

**IPO FACT SHEET**
**Mobvista Inc (1860 HK)**
**ISSUE STATISTICS**

|                                      |  |
|--------------------------------------|--|
| <b>Offer Size:</b>                   | HK\$1,243.6m – HK\$1,626.2m  |
| <b>Placement Tranche:</b>            | 318,867,000 shares   |
| <b>Price:</b>                        | HK\$3.90 – HK\$5.10  |
| <b>Board lot:</b>                    | 1,000  |
| <b>Entry fee:</b>                    | HK\$5,151.40   |
| <b>Historical PE</b>                 | 27.80x – 36.35x  |
| <b>Net tangible asset per share:</b> | HK\$0.94 – HK\$1.17  |
| <b>Market Cap (post-IPO):</b>        | HK\$5,923,581,300 – HK\$7,746,221,700                                  |
| <b>Open:</b>                         | 30 Nov 2018  |
| <b>Close:</b>                        | 12.00 noon on 5 Dec 2018   |
| <b>Trading:</b>                      | 12 Dec 2018  |
| <b>Sponsor:</b>                      | UBS Securities Hong Kong Limited and CMB International Capital Limited |

| <b>Year ended 31 Dec</b>          | <b>(US\$'000)</b> | <b>yoy % chg</b> |
|-----------------------------------|-------------------|------------------|
| <b>Revenue</b>                    |                   |                  |
| 2016                              | 283,293           | 69.4%            |
| 2017                              | 312,956           | 10.5%            |
| <b>Profit for the year/period</b> |                   |                  |
| 2016                              | 19,781            | 127.1%           |
| 2017                              | 27,320            | 38.1%            |

**BACKGROUND**

- They are a leading technology platform providing mobile advertising and mobile analytics services to the app developers globally.
- They help app developers better acquire users, monetize their apps and understand the performance of their apps and behavior of their users on their mobile advertising platform and mobile analytics SaaS platform.
- According to the iResearch Report, they ranked:
  - among the top ten in the world, the second in Asia and the largest in China in terms of monetization SDK average DAUs in the first half of 2018.
  - the largest third-party advertising platform in terms of providing user acquisition services during the five months ended June 30, 2018 to the top 50 PRC apps by number of overseas downloads in 2017.
- They provide user acquisition and monetization services on their mobile advertising platform.
- They provide these advertisers user acquisition services to conduct cost-efficient mobile advertising campaigns for them across a variety of media and charge them based on advertising performance.
- They provide these publishers monetization services and deliver ads suitable and of interest to their users to fill the ad inventories in their apps.
- They provide mobile analytics services on their mobile analytics SaaS platform.
- Their mobile analytics services are provided as an analytical tool that enables game developers to monitor and analyze various aspects of game player data.
- All of their services are empowered by their proprietary data technology and enabled by their big data AI system which serve as the foundation of their service offerings.

**BUSINESS STRATEGY AND FUTURE PLANS**

- Continue to implement their “Glocal” operating model by enhancing their local service capabilities and expanding their global footprint.
- Expand the scale and scope of their business with app developers.
- Explore opportunities for their mobile analytics SaaS platform.

- Continue to strengthen their data and technology advantages.
- Attract, retain and develop exceptional employees.
- Integrate industry resources through strategic investments and mergers and acquisitions.

#### COMPETITIVE STRENGTHS

- Leading technology platform for mobile advertising and mobile analytics with global business scale.
- Outstanding programmatic advertising capabilities.
- Robust big data and outstanding AI capabilities.
- Proprietary mobile analytics SaaS platform.
- Extensive global footprint with strong local service capabilities.
- Leading technology capabilities with highly scalable and reliable IT infrastructure.
- Sizable and diverse advertiser and publisher base.
- Visionary and experienced management team with international backgrounds.

#### KEY RISKS

- They have a short operating history and are subject to risks and uncertainties associated with operating in a rapidly developing and evolving industry, and their limited operating history makes it difficult to evaluate their business and prospects.
- They generate their revenues almost entirely from advertising services they provide, and if they fail to retain existing advertisers and publishers, deepen or expand their relationships with advertisers and publishers, or attract new advertisers and publishers, their financial condition, results of operations and prospects may be materially and adversely affected.
- If the mobile advertising industry fails to continue to develop, or develops more slowly than expected, their profitability and prospects may be materially and adversely affected.
- As their costs increase, they may not be able to generate sufficient revenues to sustain profitability.
- If they fail to compete effectively they could lose advertisers, publishers or mobile analytics users, and their revenues may decline.
- Their business is subject to complex and evolving PRC and foreign laws and regulations which are subject to change and uncertain interpretation, and could result in claims, changes to their business practices, monetary penalties, increased cost of operations, or declines in user growth or engagement, or otherwise harm their business.

#### DIVIDEND POLICY

- No fixed dividend policy.

#### USE OF PROCEEDS

|  | HK mn           | As a percentage of gross proceeds from the Invitation (%) |
|--|-----------------|---|
| To enhance their strengths in big data and AI technologies and IT infrastructure.  | 408.18          | 30.0%   |
| To enhance and improve the services on their mobile advertising and mobile analytics platform.                                       | 408.18          | 30.0%   |
| To continue to implement their “Glocal” strategy by enhancing their local service capabilities and expanding their global footprint. | 136.06          | 10.0%   |
| To make additional strategic investments and acquisitions to expand their ecosystem.   | 272.12          | 20.0%   |
| For general working capital.   | 136.06          | 10.0%   |
| <b>Total:</b>  | <b>1,360.60</b> | <b>100.00%</b>  |

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