(23,089)	(157)
Net cash flows used in investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease payments	(393)	(756)
Payment on purchase of shares	(2,618)	—
	(3,011)	(756)
Net cash flows used in financing activities		
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		
	(10,563)	7,580
Cash and cash equivalents at beginning of period	269,576	281,029
Effect of foreign exchange rate changes, net	5,645	368
	264,658	288,977
CASH AND CASH EQUIVALENTS AT END OF PERIOD		
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows and the interim condensed consolidated statement of financial position	264,658	288,977

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2022

1. Corporate Information

The Company is a limited liability company incorporated in the Cayman Islands on 1 February 2019. The registered office address of the Company is 4th Floor, Harbour Place, 103 South Church Street, George Town, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

The Company is an investment holding company. During the period, the Company's subsidiaries were engaged in the business of providing online advertising services in the People's Republic of China (the "PRC" or "China") and internationally.

2.1 Basis of Preparation

The interim condensed consolidated financial information for the six months ended 30 June 2022 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2021.

2.2 Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial information.

Amendments to HKFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to HKAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use</i>
Amendments to HKAS 37	<i>Onerous Contracts — Cost of Fulfilling a Contract</i>
<i>Annual Improvements to HKFRSs 2018–2020</i>	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41

The nature and impact of the revised HKFRSs are described below:

- (a) Amendments to HKFRS 3 replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements* with a reference to the *Conceptual Framework for Financial Reporting* issued in June 2018 without significantly changing its requirements. The amendments also add to HKFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of HKAS 37 or HK(IFRIC)-Int 21 if they were incurred separately rather than assumed in a business combination, an entity applying HKFRS 3 should refer to HKAS 37 or HK(IFRIC)-Int 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group has applied the amendments prospectively to business combinations that occurred on or after 1 January 2022. As there were no contingent assets, liabilities and contingent liabilities within the scope of the amendments arising in the business combination that occurred during the period, the amendments did not have any impact on the financial position and performance of the Group.



For the six months ended 30 June 2022

2.2 Changes in Accounting Policies and Disclosures (Continued)

- (b) Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The Group has applied the amendments retrospectively to items of property, plant and equipment made available for use on or after 1 January 2021. Since there was no sale of items produced while making property, plant and equipment available for use on or after 1 January 2021, the amendments did not have any impact on the financial position or performance of the Group.
- (c) Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The Group has applied the amendments prospectively to contracts for which it has not yet fulfilled all its obligations at 1 January 2022 and no onerous contracts were identified. Therefore, the amendments did not have any impact on the financial position or performance of the Group.
- (d) *Annual Improvements to HKFRSs 2018–2020* sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41. Details of the amendments that are applicable to the Group are as follows:

HKFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Group has applied the amendment prospectively to financial liabilities that are modified or exchanged on or after 1 January 2022. As there was no modification of the Group's financial liabilities during the period, the amendment did not have any impact on the financial position or performance of the Group.

HKFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 16.



For the six months ended 30 June 2022

3. Segment Information

Operating segment information

No operating segment information is presented as the Group's revenue and reported results during the period, and the Group's total assets as at the end of the period were derived from one single operating segment, i.e., provision of online advertising services.

Geographical information

The following table sets out information about the geographical location of the Group's revenue from external customers based on the country/jurisdiction where external customer is registered.

	For the six months ended 30 June	
	2022 (RMB'000) (Unaudited)	2021 (RMB'000) (Unaudited)
Mainland China	70,917	46,959
Singapore	60,603	41,286
Indonesia	28,164	1,078
Hong Kong	17,434	42,870
Others	13,345	11,263
Total	190,463	143,456

The Group's non-current assets are substantially located in Mainland China, and accordingly, no further analysis by geographical segment of non-current assets is presented.

Information about major customers

The revenue generated from sales to customers which individually contributed more than 10% of the Group's total revenue during the period is set out below:

	For the six months ended 30 June	
	2022 (RMB'000) (Unaudited)	2021 (RMB'000) (Unaudited)
Customer A	32,130	N/A*
Customer B	29,479	N/A*
Customer C	22,768	N/A*
Customer D	N/A*	38,007
Customer E	N/A*	19,909

* Less than 10% of the Group's total revenue.



For the six months ended 30 June 2022

4. Revenue, Other Income and Gains

Revenue mainly represents revenue from the provision of online advertising services during the period.

An analysis of revenue, other income and gains is as follows:

	For the six months ended 30 June	
	2022 (RMB'000) (Unaudited)	2021 (RMB'000) (Unaudited)
<i>Revenue from contracts with customers</i>		
Specified action revenue (where the Group acts as the principal)	165,413	114,431
— comprehensive user acquisition services under CPA pricing model	164,929	113,917
— service for opening and/or topping-up advertisers' accounts under CPC/CPM pricing model	484	514
Agreed rebates under CPC/CPM pricing model (where the Group acts as the agent)	25,050	29,025
	190,463	143,456
<i>Other income and gains</i>		
Others	1,101	595

Disaggregated revenue information for revenue from contracts with customers:

	For the six months ended 30 June	
	2022 (RMB'000) (Unaudited)	2021 (RMB'000) (Unaudited)
<i>Timing of revenue recognition</i>		
Online advertising services transferred at a point in time	190,463	143,456

For the six months ended 30 June 2022

5. Profit Before Tax

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2022 (RMB'000) (Unaudited)	2021 (RMB'000) (Unaudited)
Cost of services rendered (excluding those included in employee benefit expense)	154,721	107,049
Bank interest income	(74)	(101)
Depreciation of items of property, plant and equipment	81	73
Depreciation of right-of-use assets	373	682
Impairment/(reversal of impairment) of trade receivables and other receivables	909	(134)
Lease expenses arising from short-term leases*	298	—
Auditor's remuneration	700	700
Employee benefit expense (including directors' remuneration):		
Salaries, allowances and benefits in kind	15,119	12,854
Pension scheme contributions	2,118	1,483

* The Group applies the available practical expedients of HKFRS 16 wherein it applies the short-term lease exemptions to leases with a lease term that ends within 12 months from the lease commencement date. Lease expenses arising from short-term leases are related to leases with a lease term that ends within 12 months.

6. Income Tax

The Group is subject to income tax on an entity basis on profits arising in or derived from the countries/jurisdictions in which members of the Group are domiciled and operate.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly is not subject to income tax.

Hong Kong profits tax has been provided for at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the period, unless such profits are taxable at the half-rate of 8.25% that may apply for the first HK\$2 million of assessable profits for years of assessment beginning on or after 1 April 2018.

Pursuant to the PRC Corporate Income Tax Law ("CIT Law"), the CIT rate for domestic enterprises and foreign invested enterprises is 25%.



For the six months ended 30 June 2022

6. Income Tax (Continued)

The major components of income tax expense of the Group are as follows:

	For the six months ended 30 June	
	2022 (RMB'000) (Unaudited)	2021 (RMB'000) (Unaudited)
Current income tax — Mainland China	1,438	1,679
Current income tax — Hong Kong	547	427
Deferred income tax	(92)	45
Total tax charge for the period	1,893	2,151

A reconciliation of the tax expense applicable to profit before tax at the statutory rate applicable in Mainland China to the tax expense at the effective tax rate is as follows:

	For the six months ended 30 June	
	2022 (RMB'000) (Unaudited)	2021 (RMB'000) (Unaudited)
Profit before tax	8,222	15,914
Tax calculated at a tax rate of 25% (2021: 25%)	2,056	3,979
Effect of different tax rates available to different subsidiaries of the Group	(237)	(1,828)
Expenses not deductible for tax purposes	74	—
	1,893	2,151

7. Dividends

No dividend has been paid or declared by the Company since its date of incorporation.



For the six months ended 30 June 2022

8. Earnings Per Share Attributable to Ordinary Equity Holders of The Parent

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 619,644,972 (2021: 622,500,000) in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the periods ended 30 June 2022 and 2021.

The calculations of basic and diluted earnings per share are based on:

	2022 (RMB'000) (Unaudited)	2021 (RMB'000) (Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	6,269	13,763
	Number of shares	
	2022	2021
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted earnings per share calculation	619,645,000	622,500,000

9. Property, Plant and Equipment

During the six months ended 30 June 2022, the Group acquired assets at a cost of RMB89,000 (30 June 2021: RMB157,000). During the six months ended 30 June 2022, depreciation of RMB81,000 (30 June 2021: RMB73,000) was recognised for certain property, plant and equipment during the period.



10. Financial Assets at Fair Value Through Profit or Loss

	30 June 2022 (RMB'000) (Unaudited)	31 December 2021 (RMB'000) (Audited)
Non-current		
Unlisted equity investments, at fair value	8,000	4,000
Current		
Other unlisted investments, at fair value	35,751	16,575
	43,751	20,575

The above unlisted equity investments were classified as financial assets at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.

The above unlisted investments were wealth management products issued by banks in Mainland China. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

11. Trade Receivables

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2022 (RMB'000) (Unaudited)	31 December 2021 (RMB'000) (Audited)
Within 1 month	111,136	91,581
1–3 months	10,482	15,064
3–12 months	4,454	469
	126,072	107,114



12. Trade Payables

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2022 (RMB'000) (Unaudited)	31 December 2021 (RMB'000) (Audited)
Within 1 year	203,663	195,720

13. Share Capital

	30 June 2022 (RMB'000) (Unaudited)	31 December 2021 (RMB'000) (Audited)
Issued and fully paid: 622,500,000 ordinary shares of US\$0.0005 each	2,157	2,157

14. Commitments

The Group had the following capital commitments at the end of the reporting period:

	30 June 2022 (RMB'000) (Unaudited)	31 December 2021 (RMB'000) (Audited)
Contracted, but not provided for Capital contributions payable to investments	12,000	16,000



15. Related Party Transactions and Balances

The directors of the Company are of the view that the following company is a related party that had transactions or balances with the Group during the reporting period.

(a) Name and relationship

Name of related party	Relationship with the Group and the Company
Taschh Limited	A shareholder which has significant influence over the Company

(b) Related party transactions

In addition to the transactions and balances disclosed elsewhere in the financial statements, the Group had the following transactions with a related party during the reporting period:

	For the six months ended 30 June	
	2022 (RMB'000) (Unaudited)	2021 (RMB'000) (Unaudited)
Services provided to a related party: Taschh Limited	16	50

(c) Outstanding balances with a related party

The Group had the following balance with a related party:

	30 June 2022 (RMB'000) (Unaudited)	31 December 2021 (RMB'000) (Audited)
	Amounts due from a related party: Taschh Limited ⁽¹⁾	43

(1) The amounts due from a related party are included in trade receivables in note 11 to the financial statements and are trade in nature.



15. Related Party Transactions and Balances (Continued)**(d) Compensation of key management personnel of the Group**

	For the six months ended 30 June	
	2022 (RMB'000) (Unaudited)	2021 (RMB'000) (Unaudited)
Short-term employee benefits	3,523	2,764
Contributions to the pension scheme	143	143
	3,666	2,907

16. Fair Value and Fair Value Hierarchy of Financial Instruments

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 June 2022 (RMB'000) (Unaudited)	31 December 2021 (RMB'000) (Audited)	30 June 2022 (RMB'000) (Unaudited)	31 December 2021 (RMB'000) (Audited)
Financial assets at fair value through profit or loss	43,751	20,575	43,751	20,575

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, financial assets included in prepayments, other receivables and other assets, and financial liabilities included in other payables and accruals, approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.



16. Fair Value and Fair Value Hierarchy of Financial Instruments (Continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Group invests in unlisted investments, which represent wealth management products issued by financial institutions in Mainland China. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks. The fair value measurement of the financial assets at FVTPL is categorised within Level 2 of the fair value hierarchy.

The fair values of unlisted equity investments have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. Valuation techniques applied include reference to the net asset value based on the fair value of the underlying investments. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the interim condensed consolidated statement of financial position, and the related changes in fair values, which are recorded in profit or loss, are reasonable, and that they were the most appropriate values at the end of the reporting period.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2022

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Financial assets at fair value through profit or loss (unaudited)	—	35,751	8,000	43,751



16. Fair Value and Fair Value Hierarchy of Financial Instruments (Continued)

Fair value hierarchy (Continued)

As at 31 December 2021

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Financial assets at fair value through profit or loss (audited)	—	16,575	4,000	20,575

The movements in fair value measurements within Level 3 during the period are as follows:

	2022 (RMB'000) (Unaudited)	2021 (RMB'000) (Unaudited)
Unlisted equity investments		
At 1 January	4,000	—
Purchases	4,000	—
As 30 June	8,000	—

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets (2021: Nil).

17. Events after The Reporting Period

The strained Sino-US relations have brought additional uncertainties to the Group's operating environment and might impact the Group's operations and financial position. The Group will closely monitor the development of the strained Sino-US relations, assess and actively respond to their impact on the financial condition, operating results and other aspects of the Group. In the event that there is any significant financial impact, the Company will release further announcement as and when appropriate, and reflect it in the Group's 2022 annual financial statements.

18. Approval of The Financial Statements

The unaudited interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 29 August 2022.

FUTURE AND OUTLOOK

Driven by the demands from advertisers and media publishers and the growing competition in the online advertising industry, our R&D team is focused on improving our ad formats and ad creatives as well as supporting the development and maintenance of AdTensor. In order to strengthen our competitive advantage in video AI algorithm capabilities, and considering that AI technology is one of the core technologies supporting Metaverse, we plan to break through in the cutting-edge areas of AI on video, etc.

In the second half of 2022, we will step up our efforts in the R&D of AdTensor's AI algorithm system, such as video graphics optimisation, video multi-lingual processing, audio and speech synchronisation between video images and multi-lingual sound, and separation of pictures and sounds. The AI algorithm will help optimise our production efficiency and spending, which improves customers' return on investment, as well as increasing the competitive effects of our advertising.

In order to better serve our advertiser customers, we will provide our advertiser customers with comprehensive global marketing services, including but not limited to performance advertising, influencer marketing, brand public relations services and video advertising production services. In addition to the organic growth of our business, we also plan to pursue strategic investment and merger and acquisition opportunities that will help strengthen our offerings and enhance our business reputation. Moreover, to continue developing our precision marketing capabilities and providing our advertisers with one-stop precision mobile advertising services, we also plan to increase our R&D efforts in the development of advertising and marketing related Software-as-a-Service ("**SaaS**") products based on our AI and big data platform, and provide our advertisers with SaaS services with online marketing solutions to comprehensively improve advertisers' ability to acquire customers, and thereby improving the Group's smart advertising service ecosystem.

Taking into account the uncertainty surrounding COVID-19 and other factors beyond our control which could potentially affect our business operations, we will continue to pay close attention to the industry trends and the trends in relation to the allocation in our customers' advertising spending in order to make a corresponding shift in our sales activities. We have maintained and will seek to further expand a diversified advertiser base and stable working relationships with our existing advertisers and media publishers with a view to prepare ourselves for any potential, rapid shift in the advertising needs among advertisers.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, the Company did not redeem any of its listed securities nor did the Company or any of its subsidiaries purchase or sell such securities.

COMPLIANCE WITH CG CODE

The Group is committed to implementing high standards of corporate governance to safeguard the interests of the Shareholders and enhance the corporate value as well as the responsibility commitments. The Company has adopted the CG Code as its own code of corporate governance since the Listing Date.

In the opinion of the Directors, the Company has complied with all applicable code provisions of the CG Code for the Reporting Period except as disclosed below:

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Ms. Chang currently holds both positions. Since the inception of the Group, Ms. Chang has been the Group's key leadership figure who has been primarily involved in the overall strategic planning, management and operations of the Group. Taking into account the continuous implementation of the business plans, the Board believes that vesting the roles of both chairman and the chief executive officer in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies.

The Board will continue to review and monitor the corporate governance practices of the Company for the purpose of complying with the code provisions of the CG Code and maintaining a high standard of corporate governance of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct governing the securities transactions by the Directors. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code for the Reporting Period.



DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 30 June 2022, the interests and short positions of the Directors or the chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which were required to be (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO); or (b) recorded in the register required to be kept by the Company, pursuant to section 352 of the SFO; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(a) Interests of Directors and Chief Executive of the Company

Name of Director	Nature of Interest	Number of Shares held ⁽¹⁾	Total	Approximate percentage of the issued Shares
Ms. Chang ⁽²⁾⁽³⁾	Interest in a controlled corporation	229,500,000 (L)	360,000,000	57.83%
	Interest of party acting in concert	130,500,000 (L)		
Ms. Li ⁽²⁾⁽³⁾	Interest in a controlled corporation	130,500,000 (L)	360,000,000	57.83%
	Interest of party acting in concert	229,500,000 (L)		
Mr. Hsia ⁽⁴⁾	Beneficiary of a trust	90,000,000 (L)	90,000,000	14.46%

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) 229,500,000 Shares is owned by Rowtel, a company beneficially and wholly owned by Fetech, which is in turn beneficially and wholly owned by Ms. Chang, and 130,500,000 Shares in the Company is owned by Westel, a company beneficially and wholly owned by Hera, which is in turn beneficially and wholly owned by Ms. Li. As such, Ms. Chang is deemed to be interested in the Shares held by Rowtel and Ms. Li is deemed to be interested in the Shares held by Westel.
- (3) Ms. Chang and Ms. Li executed the Acting-in-Concert Agreements on 11 May 2016, 31 May 2016 and 6 September 2019 to acknowledge and reflect the mutual understanding and intention, and to confirm that such acting in concert arrangement has been put in place and shall continue during the period as long as Ms. Chang and Ms. Li retain equity interest in the Group directly or indirectly. Each of Ms. Chang and Ms. Li is deemed interested in aggregate interests of 360,000,000 Shares.
- (4) 90,000,000 Shares is owned by Taschh, a company beneficially and 99.99% owned by Tiequan LLC. Tiequan LLC is in turn beneficially and wholly owned by Tiequan Trust, while Southpac Trust International, Inc. acts as the trustee of Tiequan Trust. Mr. Hsia is the sole beneficiary of Tiequan Trust. As such, Mr. Hsia is deemed to be interested in the Shares held by Taschh.

Save as disclosed above, as at 30 June 2022, none of the Directors nor the chief executive of the Company had any interests or short positions in any of the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be: (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO); (b) recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2022, so far as is known to the Directors, the following corporation (other than a Director or the chief executive of the Company) had, or were taken or deemed to have interests or short positions in the shares or underlying shares which were required to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of Shareholder	Nature of interest	Number of Shares held ⁽¹⁾	Approximate percentage of the issued Shares
Rowtel ⁽²⁾	Beneficial owner	229,500,000 (L)	36.87%
Fetech ⁽²⁾	Interest in a controlled corporation	229,500,000 (L)	36.87%
Westel ⁽³⁾	Beneficial owner	130,500,000 (L)	20.96%
Hera ⁽³⁾	Interest in a controlled corporation	130,500,000 (L)	20.96%
Taschh ⁽⁴⁾	Beneficial owner	90,000,000 (L)	14.46%
Tiequan LLC ⁽⁴⁾	Interest in a controlled corporation	90,000,000 (L)	14.46%
Southpac Trust International, Inc. ⁽⁴⁾	Trustee of a trust	90,000,000 (L)	14.46%

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) Rowtel is beneficially and wholly owned by Fetech, which is in turn beneficially and wholly owned by Ms. Chang. As such, each of Fetech and Ms. Chang is deemed to be interested in the Shares held by Rowtel.
- (3) Westel is beneficially and wholly owned by Hera, which is in turn beneficially and wholly owned by Ms. Li. As such, each of Hera and Ms. Li is deemed to be interested in the Shares held by Westel.
- (4) Taschh is beneficially and 99.99% owned by Tiequan LLC. Tiequan LLC is in turn beneficially and wholly owned by Tiequan Trust, while Southpac Trust International, Inc. acts as the trustee of Tiequan Trust. Mr. Hsia is the sole beneficiary of Tiequan Trust. As such, each of Tiequan LLC, Tiequan Trust, Southpac Trust International, Inc. and Mr. Hsia is deemed to be interested in the Shares held by Taschh.

Save as disclosed above, as at 30 June 2022, the Directors were not aware of any other corporation which/person (other than a Director or the chief executive of the Company) who had any interests or short positions in the shares or underlying shares which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.



POST-IPO SHARE OPTION SCHEME

The Post-IPO Share Option Scheme was conditionally approved and adopted by the then Shareholders on 22 June 2020, and became effective on the Listing Date. The purpose of the Post-IPO Share Option Scheme is to incentivise and reward the Eligible Persons (as defined below) for their contribution to the Group and to align their interests with that of the Company so as to encourage them to work towards enhancing the value of the Company.

During the Reporting Period, no share option was granted under the Post-IPO Share Option Scheme. Accordingly, there was no outstanding share option as at 30 June 2022 and no share option was exercised or cancelled or lapsed during the Reporting Period.

(a) Eligible persons

The Board (including any committee or delegate of the Board appointed by the Board to perform any of its functions pursuant to the rules of the Post-IPO Share Option Scheme) may, at its absolute discretion, offer to grant an option to subscribe for such number of Shares as the Board may determine to an employee (whether full time or part-time) or a director of a member of our Group or associated companies of our Company ("**Eligible Persons**").

(b) Maximum number of Shares in respect of which options may be granted

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Post-IPO Share Option Scheme must not in aggregate exceed 10% of the total number of Shares in issue as at the Listing Date, being 60,000,000 Shares.

As at the date of this report, the total number of Shares available for issue under the Post-IPO Share Option Scheme is 60,000,000 Shares, representing approximately 9.64% of the issued shares of the Company.

(c) Maximum entitlement of each individual

No options shall be granted to any Eligible Persons under the Post-IPO Share Option Scheme of our Company which, if exercised, would result in such Eligible Persons becoming entitled to subscribe for such number of Shares as, when aggregated with the total number of Shares already issued or to be issued to him under all options granted to him (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of offer of such options, exceeds 1% of the Shares in issue at such date or such higher limit as the Stock Exchange may allow pursuant to a waiver granted at the Stock Exchange's discretion.



(d) Option period

Any option which remains unexercised shall lapse upon the expiry of the option period, which period shall be determined by the Board and shall not exceed ten years from the offer date of the option or such longer period as the Stock Exchange may allow pursuant to a waiver granted at the Stock Exchange's discretion.

(e) Minimum period for which an option must be held before it can be exercised

Unless the exercise of option would, in the opinion of the Board, be in breach of a statutory or regulatory requirement or unless the Board determines otherwise in its absolute discretion, any vested option which has not lapsed and which conditions have been satisfied or waived by the Board in its sole discretion may, unless the Board determines otherwise in its absolute discretion, be exercised at any time from the next business day after the offer of options has been accepted.

(f) Acceptance of an offer of options

An offer of options shall be open for acceptance for such period (not exceeding 30 days inclusive of, and from, the date of offer) as the Board may determine and notify to the Eligible Persons concerned provided that no such offer shall be open for acceptance after the expiry of the duration of the Post-IPO Share Option Scheme. An offer of options not accepted within this period shall lapse. An amount of HK\$1.00 is payable upon acceptance of the grant of an option and such payment shall not be refundable and shall not be deemed to be a part payment of the exercise price.

(g) Basis of determining the exercise price

Subject to any adjustment made as a result of alteration of share capital of the Company, the exercise price shall be such price as determined by the Board and notified to an option-holder and which shall not be less than the higher of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of offer of the option;
- (ii) the average of the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of offer of the option; and
- (iii) the nominal value of the Shares.

(h) Remaining life of the Post-IPO Share Option Scheme

The Post-IPO Share Option Scheme shall be valid and effective for a period of ten years commencing on the Listing Date, after the period of which no further options will be granted but the provisions of the Post-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto which are at that time or become thereafter capable of being exercised under the Post-IPO Share Option Scheme, or otherwise to the extent as may be required in accordance with the provisions of the Post-IPO Share Option Scheme.



SHARE AWARD SCHEME

The Share Award Scheme was adopted on 29 September 2021. The purposes of the Share Award Scheme are (i) to recognise the contributions by selected participants; (ii) to offer suitable incentives to attract and retain talented selected participants who may be beneficial to the growth and development of the Group; and (iii) to align the interests of the selected participants directly to the Shareholders through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in the value of the Shares. Please refer to the Company's announcements dated 29 September 2021 and 19 October 2021 for further details. Unless otherwise defined, capitalised terms used herein shall have the same meaning as those defined in such announcements.

During the Reporting Period and up to the date of this report, no award share has been granted to any selected participants pursuant to the Share Award Scheme.

(a) Eligible persons

Any individual who is an employee, officer, director or consultant of the Company or any of its Subsidiaries, provided that no individual who is resident in a place where the grant, acceptance or vesting of an award pursuant to the Share Award Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in this Share Award Scheme and such individual shall therefore be excluded from the term Eligible Person. In determining the selection criteria of the selected participant, the Board shall take into consideration matters including, but without limitation to, (i) the present and expected contribution of the selected participant to the Group; (ii) the financial condition of the Group; and (iii) the business performance and development plan of the Group.

(b) Operation of the Share Award Scheme

Subject to terms and conditions of the Share Award Scheme and the requirements of the Listing Rules, the Board may, from time to time at its absolute discretion, select any Eligible Person to participate in the Share award scheme as a selected participant, make an offer to the selected participants and grant award shares to such selected participants which are to be satisfied by (i) the new Shares to be subscribed by the trustee under the Company's available general mandate on the relevant grant date or under a specific mandate approved or to be approved by the Shareholders; or (ii) the existing Shares received by the trustee from any Shareholder; or (iii) purchased by the trustee in the open market (either on-market or off-market) as directed by the Board.

Any new Shares to be subscribed by the trustee under the Share Award Scheme will be issued under the available general mandate in effect on the grant date. Only when the number of the new Shares to be subscribed exceeds the available general mandate will the Board seek a specific mandate to be approved by the Shareholders to cover any award to be satisfied by new Shares that fall outside of the available general mandate. As such, the new Shares to satisfy any awards will be issued under the available general mandate approved by the Shareholders and in effect at the time of the relevant award, or a specific mandate approved or to be approved by the Shareholders for the relevant award.



(c) Scheme limit

The Company shall not make any further grant of award which will result in the number of Shares granted under the Share Award Scheme exceeding 10 per cent of the total number of issued Shares as at the adoption date. Such maximum number is not a limit set for yearly basis but the maximum number of the Shares that may be awarded throughout the award period. The maximum number of Shares which may be awarded to a selected participant shall not exceed 1 per cent (1%) of the total number of issued Shares as at the adoption date.

(d) Termination

The Share Award Scheme shall terminate on the earlier of: (i) the tenth anniversary date of the adoption date; and (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any selected participant hereunder.

Upon termination of the Share Award Scheme, all returned shares and all such non-cash income remaining in the trust shall be sold by the trustee, within 20 business days (on which the trading of the Shares has not been suspended) of receiving notice of such termination of the Share Award Scheme (or such longer period as the Board may otherwise determine). residual cash, net proceeds of such sale and such other funds remaining in the trust (after making appropriate deductions in respect of all disposal costs, liabilities and expenses in accordance with the trust deed) shall be remitted to the Company forthwith after the sale. For the avoidance of doubt, the trustee shall not transfer any Shares to the Company nor may the Company otherwise hold any Shares whatsoever (other than the proceeds arising from the sale of such Shares).

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the CG Code. As at the date of this report, the Audit Committee consists of two independent non-executive Directors, namely Mr. Chan Foon and Mr. Zhang Yaoliang, and a non-executive Director, Mr. Hsia. The chairman of the Audit Committee is Mr. Chan Foon.

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2022 and this report, including the applicable accounting policies and accounting standards adopted by the Group, and considers that such statements have been prepared in compliance with the applicable Listing Rules.



USE OF PROCEEDS

The Shares were listed on the Main Board of the Stock Exchange on 10 July 2020 by way of Global Offering, raising total net proceeds of HK\$83.5 million after deducting professional fees, underwriting commissions and other related listing expenses. The Over-allotment Option was fully exercised on 2 August 2020 and raised total gross proceeds of approximately HK\$17.4 million. The total net proceeds received by the Company were HK\$100.9 million (the “**IPO Proceeds**”). On 24 December 2021, the Board, having considered the business environment and development of the Group under the impact of the COVID-19 pandemic, resolved to reallocate the remaining unutilised IPO proceeds of approximately HK\$55.7 million (the “**Unutilised IPO Proceeds**”) among the intended uses (the “**Revised Allocation**”). For further details, please refer to the announcement of the Company dated 24 December 2021.

The original proposed allocation of the IPO Proceeds (the “**Planned Use of Proceeds**”), the reallocation of the Unutilised IPO Proceeds and the actual usage of the Unutilised IPO Proceeds up to 30 June 2022 are set out below:

	Approximate% of total IPO Proceeds %	Planned Use of Proceeds HK\$' million	Actual IPO Proceeds utilised up to Revised Allocation HK\$' million	Unutilised IPO Proceeds up to the Revised Allocation HK\$' million	Revised Allocation of the Unutilised IPO Proceeds and Actual usage of the amount of IPO Proceeds for the six months ended 30 June 2022 HK\$' million	Unutilised amount of the IPO Proceeds as at 30 June 2022 HK\$' million	Expected timeline for utilising the remaining unutilised IPO Proceeds HK\$' million
AI technologies and technology capabilities; offering of our AdTensor platform	35	35.3	22.7	12.6	12.6	2.4	2022: 2.9 2023: 7.3
Local service capabilities and global footprint	20	20.2	10.4	9.8	9.8	6	2022: 3.8
IT infrastructure, management system, ERP system, ORACLE system and performance monitoring system	20	20.2	3.1	17.1	4.0	1.5	2022: 2.5
Sales and marketing and local presence in selected regions in China	15	15.1	7.8	7.3	12.2	3.6	2022: 8.6
Strategic investments and mergers and acquisitions	10	10.1	1.2	8.9	8.9	—	2022: 4.6 2023: 4.3
General working capital	—	—	—	—	8.2	3.5	2022: 4.7
Total		100.9	45.2	55.7	55.7	17.0	38.7

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the Prospectus and this report, the Group did not have any future plans for material investments or capital assets as at 30 June 2022.

SUBSEQUENT EVENTS

The lingering COVID-19 pandemic and strained Sino-US relations have brought additional uncertainties in the Group's operating environment and might impact the Group's operations and financial position. The Group will closely monitor the development of the COVID-19 and strained Sino-US relations, assess and actively respond to their impact on the financial condition, operating results and other aspects of the Group. In the event that there is any significant financial impact, the Company will release further announcement as and when appropriate, and reflect it in the Group's 2022 annual financial statements.

Save as disclosed above, as at the date of this report, there was no other significant event subsequent to 30 June 2022.

INTERIM DIVIDEND

The Board has resolved not to declare the payment of any interim dividend for the six months ended 30 June 2022 (six months ended 30 June 2021: nil).



DEFINITIONS

In this interim report, unless the context otherwise require, the following expressions shall have the following meaning:

“Acting-in-Concert Agreements”	the acting-in-concert agreements entered into among the Founders on 11 May 2016, 31 May 2016 and 6 September 2019 concerning their cooperation as parties acting in concert regarding the management of, and to exercise control over, our Group
“AdTensor”	our proprietary ad optimisation and management platform
“AI”	artificial intelligence
“Audit Committee”	the audit committee of the Board
“Board”	the board of directors of the Company
“CG Code”	the Corporate Governance Code set out in Appendix 14 to the Listing Rules
“China” or “PRC”	the People’s Republic of China, excluding, for the purpose of this report, Hong Kong, Macau and Taiwan
“Company”	ADTIGER CORPORATIONS LIMITED, a company incorporated in the Cayman Islands as an exempted company with limited liability, the Shares of which are listed and traded on the Main Board of the Stock Exchange
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules, and in the context of the Company, means Ms. Chang, Fetech, Rowtel, Ms. Li, Hera and Westel, or any one of them
“COVID-19”	the novel coronavirus 2019
“CPA”	cost per action, a performance-based pricing model where advertising is paid on the basis of each action of the mobile device user such as download, installation or registration. CPI is typically referred to as CPA
“CPC”	cost per click, a non-performance-based pricing model where advertisers are charged on the basis of each click of the ad
“CPI”	cost per install, a performance-based pricing model where advertisers are charged on the basis of each installation of the app
“CPM”	cost per mille, a non-performance-based pricing model where advertisers are charged on the basis of thousand impressions
“Director(s)”	the director(s) of the Company



“Euro(s)”	the lawful currency of the member states of the European Union
“FVTPL”	fair value through profit or loss
“Fetech”	Fetech Media Limited, a company incorporated in the BVI with limited liability on 29 October 2018, one of our Controlling Shareholders
“Global Offering”	has the meaning ascribed to it under the Prospectus
“Group”	the Company and its subsidiaries
“Hera”	Hera Bridge Media Limited, a company incorporated in the BVI with limited liability on 29 October 2018, one of our Controlling Shareholders
“HKFRS”	Hong Kong Financial Reporting Standards
“impression(s)”	the number of ad views, represents the total number of times our ad is viewed by a user or displayed on a web page during a certain period of time
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	10 July 2020, the date on which the Shares were listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with GEM of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules
“Mr. Hsia”	Mr. HSIA Timothy Chunhon, our non-executive Director and our substantial Shareholder
“Ms. Chang”	Ms. CHANG Sufang (常素芳), our executive Director, one of our founders and Controlling Shareholders
“Ms. Li”	Ms. LI Hui (李慧), our executive Director, one of our founders and Controlling Shareholders
“Over-allotment Option”	has the meaning ascribed to it under the Prospectus



Definitions

“Post-IPO Share Option Scheme”	the share option scheme conditionally adopted by our Company, further details of which are described in the subsection headed “Statutory and General Information — D. Post-IPO Share Option Scheme” in Appendix IV to the Prospectus
“Prospectus”	the prospectus of the Company dated 29 June 2020
“R&D”	research and development
“Reporting Period”	the six months ended 30 June 2022
“RMB”	Renminbi, the lawful currency of the PRC
“Rowtel”	Rowtel Technology Limited, a company incorporated in the BVI with limited liability on 27 December 2018, one of our Controlling Shareholders
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended and supplemented from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company, currently of nominal value US\$0.0005 each
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Taschh”	Taschh Limited, a company incorporated in Hong Kong with limited liability on 22 May 2015, our substantial shareholder
“Tiequan LLC”	Tiequan LLC, a company incorporated in the Cook Islands with limited liability on 25 May 2015, our substantial shareholder
“Tiequan Trust”	a trust established in the Cook Islands with Mr. Hsia as the sole beneficiary and the trustee of which is Southpac Trust International, Inc. is appointed on 25 May 2015, our substantial shareholder
“U.S.”, “US” or “United States”	the United States of America
“USD”	U.S. dollars, the lawful currency of the U.S.
“Westel”	Westel Technology Limited, a company incorporated in the BVI with limited liability on 27 December 2018, one of our Controlling Shareholders

* for identification purposes only

