Mobvista Inc.
匯量科技有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1860)

PROFIT WARNING

This announcement is made by Mobvista Inc. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to the Inside Information Provisions (as defined under the Listing Rules as defined below) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The board of directors of the Company (the "**Board**") wishes to inform the Company's shareholders and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 (the "**FY2020**"), the Group expects to record loss attributable to owners of the Company of approximately US$4.0 to US$5.5 million in the FY2020 (31 December 2019: profit attributable to owners of the Company of approximately US$22.07 million).

The loss is primarily attributable to the following:

1. In the second half of the FY2020, the unstable international political environment, intensified frictions between economies, tightened regulatory policies on data privacy and protection by global regulatory authorities, and malicious competition from overseas competitors, all together resulted in the suspension of partnership by some European and American traffic publishers with the Company's Mintegral platform (the "**Platform**"), which led to certain adverse impact on the scale of the audience reached by the Platform, impacted the delivery effect of the platform to some extent to customers, and thus caused a short-term impact on the business and decrease in the Platform's revenue contribution.

   As at the date of this announcement, around 80% of the major traffic publishers who suspended their partnership with the Platform due to such adverse impact have resumed their partnership with the Platform. At present, the scale of the Platform's advertising trading has resumed to the historical high level. After careful evaluation by the Board, it considers that the interruption brought by such adverse impact on the Group's overall operation is temporary.

2. Since media agency and some non-programmatic advertising business occupy operating funds and have limited business growth potential, the Company has gradually reduced and withdrawn from such businesses and integrated resources to accelerate the strategic transformation of the Company to programmatic advertising business which led to the decrease in the revenue of non-programmatic advertising business. The Company believes that the programmatic advertising business is a large market, its business model can drive business growth and maintain healthy cash flow, also the Company's core technology and business foundation are already in place, the transformation will benefit the Company's long-term development.

3. During the second half of FY2020, the Company actively pushed forward the market promotion of SaaS products in the Cloud Business Unit which led to the increases in the Company's sales and related expenses.

The Company will persistently treat the advertising technology business as our main line of business and continue to strengthen and commercialise technological capabilities underlying our cloud computing. The Company will strive to create a full link SaaS tooling ecosystem around the full life cycle scenarios of mobile internet commerce.

The Company is still in the process of finalising the annual results of the Group for the FY2020. The information contained in this announcement is solely based on the preliminary assessment made by the Board with reference to the information currently available to the Company and based on the unaudited consolidated management accounts of the Group for the FY2020, which is yet to be finalised and has not yet been reviewed by the Company's independent auditor or the audit committee of the Company, and may be therefore subject to possible adjustment upon further review. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the FY2020, which is expected to be published in late March 2021 in accordance with the requirements of the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Mobvista Inc.
DUAN Wei
Chairman

Guangzhou, PRC, 16 March 2021

As at the date of this announcement, the Board comprises Mr. DUAN Wei (Chairman), Mr. CAO Xiaohuan (Chief Executive Officer) and Mr. FANG Zikai as executive Directors; Mr. WONG Tak-Wai as a non-executive Director; and Mr. YING Lei, Mr. HU Jie and Mr. SUN Hongbin as independent non-executive Directors.