



# UJU HOLDING LIMITED 優矩控股有限公司

(Incorporated in the Cayman Islands with limited liability)  
Stock Code: 1948

## 2022 INTERIM REPORT



# CONTENTS

<b>2</b>	Corporate Information
<b>3</b>	Financial Highlights
<b>4</b>	Chairman's Statement
<b>7</b>	Management Discussion and Analysis
<b>17</b>	Other Information
<b>22</b>	Report on Review of Interim Financial Information
<b>23</b>	Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
<b>24</b>	Interim Condensed Consolidated Balance Sheet
<b>26</b>	Interim Condensed Consolidated Statement of Changes in Equity
<b>27</b>	Interim Condensed Consolidated Statement of Cash Flows
<b>28</b>	Notes to the Interim Condensed Consolidated Financial Information
<b>47</b>	Definitions





## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Ma Xiaohui (*Chairman of the Board*)  
Mr. Peng Liang (*Chief executive officer*)  
Ms. Luo Xiaomei (*Chief financial officer*)

#### Independent Non-Executive Directors

Mr. Zhang Peiao  
Ms. Lin Ting  
Mr. Wang Wenping

#### COMPANY SECRETARY

Mr. Chan Ka Yin (*FCCA, FCCA*)

#### AUDIT COMMITTEE

Mr. Wang Wenping (*Chairperson*)  
Mr. Zhang Peiao  
Ms. Lin Ting

#### NOMINATION COMMITTEE

Mr. Ma Xiaohui (*Chairperson*)  
Mr. Zhang Peiao  
Ms. Lin Ting  
Mr. Wang Wenping

#### REMUNERATION COMMITTEE

Ms. Lin Ting (*Chairperson*)  
Mr. Zhang Peiao  
Mr. Wang Wenping

#### AUTHORISED REPRESENTATIVES

Mr. Ma Xiaohui  
Mr. Chan Ka Yin

#### AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants and Registered  
Public Interest Entity Auditor  
22/F, Prince's Building  
Central, Hong Kong

#### LEGAL ADVISOR AS TO HONG KONG LAWS

Chungs Lawyers in association with DeHeng Law Offices  
28/F., Henley Building  
No. 5 Queen's Road Central  
Central  
Hong Kong

#### COMPLIANCE ADVISER

CMBC International Capital Limited  
45/F., One Exchange Square  
8 Connaught Place  
Central  
Hong Kong

#### REGISTERED OFFICE

P. O. Box 31119, Grand Pavilion  
Hibiscus Way, 802 West Bay Road  
Grand Cayman, KY1-1205  
Cayman Islands

#### PRINCIPAL PLACE OF BUSINESS AND HEADQUARTERS IN THE PRC

4/F, Building G  
Dongfengdebi WE AI Innovative Park  
8 Dongfeng South Road, Chaoyang District  
Beijing, the PRC

#### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

28/F., Henley Building  
No. 5 Queen's Road Central  
Central  
Hong Kong

#### PRINCIPAL BANK

Shanghai Pudong Development Bank  
(Beijing Sanlitun Branch)  
Standard Chartered Bank (Hong Kong) Limited

#### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Global Services (Cayman) Limited  
71 Fort Street, P.O. Box 500  
George Town, Grand Cayman KY1-1106  
Cayman Islands

#### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

#### STOCK NAME

UJU HOLDING

#### STOCK CODE

01948

#### COMPANY'S WEBSITE

<https://www.ujumedia.com>





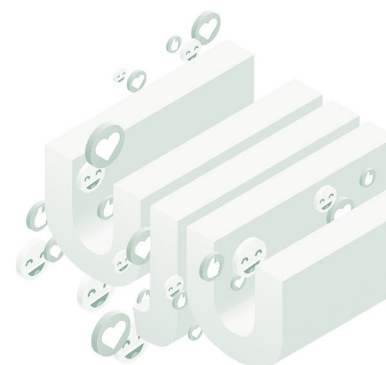
## FINANCIAL HIGHLIGHTS

### OPERATING RESULTS

	Six months ended June 30,		Change (%)
	2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)	
Revenue	4,229,924	3,646,869	16.0%
Profit before income tax	151,663	142,383	6.5%
Profit for the period attributable to owners of the Company	119,948	99,067	21.1%
<b>Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)</b>			
Basic earnings per share	0.20	0.21	-6.7%
Diluted earnings per share	0.20	0.21	-6.7%

### FINANCIAL POSITION

	As of		Change (%)
	June 30, 2022 RMB'000 (Unaudited)	December 31, 2021 RMB'000 (Audited)	
Total assets	3,951,934	3,415,598	15.7%
Total liabilities	2,634,671	2,182,114	20.7%
Total equity	1,317,263	1,233,484	6.8%
Retained earnings	477,470	407,706	17.1%





## CHAIRMAN'S STATEMENT

Dear Shareholders,

I, on behalf of the Board of UJU HOLDING LIMITED, hereby present the interim report of the Company and its subsidiaries for the six months ended 30 June 2022.

### BUSINESS REVIEW AND OUTLOOK

In the first half of 2022, many large cities in China were distracted by the repeated outbreak of the COVID-19 pandemic, which affected the production and life of the society, and economic development fell short of expectations. During this period, the Group strengthened its connecting role between media and customers, and worked closely with upstream and downstream partners to face challenges together. The Group focused on the core areas of short video marketing and live streaming e-commerce services in business development, and enhanced our efficiency while reducing cost, as well as keeping continuous investment in technology research and development, thus maintained steady business growth.

In the first half of 2022, the total gross billing of the Group's advertising business amounted to approximately RMB6,491.7 million, representing an increase of 27.5% as compared to approximately RMB5,090.3 million for the same period of 2021. In the first half of 2022, the Group achieved a total revenue of approximately RMB4,229.9 million, representing an increase of 16.0% as compared to approximately RMB3,646.9 million for the same period of 2021. In the first half of 2022, the Group achieved a total net profit of approximately RMB119.9 million, representing an increase of 21.1% as compared to approximately RMB99.1 million for the same period of 2021.

### Short video marketing services

In the first half of 2022, the repeated outbreak of the COVID-19 pandemic has led to a further penetration of the internet into people's daily lives. The total time of users spending on short video platforms has been increasing, and media are placing more emphasis on stream media technologies and the formulation of short video content. The online and offline consumer market has been under pressure for a while, and the circumstance become somewhat eased in June 2022 due to the introduction of normalized management and control measures of the pandemic and the e-commerce festival, with the emerging recovery opportunities.

According to data from QuestMobile, in the first half of 2022, the overall size of the internet advertising market remained at a level similar to the corresponding period of the prior year, and content platforms continued to expand. In the time of socio-economic stress, advertiser customers' marketing budgets continued to tilt toward digital marketing given that they can control the costs and quantify marketing effects through real-time data feedback.

Seeing the demand from both the media side and advertiser customer side, the Group seized opportunities in the stock market of internet advertiser customers by leveraging its advantages as a leading service provider in short videos, social networking, search engines, mobile application markets, and other media platforms to meet the needs of advertiser customers for efficient marketing conversion. With our strengths in content creation and intelligent advertisement placement, we have secured more marketing budget from advertiser customers.

The Group's self-developed U-engine platform ensures the quality of short video content creation and enables a stable and high exposure rate for advertising contents through AI and big data technologies, thereby reducing the production costs of advertising contents. At the same time, it improves the accuracy of advertisement placement and ensures the maximum marketing effect for advertiser customers.

Since its establishment, the Group has been the core business partner of Ocean Engine, Kuaishou, Tencent, Baidu, Ali and 360 for years. With our accurate prediction over the trend of traffic changes, we have strategically cooperated with streaming and word-of-mouth platforms of Ocean Engine Shopping Ads and Xiaohongshu, and have already built a comprehensive and diversified media matrix. In the first half of 2022, we continued to expand and deepen our cooperation with short video content media. Besides, we have rapidly increased our advertisement placed on Tencent and Ocean Engine Shopping Ads, and have started our cooperation with Tuia, an interactive advertising media.



## CHAIRMAN'S STATEMENT (CONTINUED)

The Group serves advertiser customers in a wide array of industries such as e-commerce, gaming, internet services, financial services, leisure and travelling, education, real estate and home furnishing. In the first half of 2022, affected by multiple factors such as government policies, the pandemic and the economy, the Group has adopted measures of customer structure optimization, ensuring solid partnerships with top-tier companies in various industries and achieved significant revenue growth in the still resilient gaming, internet services and financial services sectors.

In the first half of 2022, the retention rate of the Group's advertiser customers with gross billing of over approximately RMB20 million was 100% as compared to the second half of 2021. The number of the Group's advertiser customers increased from 737 to 843 when comparing with the same period in 2021.

In view of the effective control of the pandemic, the economic recovery will have a slow ramp-up process. With this background, the Group sees digital marketing services as an important safeguard for us to seize new opportunities. Looking forward, the Group will continue to refine its professional capabilities and adhere to the dual-drive development model of content creativity and technological innovation. The Group will continue its investment in U-engine and develop the technology platform into a digital product that connects the business values of both media and advertiser customers, and will continue to explore and seek the possibility of commercialization.

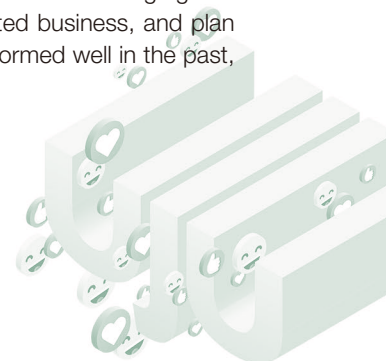
### Live streaming e-commerce services

In the first half of 2022, the user engagement of live streaming on short video platforms increased significantly, and live streaming e-commerce is becoming the infrastructure of the retail industry, that is, merchants connect online and offline services through content to effectively capture user needs and improve user experience. More brands have entered the field of live streaming e-commerce to drive service providers to develop in a professional and refined direction.

The Group has successfully entered the field of live streaming e-commerce through providing branding, effectiveness and sales integrated solutions for brand customers. With our deep insight into the traffic distribution mechanism of the Douyin platform, we started from the content, combined the platform traffic and brand characteristics to increase the exposure of the live streaming room and effectively acquire users through traffic operation, event planning and content production, and thus achieved effective consumer conversion. In terms of brand live streaming operation, the Group provided overall solutions for store design, product planning, store operation, live streaming operation, data analysis, customer service and order fulfillment. In the application of technologies, we focused on the improvement of user conversion and retention through quantifying the decision making process of user purchases with multi-dimensional data analysis of products, live streaming hosts and consumers. In the local lifestyle service, we improved the recognition and penetration rate of catering, entertainment, tourism and accommodation brands through planning of online activities according to brand requirements, connection with KOLs, and visits to offline stores. In addition, the Group officially became one of the first batch of certified live streaming host training institutions officially certified by the Douyin platform in April 2022. Our senior lecturers and systematic courses have helped many brands cultivate outstanding live streaming host talent who adapt to their difference in brand tonality.

As of June 30, 2022, the Group provided the integrated live streaming solutions to 24 brand stores, mainly involving mass consumption and local lifestyle categories, and generated a gross merchandise volume (the "GMV") of approximately RMB139.3 million.

We believe that Douyin, the short video and live streaming format of e-commerce with the characteristic of content stimulating interest and conversion, will continue to expand rapidly with huge business opportunities. Leveraging our accumulated experience in brand live streaming operations, we are brewing e-commerce self-operated business, and plan to vertically expand the upstream supply chain in the food and beverage categories that we have performed well in the past, so as to satisfy brand customers' needs in more marketing scenarios.





## CHAIRMAN'S STATEMENT (CONTINUED)

### APPRECIATION

I would like to take this opportunity to express my sincere gratitude to our valued Shareholders, customers and business partners for their unwavering trust and support. I would also like to thank all our staff and management team for their dedication and contribution.

Chairman of the Board  
UJU HOLDING LIMITED

**Ma Xiao Hui**





## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

#### Revenue

The following table sets forth our revenue by revenue streams for the periods indicated:

	Six months ended June 30,			
	2022		2021	
	(RMB'000) (Unaudited)	% of the total	(RMB'000) (Unaudited)	% of the total
Online marketing solutions business (Note)	4,208,698	99.5	3,646,795	100.0
Live streaming e-commerce services	14,072	0.3	74	0.0
Others	7,154	0.2	—	—
<b>Total</b>	<b>4,229,924</b>	<b>100.0</b>	<b>3,646,869</b>	<b>100.0</b>

*Note:* Including revenue from provision of advertisement distribution services of approximately RMB59.3 million for the six months ended June 30, 2022 (Six months ended June 30, 2021: approximately RMB82.7 million).

We normally enter into annual framework agreements with our advertiser customers and charge them for our online marketing solutions based primarily on a mix of CPC (i.e. cost per click) and CPT (i.e. cost per time). Our revenue from online marketing solutions business increased rapidly by 15.4% from approximately RMB3,646.8 million for the six months ended June 30, 2021 to approximately RMB4,208.7 million for the six months ended June 30, 2022. The increase in revenue is benefited from our technical advantage and our content production capabilities, strengthened the industry head effect. For the six months ended June 30, 2022, the revenue generated from our online marketing solutions business accounted for 99.5% of our total revenue.

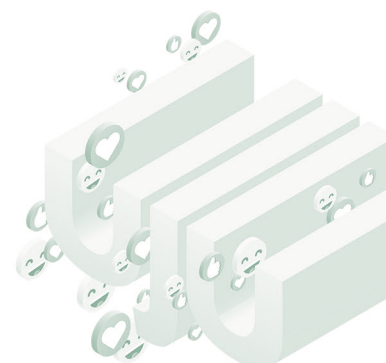
Our forward-looking layout on live streaming e-commerce industries improved our revenue portfolio and proved our expansion efficiency in the first half of 2022.

The revenue from the provision of live streaming e-commerce services increased from approximately RMB0.1 million for the six months ended June 30, 2021 to approximately RMB14.1 million for the six months ended June 30, 2022.

#### Revenue from online marketing solutions business by type of advertising customers

The table below sets forth a breakdown of revenue generated from our online marketing solutions business by type of advertiser customers for the periods indicated:

	Six months ended June 30,			
	2022		2021	
	(RMB'000) (Unaudited)	% of the total	(RMB'000) (Unaudited)	% of the total
Advertisers	4,149,978	98.6	3,566,190	97.8
Advertising agencies	58,720	1.4	80,605	2.2
<b>Total</b>	<b>4,208,698</b>	<b>100.0</b>	<b>3,646,795</b>	<b>100.0</b>







## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Revenue from online marketing solutions business by industry

The advertiser customers we serve operate in a wide array of industries, which primarily include e-commerce, gaming, internet services, financial services, leisure & travelling, education and real estate & home furnishing. The table below sets forth a breakdown of revenue generated from our online marketing solutions business by industry of our direct advertisers for the periods indicated:

	Six months ended June 30,			
	2022		2021	
	(RMB'000) (Unaudited)	% of the total	(RMB'000) (Unaudited)	% of the total
E-commerce	1,753,162	42.2	1,691,594	47.4
Gaming	1,036,941	25.0	551,267	15.5
Internet services	849,240	20.5	551,545	15.5
Financial services (note 1)	287,830	6.9	216,182	6.1
Leisure & Travelling	135,634	3.3	111,095	3.1
Education	40,093	1.0	396,395	11.1
Real Estate & Home Furnishing	14,872	0.4	25,977	0.7
Others (note 2)	32,206	0.7	22,135	0.6
	4,149,978	100.0	3,566,190	100.0

Notes:

- (1) Financial services primarily include online insurance, consumer financing and retail banking.
- (2) Others mainly include auto industry and other industries.

During the six months ended June 30, 2022, the e-commerce industry was our largest group of advertising customers. Our revenue generated from the e-commerce industry increased by 3.6%, from approximately RMB1,691.6 million for the six months ended June 30, 2021 to approximately RMB1,753.2 million for the six months ended June 30, 2022, primarily due to the healthy growth of the industry.

Our revenue generated from the gaming industry increased significantly by 88.1%, from approximately RMB551.3 million for the six months ended June 30, 2021 to approximately RMB1,036.9 million for the six months ended June 30, 2022, resulting from the billing growth of our customers engaged in such industry.

Our revenue generated from the internet services industry increased by 54.0%, from approximately RMB551.5 million for the six months ended June 31, 2021 to approximately RMB849.2 million for the six months ended June 30, 2022, which was mainly attributable to the newly secured customers in the internet services industry.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Cost of services

	Six months ended June 30,	
	2022 (RMB'000) (Unaudited)	2021 (RMB'000) (Unaudited)
Traffic acquisition and monitoring costs	3,939,908	3,349,296
Outsourcing short video production costs	4,393	12,261
Live streaming e-commerce services costs	2,149	4
Employee benefit expenses	56,842	60,108
Depreciation and amortization expenses	5,598	4,351
Taxes and surcharges	3,332	3,693
Others	2,824	3,464
<b>Total</b>	<b>4,015,046</b>	<b>3,433,177</b>

Our cost of services primarily consists of traffic acquisition and monitoring costs and employee benefit expenses. During the first half of 2022, traffic acquisition and monitoring costs constituted the largest portion of our cost of services, and employee benefit expenses constituted the second largest portion of our cost of services. For the six months ended June 30, 2021 and 2022, our traffic acquisition and monitoring costs amounted to approximately RMB3,349.3 million and RMB3,939.9 million, respectively, representing approximately 97.6% and 98.1%, respectively, of our total cost of services for the same periods. Such increase was in line with our business expansion. For the six months ended June 30, 2021 and 2022, our employee benefit expenses amounted to approximately RMB60.1 million and RMB56.8 million, respectively, accounting for approximately 1.8% and 1.4%, respectively, of our total cost of services for the respective periods. Such decrease in our employee benefit expenses was attributable to the efficiency improvement as empowered by our U-engine platform.

### Gross profit and gross profit margin

Our gross profit consists of our revenue less cost of sales. The Group recorded gross profit of approximately RMB214.9 million for the six months ended June 30, 2022, representing an increase of 0.6% as compared to the gross profit of approximately RMB213.7 million for the six months ended June 30, 2021.

Gross profit margin represents gross profit divided by total revenue, expressed as a percentage. Gross profit margin decreased from 5.9% for the six months ended June 30, 2021 to 5.1% for the six months ended June 30, 2022, which was mainly attributable to the market expansion strategy of the Group which lowered our profit margin.

### Selling expenses

Our selling expenses primarily consist of (i) employee benefit expenses; and (ii) travelling expenses for the transportation and accommodation of business travel.

Our selling expenses decreased from approximately RMB13.3 million for the six months ended June 30, 2021 to approximately RMB11.7 million for the six months ended June 30, 2022, which was mainly attributable to the decrease in travelling activities caused by the impact of COVID-19 pandemic on business travel in the first half of 2022.

### General and administrative expenses

Our general and administrative expenses primarily consist of (i) employee benefit expenses; (ii) professional fees; (iii) depreciation and amortization expenses; and (iv) office expenses.

Our general and administrative expenses decreased significantly by 32.1% from approximately RMB51.4 million for the six months ended June 30, 2021 to approximately RMB34.9 million for the six months ended June 30, 2022, which was mainly attributable to the decrease in professional service fees of approximately RMB15.2 million in relation to, among others, the listing of the Company.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Research and development expenses

Our research and development expenses primarily comprise the employee benefit expenses as incurred for our research and development staff.

Our research and development expenses increased significantly by 451.6% from approximately RMB2.1 million for the six months ended June 30, 2021 to approximately RMB11.6 million for the six months ended June 30, 2022, which was mainly attributable to the increase in number of employees dedicated to upgrading and developing the U-engine platform and SaaS technologies.

### Net impairment losses on financial assets

Our net impairment losses on financial assets comprise the provision for impairment losses on accounts receivables, financial assets at fair value through other comprehensive income and other receivables, net of any reversal. We recognized net impairment losses on financial assets of approximately RMB4.6 million for the six months ended June 30, 2022, decreased by approximately 72.1% from approximately RMB16.4 million for the six months ended June 30, 2021. Such decrease was mainly attributable to the reversal of the impairment loss for a customer as a result of the agreement and execution of a settlement plan with that customer and the continuous enhancement of the Group's credit control system and working capital management capability.

### Other income

Our other income decreased by approximately 59.2%, from approximately RMB27.2 million for the six months ended June 30, 2021 to approximately RMB11.1 million for the six months ended June 30, 2022, which was mainly attributable to the decrease in the value-added tax additional deduction by approximately RMB22.5 million when comparing with the first half of 2021.

### Finance costs, net

Our finance costs, net decreased from approximately RMB14.7 million for the six months ended June 30, 2021 to approximately RMB7.0 million for the six months ended June 30, 2022. The decrease in finance costs was mainly due to the decrease by approximately RMB5.2 million in interest expenses on borrowings when comparing with the first half of 2021.

### Income tax expenses

Our income tax expenses decreased from approximately RMB43.3 million for the six months ended June 30, 2021 to approximately RMB31.7 million for the six months ended June 30, 2022, which was mainly due to the decrease in the effective income tax rate of the Group. Our effective income tax rate decreased from 30.4% for the six months ended June 30, 2021 to 20.9% for the six months ended June 30, 2022, which was mainly attributable to the preferential income tax rate of 15.0% as enjoyed by Hainan Uju Technology Co., Ltd. (海南優矩科技有限公司, "Hainan Uju"), a subsidiary of the Group, which lowered the average effective income tax rate for the six months ended June 30, 2022.

### Profit for the period attributable to owners of the Company

As a result of the above, our profit for the period attributable to owners of the Company increased by approximately 21.1% from approximately RMB99.1 million for the six months ended June 30, 2021 to approximately RMB119.9 million for the six months ended June 30, 2022.

Our net profit margin is 2.8% for the six months ended June 30, 2022 (six months ended June 30, 2021: 2.7%).



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Non-IFRS Measures: Adjusted Net Profit

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net profit as additional financial measures, which are not required by, or presented in accordance with, IFRS. We believe these non-IFRS measures facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of items which our management considers non-indicative of our operating performance. We believe these measures provide useful information to investors and others in understanding and evaluating our consolidated interim results of operations in the same manner as they help our management.

However, our presentation of adjusted net profit may not be comparable to similarly titled measures presented by other companies.

The use of these non-IFRS measures has limitations as an analytical tool, and should not be considered in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS.

The following table reconciles our adjusted net profit for the periods presented to the most directly comparable financial measures calculated and presented in accordance with IFRS:

	Six months ended June 30,	
	2022 (RMB in millions) (Unaudited)	2021 (RMB in millions) (Unaudited)
Profit for the period attributable to owners of the Company	119.9	99.1
Add:		
Listing expenses	—	15.2
Adjusted net profit	119.9	114.3

### Accounts receivables

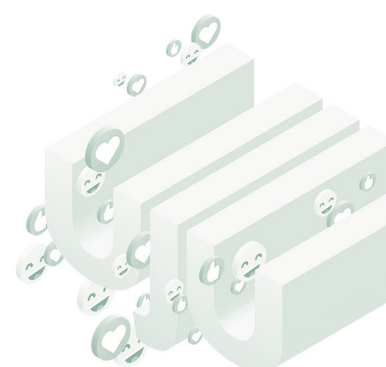
There was an increase in accounts receivables as of June 30, 2022 of approximately RMB610.5 million as compared to December 31, 2021 which was in line with our market expansion strategy as well as the slight increase in the debtor turnover days from 71 days to 74 days.

### Liquidity and financial resources

Our business operations and expansion plans require a significant amount of capital for acquiring user traffic from online media, enhancing our content production capabilities, improving our big data analytics capabilities and operation capacity, upgrading our U-engine platform as well as other working capital requirements.

During the six months ended June 30, 2022, we financed our capital expenditure and working capital requirements mainly through bank borrowings, other borrowings and IPO proceeds.

As at June 30, 2022, we had bank borrowings of approximately RMB280.7 million (as at December 31, 2021: approximately RMB299.9 million).





## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

On March 16, 2022, Uju Beijing (as borrower) entered into a facility agreement (the “**Facility Agreement**”) with Bank of Beijing (Zhongguancun Regional Branch) (北京銀行股份有限公司中關村分行) (as lender). Pursuant to the Facility Agreement, Bank of Beijing (Zhongguancun Regional Branch) agreed to grant a revolving line of credit up to a maximum of RMB40,000,000 to Uju Beijing for 18 months, which was available for withdrawal until March 15, 2023. Pursuant to the requirements of Bank of Beijing (Zhongguancun Regional Branch), Beijing Zhongguancun Sci-tech Financing Guaranty Co., Ltd. (北京中關村科技融資擔保有限公司) (“**Beijing Zhongguancun**”) shall provide a credit guarantee in favour of Bank of Beijing (Zhongguancun Regional Branch) to secure the repayment obligation of Uju Beijing under the Facility Agreement. On March 28, 2022, the Company entered into a counter guarantee agreement with Beijing Zhongguancun to provide a counter guarantee of joint and several liability guarantee in favour of Beijing Zhongguancun in respect of its guarantee obligations under the Facility Agreement (the “**Counter Guarantee**”). The Counter Guarantee will remain in force and effect until the expiration of three years after Beijing Zhongguancun discharges the repayment obligation on behalf of Uju Beijing.

As at July 18, 2022, Uju Beijing (a wholly owned subsidiary of the Group), together with one of its suppliers, entered into a factoring contract (the “**Factoring Contract**”) with Ping An Commercial Factoring Co. Ltd. (“**Ping An**”). Pursuant to the terms of the contract, during the period of June 28, 2022 to June 27, 2025, the supplier of Uju Beijing could transfer the accounts receivables to Ping An with a maximum amount of RMB24,000,000. Hainan Uju, the other subsidiary of the Group, shall provide a guarantee (with a maximum amount of RMB24,000,000) for the due and punctual performance of Uju Beijing under the Factoring Contract.

The range of effective interest rates on the Group’s borrowings was 4.00%–5.85% per annum for the six months ended June 30, 2022 (six months ended June 30, 2021: 3.9%–4.5% per annum). The Group’s gearing ratio as at June 30, 2022, calculated based on total borrowings (including bank and other borrowings and lease liabilities) divided by total equity, was 0.2 (December 31, 2021: 0.3) time.

Our cash and cash equivalents decreased from approximately RMB499.9 million as of December 31, 2021, to approximately RMB348.6 million as of June 30, 2022 mainly attributable to the net cash outflows for our daily operations.

The table below sets out our liquidity as of June 30, 2022 and December 31, 2021, respectively:

	As at June 30, 2022 RMB in millions (Unaudited)	As at December 31, 2021 RMB in millions (Audited)
Cash, bank balances and cash equivalents	348.6	499.9
Denominated in RMB	162.4	170.4
Denominated in USD	175.7	195.6
Denominated in HKD	10.5	133.9
	348.6	499.9

### Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the period under review. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group’s liquidity position to ensure that sufficient financial resources are available in order to meet its funding requirements and commitment timely.





## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### Foreign exchange exposure

Foreign exchange risk refers to the risk of loss caused by the changes in foreign exchange rates. The operations of the Group are mainly located in the PRC with most transactions denominated and settled in Renminbi.

During the six months ended June 30, 2022, no financial instrument was used for hedging purposes, and we did not commit to any financial instruments to hedge our exposure to foreign exchange risk, as the expected foreign exchange risk is not significant. The Directors and senior management of the Company will continue to closely monitor the foreign exchange exposure and take measures when necessary to ensure that the foreign exchange risk is within the controllable level.

### Capital structure

The Shares of the Company were listed on the Main Board of the Stock Exchange on November 8, 2021. There has been no change in the capital structure of the Company since that date.

### Contingent liabilities

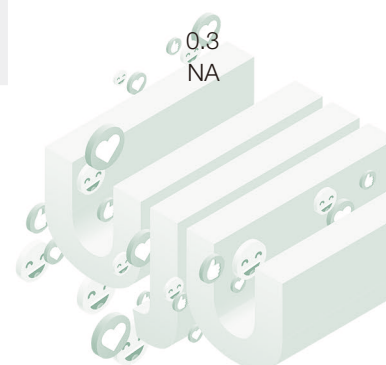
The Group did not have any material contingent liabilities as at June 30, 2022 and December 31, 2021.

### Charge on the Group's assets

As at June 30, 2022, restricted cash balance of RMB86.8 million (as at December 31, 2021: RMB55.0 million) and other receivable balance of RMB25.0 million (as at December 31, 2021: RMB15.0 million) were pledged as guarantee for borrowings from banks. In July 2019, the Group entered into a factoring agreement with a financial institution, pursuant to which, the Group has pledged the accounts receivables from the major customer as factored to the financial institution for obtaining the factoring borrowings.

### Key financial ratios

	Six months ended June 30,	
	2022 (%)	2021 (%)
Profitability ratios		
Gross profit margin <sup>(1)</sup>	5.1	5.9
Net profit margin <sup>(2)</sup>	2.8	2.7
	As of June 30, 2022 (%)	As of December 31, 2021 (%)
Return on equity <sup>(3)</sup>	9.1	20.6
Return on assets <sup>(4)</sup>	3.0	7.4
<b>Liquidity ratios</b>		
Current ratio <sup>(5)</sup>	1.5	1.5
<b>Capital adequacy ratio</b>		
Gearing ratio <sup>(6)</sup>	0.2	0.3
Net debt-to-equity ratio <sup>(7)</sup>	NA	NA





## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Notes:

- (1) Gross profit margin is calculated based on gross profit for the period divided by revenue for the respective period and multiplied by 100%.
- (2) Net profit margin is calculated based on net profit for the period divided by revenue for the respective period and multiplied by 100%.
- (3) Return on equity is calculated based on profit for the period/year divided by the closing balances of total equity and multiplied by 100%.
- (4) Return on assets is calculated based on profit for the period/year divided by the closing balances of total assets and multiplied by 100%.
- (5) Current ratio is calculated based on total current assets as of period-end/year-end divided by total current liabilities as of period-end/year-end.
- (6) Gearing ratio is calculated based on total borrowings as of period-end/year-end (including bank and other borrowings and lease liabilities) divided by total equity as of period-end/year-end.
- (7) Net debt-to-equity ratio is calculated based on total borrowings (including bank and other borrowings and lease liabilities) less cash and cash equivalents and restricted cash as of period-end/year-end divided by total equity as of period-end/year-end. The Group was in a net cash position as of June 30, 2022 and December 31, 2021 and hence, the net debt-to-equity ratio is not applicable.

### SIGNIFICANT INVESTMENTS HELD

During the six months ended June 30, 2022, the Group did not hold any significant investment in equity interest in any other company.

### FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the Prospectus and in the section headed "Use of the Net Proceeds from the Global Offering" in this report, the Group did not have plans for material investments or capital assets as of the date of this report.

### MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures during the six months ended June 30, 2022.

### MAJOR CUSTOMERS AND SUPPLIERS

The aggregate revenue attributable to the Group's largest customers for the six months ended June 30, 2022 accounted for approximately 39% of the Group's total revenue (six months ended June 30, 2021: 42%). The aggregate revenue attributable to the Group's five largest customers for the six months ended June 30, 2022 accounted for approximately 56% of the Group's total revenue (six months ended June 30, 2021: 52%).

The aggregate cost of services attributable to the Group's largest suppliers for the six months ended June 30, 2022 accounted for approximately 56% of the Group's total cost of services (six months ended June 30, 2021: 71%). The aggregate cost of services attributable to the Group's five largest suppliers for the six months ended June 30, 2022 accounted for approximately 95% of the Group's total cost of services (six months ended June 30, 2021: 94%).

To the best knowledge of the Directors, none of the Directors or their associates or any Shareholders who owned more than 5% of the Company's issued share capital, had any beneficial interest in any of the Group's five largest customers or suppliers during the six months ended June 30, 2022.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### INFORMATION ON EMPLOYEES

During the six months ended June 30, 2022, the Group had 808 employees (as of December 31, 2021: 884), including the executive Directors. Total staff costs (including Directors' emoluments) for the six months ended June 30, 2022 were approximately RMB100.5 million (six months ended June 30, 2021: approximately RMB100.5 million). Remuneration is determined with reference to market norms and individual employees' performance, qualification and experience.

The Group places high value on recruiting, training and retaining its employees. The Group maintains high recruitment standards and provide competitive compensation packages. Remuneration packages for the Group's employees mainly comprise base salary, performance salary and bonus. The Group also provides both in-house and external trainings for our employees to improve their skills and knowledge. As required under PRC regulations, the Group participates in various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury, maternity, and unemployment benefit plans.

The salaries and benefits of the Group's employees are kept at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually. The Group also operates a share option scheme.

### USE OF THE NET PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds received from Global Offering, after deducting the underwriting fees and commissions and expenses payable by the Company in connection with the Global Offering, amounted to approximately HK\$748.5 million. The Company did not receive any of the net proceeds from the sale of the over-allotment shares by the over-allotment option grantors in December 2021. For the six months ended June 30, 2022, the net proceeds from the Global Offering were utilized in the manner as follows:

	Approximate percentage of the total net proceeds	Net proceeds from the Global Offering (HKD million)	Net proceeds utilized as of June 30, 2022 (HKD million)	Remaining net proceeds as of June 30, 2022 (HKD million)	Expected time to utilize the remaining net proceeds in full
<b>Upgrading the U-Engine platform with a focus on research, development and utilization of AI capabilities and SaaS technologies</b>					
Connecting the U-Engine platform with enlarged advertiser customer and media partner bases	2.3%	17.0	7.6	9.4	By the end of the year ending December 31, 2023
Developing the digitalization services platform of the U-Engine platform	2.0%	14.8	4.4	10.4	By the end of the year ending December 31, 2024
Upgrading the internal management system	0.6%	4.4	3.0	1.4	By the end of the year ending December 31, 2023
<b>Expanding business opportunities in e-commerce businesses on online short video platforms</b>	3.3%	24.4	15.9	8.5	By the end of the year ending December 31, 2024
<b>Enhancing the content production capacities with AI technologies</b>	6.6%	49.6	7.9	41.7	By the end of the year ending December 31, 2024





## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

	Approximate percentage of the total net proceeds	Net proceeds from the Global Offering (HKD million)	Net proceeds utilized as of June 30, 2022 (HKD million)	Remaining net proceeds as of June 30, 2022 (HKD million)	Expected time to utilize the remaining net proceeds in full
<b>Enhancing our relationships with existing media partners and enlarging our advertiser customers and media partner bases</b>					
Strengthening sales and marketing teams	3.4%	25.2	5.9	19.3	By the end of the year ending December 31, 2024
Enlarging media base	15.6%	117.0	75.3	41.7	By the end of the year ending December 31, 2024
Exploring new businesses with new advertiser customers and online media platforms	40.3%	302.1	202.3	99.8	By the end of the year ending December 31, 2022
<b>Pursuit of strategic investments and acquisitions</b>	16.0%	119.9	—	119.9	By the end of the year ending December 31, 2022
<b>Working capital and general corporate purposes</b>	9.9%	74.1	74.1	—	
<b>Total</b>		748.5	396.4	352.1	

As of June 30, 2022, the Group had utilized approximately HK\$396.4 million of the net proceeds from the Global Offering, and the remaining net proceeds of approximately HK\$352.1 million was deposited with licensed banks in Hong Kong or the PRC. The Group will further utilize the net proceeds from the Global Offering in the manner as set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus of the Company.

### MATERIAL EVENTS AFTER THE REPORTING PERIOD

Since June 30, 2022 and up to the date of this report, there has been no significant event relevant to the business or financial performance of the Group that comes to the attention of the Directors.





## OTHER INFORMATION

### CORPORATE GOVERNANCE CODE

The Group is committed to maintaining a high standard of corporate governance to safeguard the interests of its shareholders and enhance its value and accountability. The Company has complied with the code provisions set out in Part 2 of the Corporate Governance Code (the “**Corporate Governance Code**”) in Appendix 14 to the Listing Rules during the six months ended June 30, 2022.

The Group will continue to review and monitor its corporate governance practices in order to ensure the compliance with the Corporate Governance Code. The Company will report compliance of the Corporate Governance Code in the corporate governance report of the Company for the year ending December 31, 2022.

### COMPLIANCE WITH THE REQUIRED STANDARD OF DEALINGS IN SECURITIES

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Specific enquiry has been made to all the Directors and each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code for the six months ended June 30, 2022. The Company continues and will continue to ensure compliance with the code of conduct.

### AUDIT COMMITTEE

The Audit Committee was established by the Company on October 8, 2021 in accordance with Rules 3.21 to 3.23 of the Listing Rules. The terms of reference of the Audit Committee were adopted in compliance with the Corporate Governance Code on October 8, 2021 and are available for inspection on the websites of the Company and the Stock Exchange. As of June 30, 2022, the Audit Committee has three members comprising Mr. Wang Wenping (Chairperson), Mr. Zhang Peiao and Ms. Lin Ting, who are all independent non-executive Directors.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group, the unaudited interim financial information of the Group for the six months ended June 30, 2022 and this report. The Audit Committee is of the opinion that the preparation of such financial information complied with the applicable accounting standards, the requirements under the Listing Rules and any other applicable legal requirements, and that adequate disclosures have been made.

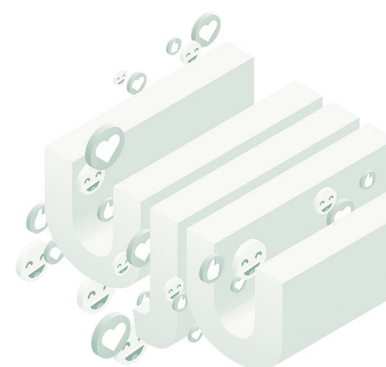
### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended June 30, 2022, none of the Company or any of its subsidiaries or its consolidated affiliated entity had purchased, sold or redeemed any of the listed securities of the Company.

### SHARE OPTION SCHEME

The Company’s existing Share Option Scheme was approved for adoption pursuant to a written resolution of the Shareholders passed on October 8, 2021 (the “**Adoption Date**”) for the purpose of motivating the relevant participants to optimize their future contributions and efficiency to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.

The eligible participants include any full-time or part-time employees, executives or officers, directors, advisers, consultants, suppliers, customers and agents of the Company or any of its subsidiaries; and such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group.





## OTHER INFORMATION (CONTINUED)

Subject to the terms and conditions of the Share Option Scheme, the maximum numbers of Shares in respect of which options may be granted under the Share Option Scheme and any other schemes shall not, in aggregate, exceed 10% of the Company's Shares in issue as at the Listing Date (i.e. 60,000,000 Shares) unless approved by the Shareholders.

Unless approved by Shareholders in general meeting in the manner stipulated in the Listing Rules, the maximum entitlement for each eligible participant (including both exercised and outstanding options) under the Share Option Scheme or any other share option schemes of the Company in any twelve month period up to the date of grant shall not exceed 1% of the total number of Shares in issue.

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptance of the options duly signed by the grantee, together with a remittance in favour of the Company of HK\$1.0 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The minimum period for which an option must be held before it can be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted.

The exercise price of share option granted under the Share Option Scheme shall be a price solely determined by the Board and shall be at least the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant of the option; (b) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of the option; and (c) the nominal value of a Share.

Subject to earlier termination by the Company in general meeting or by the Directors, the Share Option Scheme shall be valid and effective for a period of ten years from the Adoption Date and remains in force until October 7, 2031.

During the six months ended June 30, 2022, no options were granted under the Share Option Scheme.

Apart from the aforesaid Share Option Scheme, at no time during the six months ended June 30, 2022 was any of the Company and its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercise any such right.

### CHANGE IN DIRECTORS' INFORMATION

Since the date of the 2021 annual report of the Company and up to the date of this report, there is no change of directors' information required to be disclosed pursuant to the Rule 13.51B(1) of the Listing Rules.





## OTHER INFORMATION (CONTINUED)

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

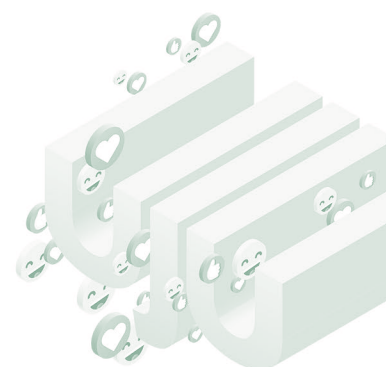
As of June 30, 2022, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required to be (a) notified to the Company and 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:

Name of Director	Capacity/Nature of interest	Number and class of securities held <sup>(1)</sup>	Approximate percentage of shareholding
Ma Xiaohui	Interest of controlled corporation <sup>(2)(3)</sup>	432,000,000 Shares (L) <sup>(4)</sup>	72.0%

Notes:

- (1) The letter "L" denotes a person's long position (as defined under Part XV of the SFO) in the Shares of the Company.
- (2) Aura is owned as to 95% by Supreme Development and as to 5% by Mr. Xiong Xiangdong (熊向東先生) ("Mr Xiong"). As such, Supreme Development is deemed to be interested in the 58,752,000 Shares held by Aura pursuant to the SFO. Supreme Development is owned as to 100% by Mr. Ma Xiaohui. As such, Mr. Ma Xiaohui is deemed to be interested in the 302,400,000 Shares deemed to be held by Supreme Development pursuant to the SFO.
- (3) Mr. Ma Xiaohui has control of 100% of the voting rights of Vast Business and is deemed to be interested in the 129,600,000 Shares held by Vast Business by virtue of the SFO.
- (4) On July 12, 2022, Vast Business purchased 2,750,000 Shares and Supreme Development purchased 3,033,000 Shares. On July 28, 2022, Supreme Development further purchased 1,200,000 Shares. As of the date of this report, Mr. Ma Xiaohui is deemed to be interested in 438,983,000 Shares, representing approximately 73.2% of the total issued share capital of the Company.

Save as disclosed above, as of June 30, 2022, none of the Directors and chief executives of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to notify the Company and the Stock Exchange, pursuant to the Model Code contained in Appendix 10 of the Listing Rules.





## OTHER INFORMATION (CONTINUED)

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITION IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As of June 30, 2022, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company 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 under Section 336 of the SFO were as follows:

Name of Shareholders	Capacity/Nature of interest	Number and class of securities held <sup>(1)</sup>	Approximate percentage of shareholding
Supreme Development	Beneficial owner	243,648,000 Shares (L) <sup>(2)</sup>	40.6%
	Interest of controlled corporation <sup>(3)</sup>	58,752,000 Shares (L)	9.8%
Ms. Yu Juan (喻娟女士) <sup>(4)</sup>	Interest of spouse	432,000,000 Shares (L)	72.0%
Vast Business	Beneficial owner	129,600,000 Shares (L) <sup>(5)</sup>	21.6%
Aura	Beneficial owner	58,752,000 Shares (L)	9.8%

Notes:

- (1) The letter "L" denotes a person's long position (as defined under Part XV of the SFO) in the Shares of the Company.
- (2) On July 12, 2022, Supreme Development purchased 3,033,000 Shares. On July 28, 2022, Supreme Development further purchased 1,200,000 Shares. As of the date of this report, Supreme Development is interested in 306,633,000 Shares, representing approximately 51.1% of the total issued share capital of the Company.
- (3) Aura is owned as to 95% by Supreme Development and as to 5% by Mr. Xiong. As such, Supreme Development is deemed to be interested in the 58,752,000 Shares held by Aura pursuant to the SFO.
- (4) Ms. Yu Juan is the spouse of Mr. Ma Xiaohui. As such, Ms. Yu Juan is deemed under the SFO to be interested in the Shares in which Mr. Ma Xiaohui is interested. As of the date of this report, Ms. Yu Juan is deemed under the SFO to be interested in the 438,983,000 Shares, representing approximately 73.2% of the total issued share capital of the Company.
- (5) On July 12, 2022, Vast Business purchased 2,750,000 Shares. As of the date of this report, Vast Business is interested in 132,350,000 Shares, representing approximately 22.1% of the total issued share capital of the Company.

Save as disclosed above, as of June 30, 2022, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company 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 under Section 336 of the SFO.





## OTHER INFORMATION (CONTINUED)

### INTERIM DIVIDEND

The Board did not declare the payment of any interim dividend for the six months ended June 30, 2022.

### SUFFICIENCY OF PUBLIC FLOAT

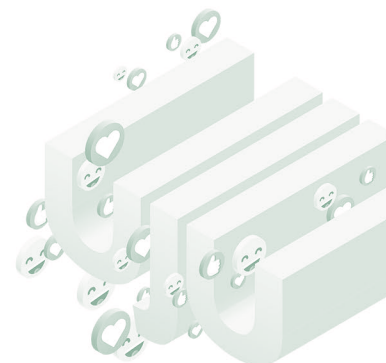
Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules for the six months ended June 30, 2022 and up to the date of this report.

### PUBLICATION

This report is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.ujumedia.com](http://www.ujumedia.com)) respectively.

By order of the Board  
**UJU HOLDING LIMITED**  
**Ma Xiaohui**  
*Chairman of the Board*

Beijing, the PRC, August 30, 2022





# REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

## To the Board of Directors of UJU HOLDING LIMITED

*(incorporated in the Cayman Islands with limited liability)*

### INTRODUCTION

We have reviewed the interim financial information set out on pages 23 to 46, which comprises the interim condensed consolidated balance sheet of UJU HOLDING LIMITED (the “**Company**”) and its subsidiaries (together, the “**Group**”) as at June 30, 2022 and the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and notes, comprising significant accounting policies and other explanatory information. 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 International Accounting Standard 34 “Interim Financial Reporting”. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion 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 International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. 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 International 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 of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

### OTHER MATTER

The comparative information for the interim condensed consolidated balance sheet is based on the audited financial statements as at December 31, 2021. The comparative information for the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows, and related explanatory notes, for the six-month period ended June 30, 2021 has not been audited or reviewed.

## **PricewaterhouseCoopers**

*Certified Public Accountants*

Hong Kong, August 30, 2022





## INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended June 30,	
		2022	2021
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue	6	4,229,924	3,646,869
Cost of services	7	(4,015,046)	(3,433,177)
<b>Gross profit</b>		214,878	213,692
Selling expenses	7	(11,689)	(13,344)
General and administrative expenses	7	(34,907)	(51,404)
Research and development expenses	7	(11,583)	(2,100)
Net impairment losses on financial assets	8	(4,561)	(16,366)
Other income	9	11,105	27,229
Other losses, net	10	(4,596)	(590)
<b>Operating profit</b>		158,647	157,117
Finance income		3,417	525
Finance costs		(10,401)	(15,259)
Finance costs, net		(6,984)	(14,734)
<b>Profit before income tax</b>		151,663	142,383
Income tax expenses	11	(31,715)	(43,316)
<b>Profit for the period attributable to owners of the Company</b>		119,948	99,067
<b>Other comprehensive income/(loss)</b>			
<i>Items that may be subsequently reclassified to profit or loss</i>			
Changes in the fair value of financial assets at fair value through other comprehensive income, net of tax		—	(2,493)
Exchange differences on translation of foreign operations		(15,395)	1,902
		(15,395)	(591)
<i>Items that will not be reclassified to profit or loss</i>			
Exchange differences on translation of the financial statements of the Company		29,410	(852)
		14,015	(1,443)
<b>Total comprehensive income for the period attributable to owners of the Company, net of tax</b>		133,963	97,624
<b>Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)</b>			
Basic earnings per share	13	0.20	0.21
Diluted earnings per share	13	0.20	0.21

The above interim condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.







## INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	As at June 30, 2022 RMB'000 (Unaudited)	As at December 31, 2021 RMB'000 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	14	9,461	12,086
Right-of-use assets	15(a)	12,742	15,395
Deferred income tax assets		30,548	27,998
Deposits and other assets	17	8,178	1,941
<b>Total non-current assets</b>		60,929	57,420
<b>Current assets</b>			
Inventories		7,966	—
Accounts receivables	16	2,872,879	2,262,400
Prepayments, deposits and other assets	17	543,085	523,243
Financial assets at fair value through other comprehensive income	4.2	31,720	17,576
Restricted cash		86,796	55,016
Cash and cash equivalents	18	348,559	499,943
<b>Total current assets</b>		3,891,005	3,358,178
<b>Total assets</b>		3,951,934	3,415,598
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities	15(b)	4,381	5,398
<b>Total non-current liabilities</b>		4,381	5,398
<b>Current liabilities</b>			
Accounts payables	19	1,680,582	1,275,045
Other payables and accruals	20	436,031	378,162
Borrowings	21	280,683	299,900
Lease liabilities	15(b)	8,695	11,407
Contract liabilities		197,124	163,184
Current income tax liabilities		27,175	49,018
<b>Total current liabilities</b>		2,630,290	2,176,716
<b>Total liabilities</b>		2,634,671	2,182,114




**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)**

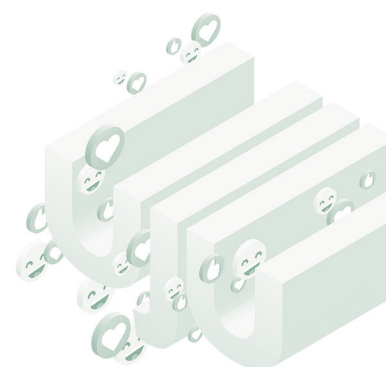
Notes	As at June 30, 2022 RMB'000 (Unaudited)	As at December 31, 2021 RMB'000 (Audited)
<b>EQUITY</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	38,380	38,380
Share premium	765,068	765,068
Other reserves	36,345	22,330
Retained earnings	477,470	407,706
<b>Total equity</b>	<b>1,317,263</b>	<b>1,233,484</b>
<b>Total liabilities and equity</b>	<b>3,951,934</b>	<b>3,415,598</b>

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

On behalf of the Board

\_\_\_\_\_  
Executive Director:  
**Mr. Peng Liang**

\_\_\_\_\_  
Executive Director:  
**Ms. Luo Xiaomei**





## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Notes	Combined capital RMB'000	Share capital RMB'000	Share premium RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Total equity RMB'000
<b>For the six months ended June 30, 2022 (Unaudited)</b>							
<b>At January 1, 2022</b>		—	38,380	765,068	22,330	407,706	1,233,484
Profit for the period		—	—	—	—	119,948	119,948
Other comprehensive income		—	—	—	14,015	—	14,015
Total comprehensive income		—	—	—	14,015	119,948	133,963
<b>Transactions with owners in their capacity as owners:</b>							
Dividends declared and paid	12	—	—	—	—	(50,184)	(50,184)
		—	—	—	—	(50,184)	(50,184)
<b>At June 30, 2022 (Unaudited)</b>		—	38,380	765,068	36,345	477,470	1,317,263
<b>For the six months ended June 30, 2021 (Unaudited)</b>							
<b>At January 1, 2021</b>		10,000	—	—	6,737	215,235	231,972
Profit for the period		—	—	—	—	99,067	99,067
Other comprehensive loss		—	—	—	(1,443)	—	(1,443)
Total comprehensive (loss)/income		—	—	—	(1,443)	99,067	97,624
<b>Transactions with owners in their capacity as owners:</b>							
Dividends declared	12	—	—	—	—	(40,000)	(40,000)
Effect of Reorganisation		(10,000)	—	—	10,000	—	—
Capitalisation issuance of shares during the Reorganisation		—	52	(52)	—	—	—
Capital injection from shareholders of the Company during the Reorganisation		—	13	167,253	—	—	167,266
Deemed distribution to shareholders during the Reorganisation		—	—	—	(14,220)	(1,080)	(15,300)
Others		—	68	—	—	—	68
		(10,000)	133	167,201	(4,220)	(41,080)	112,034
<b>At June 30, 2021 (Unaudited)</b>		—	133	167,201	1,074	273,222	441,630

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

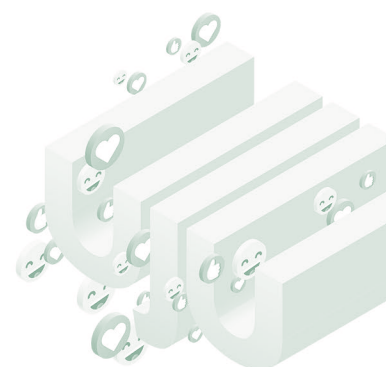




## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended June 30,	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Cash flows from operating activities</b>		
Cash used in operations	(58,751)	(112,939)
Interest received	3,417	525
Income tax paid	(56,107)	(84,993)
<b>Net cash used in operating activities</b>	<b>(111,441)</b>	<b>(197,407)</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(1,289)	(1,467)
Purchases of financial assets at fair value through profit or loss	—	(537,500)
Proceeds from disposal of financial assets at fair value through profit or loss	—	537,767
Repayment of loans from key management personnel and staff	—	1,110
<b>Net cash used in investing activities</b>	<b>(1,289)</b>	<b>(90)</b>
<b>Cash flows from financing activities</b>		
Proceeds of capital injection from pre-IPO investors	—	167,266
Deemed distribution to shareholders during the Reorganisation	—	(15,300)
Dividends paid	(50,184)	(15,700)
Proceeds from borrowings from third parties	—	60,350
Proceeds from bank and factoring borrowings	415,945	1,195,609
Repayment of bank and factoring borrowings	(435,950)	(1,172,642)
Borrowings from related parties	—	21,910
Repayment of borrowings from related parties	—	(55,957)
Decrease in bank deposits restricted for borrowings	45,016	—
Deposits paid to a third party guarantee company	(10,000)	—
Payment of lease liabilities	(7,185)	(5,034)
Interest paid	(9,148)	(12,563)
<b>Net cash (used in)/generated from financing activities</b>	<b>(51,506)</b>	<b>167,939</b>
Net decrease in cash and cash equivalents	(164,236)	(29,558)
Cash and cash equivalents at beginning of the period	499,943	130,155
Exchange gains on cash and cash equivalents	12,852	1,044
<b>Cash and cash equivalents at end of the period</b>	<b>348,559</b>	<b>101,641</b>

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.





# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

## 1 GENERAL INFORMATION

UJU HOLDING LIMITED (the “**Company**”) was incorporated in the Cayman Islands on September 21, 2020 as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands. The address of the Company’s registered office is P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands.

The Company has completed its listing on the Main Board of The Stock Exchange of Hong Kong Limited (“**HKEx**”) on November 8, 2021 (the “**Listing**”).

The Company is an investment holding company. The Company and its subsidiaries (together referred as the “**Group**”) are principally engaged in provision of one-stop cross-media online marketing solutions through media partners to market the products and services of the Group’s advertiser customers, provision of advertisement distribution services and also live streaming e-commerce services in the People’s Republic of China (the “**PRC**”).

Due to the Coronavirus Disease 2019 and Omicron variants outbreak (collectively the “**COVID-19 outbreak**”), a series of governmental precautionary and control measures have been and continued to be implemented across the PRC but there were still several rounds of rebound in the number of reported cases in certain cities during the six months ended June 30, 2022. Management has assessed and concluded that there is not any material adverse effects on the Group’s financial position as of June 30, 2022 and the Group’s operating results for the six months then ended as a result of the COVID-19 outbreak. The Group will continue to closely monitor the development of the COVID-19 outbreak and take appropriate counter-measures if any adverse impact is arising.

The interim condensed consolidated financial information is presented in Renminbi (“**RMB**”) and all amounts are rounded to the nearest thousand of Renminbi (RMB’000), unless otherwise stated.

## 2 BASIS OF PREPARATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The interim condensed consolidated financial information for the six months ended June 30, 2022 (the “**interim financial information**”) has been prepared in accordance with International Accounting Standard 34 (“**IAS**”), “Interim Financial Reporting”.

The interim financial information does not include all the notes of the type normally included in an annual financial statements. Accordingly, this interim financial information is to be read in conjunction with the annual consolidated financial statements of the Company for the year ended December 31, 2021 and any public announcements made by the Company during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the amended standards and annual improvements as set out below.





## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 2 BASIS OF PREPARATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)

#### 2.1 Amended standards and annual improvements adopted by the Group

The Group has applied the following amended standards and annual improvements which are effective for financial period on or after January 1, 2022 in the interim financial information:

Amendments to IFRS 3	Update Reference to the Conceptual Framework
Amendment to IFRS 16	Covid-19-Related Rent Concessions
Amendments to IAS 16	Property, Plant and Equipment: Proceeds before Intended Use
Amendments to IAS 37	Onerous Contracts - Costs of Fulfilling a Contract
Annual Improvements	Annual Improvements to IFRS Standards 2018–2020 Cycle

The adoption of these amended standards and annual improvements did not have any material impact on the significant accounting policies of the Group and the presentation of the interim financial information.

#### 2.2 New or amended standards issued but not yet adopted

The following new or amended standards have been issued (which may be applicable to the Group) but not mandatory for reporting period ended on June 30, 2022 and have not been early adopted by the Group:

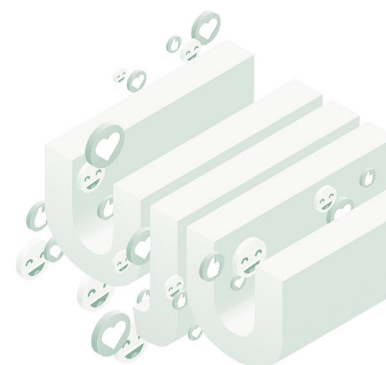
	New or amended standards	Effective for annual periods beginning on or after
IFRS 17	Insurance Contracts	January 1, 2023
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	January 1, 2023
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies	January 1, 2023
Amendments to IAS 8	Definition of Accounting Estimates	January 1, 2023
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities from a Single Transaction	January 1, 2023

The Group has already assessed the impact of these new or amended standards. According to the assessment made by the directors of the Company, no significant impact on the financial performance and position of the Group is expected when the aforesaid new or amended standards become effective.

### 3 ESTIMATES AND JUDGEMENTS

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The resulting accounting estimates will, by definition, seldom equal the related actual results.

In preparing the interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements of the Company for the year ended December 31, 2021.





## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 4 FINANCIAL RISK MANAGEMENT

#### 4.1 Financial risk factors

The Group's activities may expose it to a variety of financial risks: market risk (primarily foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the senior management of the Group and approved by the executive directors of the Company.

The interim financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the consolidated financial statements of the Company for the year ended December 31, 2021.

There have been no changes in the risk management policies since December 31, 2021.

#### 4.2 Fair value estimation

##### (a) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

- Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period.
- Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### 4.2 Fair value estimation (Continued)

##### (a) Fair value hierarchy (Continued)

The following table presents the Group's financial assets that are measured at fair value.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>At June 30, 2022 (Unaudited)</b>				
Financial assets at fair value through other comprehensive income ("FVOCI")				
– Accounts receivables	—	—	28,720	28,720
– Bank acceptance bills	—	—	3,000	3,000
	—	—	31,720	31,720
<b>At December 31, 2021 (Audited)</b>				
Financial assets at fair value through other comprehensive income ("FVOCI")				
– Accounts receivables	—	—	11,261	11,261
– Bank acceptance bills	—	—	6,315	6,315
	—	—	17,576	17,576

The Group did not have any financial liabilities that were measured at fair value as of June 30, 2022 and December 31, 2021.

##### (b) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments; and
- Discounted cash flow model and unobservable inputs mainly including assumptions of expected future cash flows and discount rate.





## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### 4.2 Fair value estimation (Continued)

##### (c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items of financial assets at fair value through other comprehensive income during the six months ended June 30, 2022:

	Financial assets at fair value through other comprehensive income	
	Current RMB'000	Non-current RMB'000
<b>For the six months ended June 30, 2022 (Unaudited)</b>		
<b>Opening balance January 1, 2022</b>	17,576	—
Increase	6,948	—
Settlement	(18,276)	—
Reversal of impairment (note 8)	25,472	—
<b>Closing balance June 30, 2022</b>	<b>31,720</b>	<b>—</b>

The following table summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements.

	Significant unobservable inputs	Range of inputs		Relationship of unobservable inputs to fair values
		As at June 30, 2022 (Unaudited)	As at December 31, 2021 (Audited)	
Accounts receivables	Expected factoring rate	12%	12%	The higher the expected factoring rate, the lower the fair value
Bank acceptance bills	Discount rate	1.55%	2.47%	The higher the discount rate, the lower the fair value

For accounts receivables at fair value through other comprehensive income, the estimated carrying amount as of June 30, 2022 and December 31, 2021 would have been RMB783,000 and RMB449,000 lower/higher should the expected factoring rate used in discounted cash flow analysis be higher/lower by 1% from management's estimates.

For bank acceptance bills at fair value through other comprehensive income, the estimated carrying amount as of June 30, 2022 and December 31, 2021 would have been RMB12,000 and RMB15,000 lower/higher should the discount rate used in discounted cash flow analysis be higher/lower by 1% from management's estimates.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 5 SEGMENT INFORMATION

The Group is principally engaged in the provision of all-in-one online marketing solutions services (including traffic acquisition from top media platforms, content production, big data analysis and advertising campaign optimisation), advertisement distribution services (which are primarily providing traffic acquisition service only) to customers and also live streaming e-commerce services in the PRC. For the purpose of resources allocation and performance assessment, the CODM focuses on the operating results of the Group as a whole. As a result, the CODM considers that the Group's business is operated and managed as a single reportable segment and accordingly no segment information is presented.

### 6 REVENUE FROM CONTRACTS WITH CUSTOMERS

An analysis of the Group's revenue from contracts with customers by category for the six months ended June 30, 2022 and 2021 was as follows:

	Six months ended June 30,	
	2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
All-in-one online marketing solution services	4,149,415	3,564,101
Advertisement distribution services	59,283	82,694
Live streaming e-commerce services (note)	14,072	74
Others	7,154	—
<b>Total</b>	<b>4,229,924</b>	<b>3,646,869</b>

Note:

Starting from March 2021, the Group also provides live streaming e-commerce services and the Group act as a service provider under a service fee model. The Group charges its brand customers a combination of fixed fees and/or variable fees based on the value of merchandise sold or other variable factors. The Group recognises service fees as revenue. All the costs that the Group incurs in the provision of the related services are classified as cost of services in the interim condensed consolidated statement of profit or loss and other comprehensive income.

An analysis of the Group's revenue from contracts with customers by the timing of revenue recognition for the six months ended June 30, 2022 and 2021 is as follows:

	Six months ended June 30,	
	2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Revenue recognised:		
— at a point in time	3,524,436	3,021,751
— over time	705,488	625,118
<b>Total</b>	<b>4,229,924</b>	<b>3,646,869</b>



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 6 REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

The Group has concentration of credit risk from a major Customer A as the customer contributed approximately 39% and 42% of the Group's total revenue for the six months ended June 30, 2022 and 2021, respectively.

As at June 30, 2022 and December 31, 2021, the accounts receivable balance from the abovementioned major Customer A amounted to approximately RMB1,342,912,000 and RMB1,215,855,000, representing approximately 47% and 54% of the Group's total accounts receivables, respectively.

Except for the abovementioned major Customer A, no other individual customer has contributed more than 10% of the Group's total revenue during the six months ended June 30, 2022 and 2021.

### 7 EXPENSES BY NATURE

The details of cost of services, selling expenses, general and administrative expenses and research and development expenses are as follows:

	Six months ended June 30,	
	2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Traffic acquisition and monitoring costs	3,939,908	3,349,296
Outsourcing short video production costs	4,393	12,261
Employee benefit expenses	100,471	100,509
Depreciation expenses	8,646	6,638
Professional and consulting service fees	5,046	3,844
Taxes and surcharges	3,332	3,693
Office expenses	1,987	3,582
Travelling expenses	1,249	779
Listing expenses	—	15,198
Others	8,193	4,225
<b>Total</b>	<b>4,073,225</b>	<b>3,500,025</b>



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 8 NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	Six months ended June 30,	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Provision for/(reversal of) impairment losses		
– accounts receivables	28,549	16,896
– other receivables	1,484	(530)
– financial assets at fair value through other comprehensive income (note)	(25,472)	—
<b>Total</b>	<b>4,561</b>	<b>16,366</b>

Note:

The accounts receivables from a customer (“**Customer B**”) classified as financial assets at fair value through other comprehensive income of approximately RMB45,195,000 were considered as non-performing credit-impaired assets due to the customer has defaulted its regular settlement since August 2021 and a loss allowance of RMB33,896,000 has been recognised in profit or loss during the year ended December 31, 2021.

In May 2022, the Group has accepted a settlement in kind arrangement as proposed by Customer B. Under the arrangement, the Group has been granted with a stored-value user account (with purchase limit of approximately RMB37,891,000) at free and the Group can utilise the purchase limit to purchase merchandises from Customer B for its subsequent resale purpose. Considering the abovementioned settlement in kind arrangement, a reversal of loss allowance of RMB25,472,000 has been recognised by the Group during the six months ended June 30, 2022.

### 9 OTHER INCOME

	Six months ended June 30,	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Government grants	7,451	642
Investment income on wealth management products	—	267
Value-added tax additional deduction	3,461	26,000
Others	193	320
<b>Total</b>	<b>11,105</b>	<b>27,229</b>



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 10 OTHER LOSSES, NET

	Six months ended June 30,	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Net foreign exchange losses/(gains)	3,979	(6)
Others	617	596
<b>Total</b>	<b>4,596</b>	<b>590</b>

### 11 INCOME TAX EXPENSES

Income tax expenses during the periods presented comprise of:

	Six months ended June 30,	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax expense	34,265	41,043
Deferred income tax (credit)/expense	(2,550)	2,273
<b>Income tax expenses</b>	<b>31,715</b>	<b>43,316</b>

#### (a) Cayman Islands Income Tax

The Company was incorporated as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands and is not subject to Cayman Islands income tax.

#### (b) Hong Kong Profits Tax

Hong Kong profits tax rate is 16.5% up to April 1, 2018. When the two-tiered profits tax regime took effect on April 1, 2018, the applicable Hong Kong profits tax rate is 8.25% for assessable profits on the first HK\$2 million and 16.5% for any assessable profits in excess of HK\$2 million. No Hong Kong profits tax has been provided as there were no taxable profits deriving from Hong Kong during the six months ended June 30, 2022 and 2021.

#### (c) PRC Corporate Income Tax

Corporate income tax ("CIT") in the PRC is calculated based on the statutory profit or loss of subsidiaries incorporated in the PRC in accordance with the PRC tax laws and regulations, after adjusting certain income and expense items, which are not assessable or deductible for income tax purposes. According to the PRC Corporate Income Tax Law promulgated by the PRC government, the tax rate for the Company's PRC subsidiaries is 25% except that, Beijing Juliang Tongchuang Technology Co., Ltd. ("**Beijing Juliang**"), Qingdao Uju Technology Co., Ltd. ("**Qingdao Uju**"), Chongqing Juqing Technology Co., Ltd. ("**Chongqing Juqing**"), Hainan Yingliang Technology Co., Ltd. ("**Hainan Yingliang**"), and Hangzhou Jubaopen Technology Co., Ltd. ("**Hangzhou Jubaopen**") enjoy the CIT tax rate of 20% as small and low-profit enterprises and Hainan Uju enjoys the preferential CIT tax rate of 15%.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 12 DIVIDENDS

	Six months ended June 30,	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Dividends declared by a subsidiary to its then holding company, Guangzhou Uju Information Technology Co., Ltd. ("Guangzhou Uju"), prior to the reorganization for the Listing	—	40,000
Dividends declared by the shareholders of the Company (note)	50,184	—

Note:

On March 30, 2022, the Board of Directors of the Company resolved to propose a final dividend of HKD10 cents per ordinary share, totaling approximately HKD60,000,000 (equivalent to approximately RMB50,184,000), for the year ended December 31, 2021. The proposed final dividend has been approved by the shareholders of the Company at the annual general meeting held on May 31, 2022. As of June 30, 2022, all the dividends declared to the shareholders of the Company have been fully paid.

### 13 EARNINGS PER SHARE

#### (a) Basic

The basic earnings per share is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the six months ended June 30, 2022 and 2021.

	Six months ended June 30,	
	2022	2021
	(Unaudited)	(Unaudited)
Profit for the period attributable to owners of the Company (RMB'000)	119,948	99,067
Weighted average number of ordinary shares in issue (thousand shares)	600,000	462,133
Basic earnings per share (expressed in RMB)	0.20	0.21

#### (b) Diluted

Diluted earnings per share as presented is the same as the basic earnings per share as there were no potentially dilutive ordinary shares issued during the six months ended June 30, 2022 and 2021.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 14 PROPERTY, PLANT AND EQUIPMENT

	Electronic equipment RMB'000	Furniture and fixtures RMB'000	Leasehold improvement RMB'000	Total RMB'000
<b>At December 31, 2021 (Audited)</b>				
Cost	10,563	507	8,831	19,901
Accumulated depreciation	(4,084)	(168)	(3,563)	(7,815)
Net book amount	6,479	339	5,268	12,086
<b>Six months ended June 30, 2022 (Unaudited)</b>				
Opening net book amount	6,479	339	5,268	12,086
Additions	109	—	268	377
Depreciation charge	(1,533)	(48)	(1,421)	(3,002)
Closing net book amount	5,055	291	4,115	9,461
<b>At June 30, 2022 (Unaudited)</b>				
Cost	10,672	507	9,099	20,278
Accumulated depreciation	(5,617)	(216)	(4,984)	(10,817)
Net book amount	5,055	291	4,115	9,461

Depreciation was charged to profit or loss and presented in the following categories in the interim condensed consolidated statement of profit or loss and other comprehensive income:

	Six months ended June 30,	
	2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Cost of services	1,795	731
Selling expenses	399	65
General and administrative expenses	617	1,303
Research and development expenses	191	6
	3,002	2,105



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 15 LEASES

#### (a) Right-of-use assets

	As at June 30, 2022 RMB'000 (Unaudited)	As at December 31, 2021 RMB'000 (Audited)
Leased properties	12,742	15,395

#### (b) Lease liabilities

	As at June 30, 2022 RMB'000 (Unaudited)	As at December 31, 2021 RMB'000 (Audited)
Current	8,695	11,407
Non-current	4,381	5,398
	13,076	16,805

The amounts recognised in profit or loss and presented in the interim condensed consolidated statement of profit or loss and other comprehensive income are summarised as below:

	Six months ended June 30,	
	2022 RMB'000 (Unaudited)	2021 RMB'000 (Unaudited)
Depreciation charge of right-of-use assets	5,644	4,533
Interest expense (included in finance costs)	465	616
Expense relating to short-term and low-value leases (included in general and administrative expenses)	133	151





## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 16 ACCOUNTS RECEIVABLES

	As at June 30, 2022 RMB'000 (Unaudited)	As at December 31, 2021 RMB'000 (Audited)
Accounts receivables	2,986,961	2,347,933
Less: credit loss allowance	(114,082)	(85,533)
<b>Accounts receivables – net</b>	<b>2,872,879</b>	<b>2,262,400</b>

As at June 30, 2022, accounts receivables include certain receivables with carrying amounts of RMB271,424,000 (as at December 31, 2021: RMB950,605,000) which were factored to a financial institution under a factoring arrangement as described in Note 21(b) (the “**transferred receivables**”). The Group has still retained late payment and credit risk associated with these transferred receivables and therefore continues to recognise the transferred receivables in their entirety in its balance sheet. The Group considers that the hold to collect business model remains appropriate for these transferred receivables and hence continues measuring them at amortised cost.

Accounts receivables are all dominated in RMB and due to the short-term nature of these current receivables, their carrying amounts are considered to approximate their fair values. An aging analysis of the gross accounts receivables as at June 30, 2022 and December 31, 2021, based on invoice date, is as follows:

	As at June 30, 2022 RMB'000 (Unaudited)	As at December 31, 2021 RMB'000 (Audited)
Within 90 days	2,220,640	2,163,912
91 days–180 days	667,848	113,945
181 days–270 days	24,644	20,034
271 days–1 year	10,046	5,200
Over 1 year	63,783	44,842
	<b>2,986,961</b>	<b>2,347,933</b>



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 17 PREPAYMENTS, DEPOSITS AND OTHER ASSETS

	As at June 30, 2022 RMB'000 (Unaudited)	As at December 31, 2021 RMB'000 (Audited)
Deposits to media platforms	152,424	182,069
Rental and other deposits	15,318	4,460
Loans and advances to key management personnel and staff	1,620	474
Deposit paid to third party guarantee companies (note)	25,000	15,000
Others	7,520	1,175
	201,882	203,178
Less: loss allowance for deposits and other assets	(1,898)	(414)
<b>Total financial assets at amortised cost</b>	199,984	202,764
Prepayments to media platforms and suppliers	181,999	240,711
Value-added tax recoverable	169,280	81,709
	551,263	525,184
Less: non-current rental deposits and prepayment for property acquisition	(8,178)	(1,941)
	543,085	523,243

Note:

The deposit was paid to guarantee companies for their provision of financial guarantee on the Group's bank borrowings of RMB70,057,000 as at June 30, 2022 (as at December 31, 2021: RMB30,052,000) (Note 21(a)).

### 18 CASH AND CASH EQUIVALENTS

	As at June 30, 2022 RMB'000 (Unaudited)	As at December 31, 2021 RMB'000 (Audited)
Cash on hand	127	211
Cash at bank (i)	348,414	499,712
Cash equivalents (ii)	18	20
	348,559	499,943



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 18 CASH AND CASH EQUIVALENTS (Continued)

Cash and cash equivalents are denominated in the following currencies:

	As at June 30, 2022 RMB'000 (Unaudited)	As at December 31, 2021 RMB'000 (Audited)
RMB	162,411	170,424
USD	175,707	195,613
HKD	10,441	133,906
	348,559	499,943

Notes:

- (i) Cash at bank earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with credit worthy banks with no recent history of default.
- (ii) Cash equivalents represent cash balances in third party payment platform which can be withdrawn at any time at the Group's discretion.

### 19 ACCOUNTS PAYABLES

Aging analysis of the accounts payables as at June 30, 2022 and December 31, 2021, based on the date of recognition, are as follows:

	As at June 30, 2022 RMB'000 (Unaudited)	As at December 31, 2021 RMB'000 (Audited)
Less than 6 months	1,668,663	1,264,945
6 months to 1 year	2,111	2,952
Over 1 year	9,808	7,148
	1,680,582	1,275,045

Accounts payables are all denominated in RMB and the carrying amounts of which are considered to approximate their fair values due to their short-term in nature.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 20 OTHER PAYABLES AND ACCRUALS

	As at June 30, 2022 RMB'000 (Unaudited)	As at December 31, 2021 RMB'000 (Audited)
Cost payable to media platforms on behalf of customers (note)	63,224	67,840
Deposits from customers	65,456	101,291
Accrued listing expenses	—	4,475
Others	6,558	9,217
<b>Total financial liabilities</b>	<b>135,238</b>	<b>182,823</b>
Value-added tax payable	267,231	165,057
Other taxes payable	3,009	2,937
Payroll and welfare payable	30,553	27,345
	300,793	195,339
	436,031	378,162

Note:

The amounts represented the traffic acquisition costs as prepaid by customers which the Group is providing advertising distribution services to them and the amounts as collected by the Group will be wholly settled to media platforms on behalf of these customers.

### 21 BORROWINGS

	As at June 30, 2022 RMB'000 (Unaudited)	As at December 31, 2021 RMB'000 (Audited)
Bank borrowings (a)	80,073	100,139
Factoring borrowings (b)	200,610	199,761
	280,683	299,900

- (a) As at June 30, 2022, the bank borrowings bear interests at fixed interest rate ranging from 4.00%-5.85% (as at December 31, 2021: 3.9%-4.5%) per annum.

As at June 30, 2022, borrowings of RMB70,057,000 are guaranteed by third party guarantee companies and secured by the deposits paid to these guarantee companies of RMB25,000,000 (Note 17). Borrowings as of June 30, 2022 also included an unsecured credit loan from a state-owned bank of RMB10,016,000.

As at December 31, 2021, borrowings of RMB50,080,000 are guaranteed by third party guarantee companies. These guaranteed borrowings of RMB20,028,000 and RMB30,052,000 are also secured by the restricted bank deposits of RMB10,000,000 and deposits paid to those guarantee companies of RMB15,000,000 (Note 17), respectively. Borrowings as of December 31, 2021 also included a borrowing of RMB50,059,000 as secured by restricted bank deposits of approximately RMB35,016,000.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 21 BORROWINGS (Continued)

- (b) In July 2019, the Group has entered into a factoring agreement with a financial institution, pursuant to which, the Group will factor its accounts receivable from the major customer A as mentioned in Note 6 on a regular basis. The factoring agreement is with the recourse clauses in favor to the financial institution and hence the Group has recognised factoring borrowings based on the amounts of proceeds as collected from the financial institution for the factoring of accounts receivables.

The subsequent cash receipts from Customer A are firstly used to repay the outstanding borrowing balances with the factoring company, which is presented as financing outflows in the interim condensed consolidated statement of cash flows. Any remaining cash as collected after the repayment of borrowings is presented as operating cash inflows in the interim condensed consolidated statement of cash flows.

The Group's borrowings are all denominated in RMB. The effective interest rate applicable to these factoring borrowings is 10% per annum as of June 30, 2022 and December 31, 2021.

### 22 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family members of the Group are also considered as related parties.

The following significant transactions were carried out between the Group and its related parties during the periods presented. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

#### (a) Names and relationships with related parties

The following individuals/companies are considered as related parties of the Group:

Individuals/Companies	Relationship
Mr. Ma Xiaohui	The Controlling Shareholder
Guangzhou Uju	Controlled by the Controlling Shareholder
Mr. Peng Liang (i)	Executive director and Chief Executive Officer of the Group
Mr. Xie Song (i)	Chief Operating Officer of the Group
Ms. Luo Xiaomei (i)	Executive director and Chief Financial Officer of the Group
Ms. Meng Ran (i)	Chief Media Officer of the Group

- (i) These management has been regarded as key management personnel of the Group.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 22 RELATED PARTY TRANSACTIONS (Continued)

#### (b) Key management personnel compensation

Key management includes executive directors and the senior management of the Group. The compensation paid or payable to these key management personnel is shown below:

	Six months ended June 30,	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Wages and salaries	2,839	3,155
Other social security costs, housing benefits and other employee benefits	107	138
Pension costs — defined contribution plans	95	103
	3,041	3,396

No bonus is paid or payable to the key management personnel for the six months ended June 30, 2022 and 2021.

#### (c) Transactions with related parties

	Six months ended June 30,	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Dividends paid to Guangzhou Uju	—	15,700

#### (d) Movements of loans to/from related parties

Loans to key management personnel

	Six months ended June 30,	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Beginning of the period	—	1,003
Loan repayments received	—	(1,110)
Loss allowance reversal	—	107
End of the period	—	—



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 22 RELATED PARTY TRANSACTIONS (Continued)

#### (d) Movements of loans to/from related parties (Continued)

##### Loans from the Controlling Shareholder

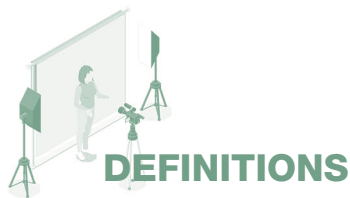
	Six months ended June 30,	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Beginning of the period	—	549
Loans advanced	—	21,910
Loan repayments made	—	(15,509)
Interest accrued	—	27
Interest paid	—	(27)
End of the period	—	6,950

##### Loans from Guangzhou Uju

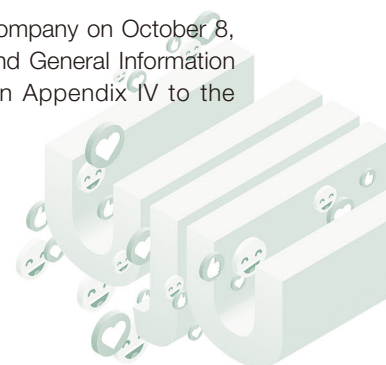
	Six months ended June 30,	
	2022	2021
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Beginning of the period	—	48,106
Loan repayments made	—	(40,448)
Interest accrued	—	855
Interest paid	—	(759)
End of the period	—	7,754

The loans from the Controlling Shareholder and Guangzhou Uju bore interests at rates ranged from 6% to 12% per annum. The loans to key management personnel were all unsecured, interest free and had no fixed terms of repayment.





“Audit Committee”	the audit committee of the Board
“Aura”	AURA INVESTMENT HOLDINGS LIMITED, a company incorporated in the BVI with limited liability on February 3, 2004
“Board”	the board of Directors
“China” or “the PRC”	The People’s Republic of China excluding, for the purpose of this report, Hong Kong, Macau Special Administrative Region and Taiwan
“Company”	UJU HOLDING LIMITED, an exempted company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of our Company
“Global Offering”	has the meaning as defined in the Prospectus
“Group” or “our Group” or “we” or “us”	the Company and its subsidiaries
“HKD” or “HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“IFRSs”	International Financial Reporting Standards
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	November 8, 2021, the date of which dealing in Shares first commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers, as amended from time to time
“Prospectus”	the prospectus of the Company dated October 26, 2021
“RMB” or “Renminbi”	the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented, or otherwise modified from time to time
“Share Option Scheme”	the share option scheme conditionally adopted by the Company on October 8, 2021, details of which are described under “Statutory and General Information – Other Information – 13. Share Option Scheme” in Appendix IV to the Prospectus
“Shareholder(s)”	holder(s) of the Share(s)







## DEFINITIONS (CONTINUED)

“Shares”	share(s) in the share capital of the Company with a nominal or par value of US\$0.01 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supreme Development”	SUPREME Development Limited, a company incorporated in the BVI with limited liability on August 26, 2020
“Uju Beijing”	Uju Interactive (Beijing) Technology Co., Ltd* (優矩互動(北京)科技有限公司), being a company established in the PRC on November 23, 2017 and our indirect wholly-owned subsidiary
“Vast Business”	VAST BUSINESS (BVI) GLOBAL LIMITED, a company incorporated in the BVI with limited liability on August 31, 2020

