



DateTix Group (DTX.ASX)

Building a Global Dating Technology and Services Platform

Event:

- We initiate coverage on DateTix (DTX), with a **SPECULATIVE BUY** recommendation & a valuation of \$0.89 cps.

Investment Highlights:

- DTX is a global online marketplace & technology platform to enable individuals to meet new people & foster new relationships.** DTX currently operates three complementary businesses that offer multiple cross-selling & up-selling opportunities to drive user growth, monetization & ARPU.
- The DateTix app is a social and casual dating app (similar to Tinder),** that operates based on a freemium business model. As audience participation grows, we would expect a significant proportion of revenues to be generated from advertising and in-app purchases. Its core markets are HK, Singapore and China. DTX is planning to roll-out into additional countries in FY18E. Whilst gross margins are c.70%, ROI of marketing spend is critical, representing c.50% of revenue in FY20e.
- Lovestruck, acquired by DateTix (August 2016) is for users who are looking for serious relationships & marriage.** The average duration of its paying subscribers is c.12 months, with an average lifetime revenue of c.A\$300 (CAC of c.A\$80-\$150 per paying subscriber). Lovestruck has c.35.5k monthly active users & 4.5k paying subscribers. Circa 90% of revenues is from recurring membership subscriptions.
- DTX's matchmaking service, branded as Lovestruck Infinity, is a premium and highly personalized service,** with an average selling price of c.A\$2-3k per year. Its core markets are HK, Singapore & China. DTX's sources leads from its app as well as Lovestruck, and c.60% of costs are attributable to staff & occupancy.
- A key market to execute in is China.** In China the online dating market is estimated to be worth A\$630m, whilst the offline matchmaking market is worth c.A\$1.3bn. The mobile advertising & gaming markets are c.A\$18bn & c.a\$9bn, respectively. In China, the DTX platform reaches 85% of the 600m internet users in the region. With a well-defined strategy, we would expect DTX to capture a proportion of this opportunity.
- Being in start-up phase, DTX is incurring losses.** Currently, the monthly burn rate is c.\$250k. We are expecting breakeven to occur in FY18e (monthly basis). Net cash is \$2.6m.

Recommendation:

- We initiate on DTX with a **Speculative Buy** recommendation and a valuation of **\$0.89/share**. Our valuation is based on a FCF valuation, supported by peer comparative analysis.
- Catalysts include:** DTX's succeeding in its core Asian markets, focusing on user engagement and retention through well executed marketing spend, as well as its planned acquisition strategy. We would not be surprised to see DTX acquired by a larger player down-the-track, as audience reach and user engagement accelerates.

Recommendation	SPECULATIVE BUY
Previous	n/a
Price Target	\$ 0.89
Previous	n/a
Share Price (A\$)	\$ 0.38
ASX Code	DTX
52 week low - high (A\$)	0.28-0.80
Valuation	\$0.89/share
Methodology	Risked DCF
Risk	Very High
Capital structure	
Shares on Issue (M)	31.1
Market Cap (A\$m)	11.6
Performance Rights / Options (M)	15.1
Diluted Market Cap (A\$m)	17.3
Net Debt/(Cash) (A\$m)	-2.6
EV (A\$m)	9.0
12mth Av Daily Volume	44,131

Shareholders	
Michael Ye	15.0%
JMFG	13.1%
Gold Resources	12.4%
Global Marketplace	11.4%
Ryder	4.0%

Board	
Michael Ye	Founder & CEO
Anthony Harris	Non Executive Chairman
Leigh Kelson	Non Executive Director
Zhixian Lin	Non Executive Director

Share Price Graph



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Foster Stockbroking is engaged in providing corporate services to DTX, for which it may earn fees.



DateTix (DTX)

Full Year Ended, 30th June

Profit and Loss A\$M					Financial Metrics				
	2016a	2017e	2018e	2019e		2016a	2017e	2018e	2019e
Sales revenue	0.2	2.1	7.5	16.1	Sales growth %	nm	nm	260%	113%
Operating Costs	2.6	5.0	8.5	13.6	EPS growth %	nm	nm	nm	nm
EBITDA	-2.4	-2.9	-0.9	2.5	EBITDA margin	nm	nm	nm	15%
D&A	0.1	0.2	0.3	0.4	EBIT margin	nm	nm	nm	13%
EBIT	-2.5	-3.1	-1.2	2.1	Gearing (ND/ND+E)	nm	nm	nm	nm
Net Interest exp / (income)	0.0	0.0	0.0	0.0	Interest Cover (EBIT/net int)	nm	nm	nm	nm
Profit before tax	-2.5	-3.1	-1.2	2.1	Average ROE %	nm	nm	nm	17%
Tax exp / (benefit)	0.0	0.0	0.0	0.0	Average ROA %	nm	nm	nm	17%
Rep. NPAT	-2.5	-3.1	-1.2	2.1	Wtd ave shares diluted (M)	21	31	32	33
Significant items	0.2	0.0	0.0	0.0	Wtd ave shares diluted (M)	21	46	47	48
NPAT attributable reported	-2.7	-3.1	-1.2	2.1					
EPS diluted (c)	-12.6	-10.1	-3.8	6.3					
Cashflow A\$M					Valuation multiples				
	2016a	2017e	2018e	2019e		2016a	2017e	2018e	2019e
EBITDA	-2.4	-2.9	-0.9	2.5	P/E x	nm	nm	nm	6.0
Change in WC / Other	0.4	-0.6	-0.1	-0.3	EV/EBITDA x	nm	nm	nm	3.7
Tax paid	0.0	0.0	0.0	0.0	EV/EBIT x	nm	nm	nm	4.4
Share-based expense	0.0	0.0	0.0	0.0	EV/sales x	22.6	3.7	1.2	0.5
Net interest	0.1	0.0	0.0	0.0	Dividend yield %	0%	0%	0%	0%
Operating Cashflow	-1.9	-3.5	-1.0	2.2					
Purchase of PP&E	0.0	0.0	0.0	0.0	Valuation				
Payments Intangibles	0.0	-0.2	-0.2	-0.2	Risk Free Rate				1.5%
Payments For Acquisitions	0.3	0.0	0.0	0.0	Equity Risk Premium				6.0%
Investing Cashflow	0.3	-0.2	-0.2	-0.2	Tax Rate				30.0%
Equity proceeds	2.7	5.0	0.0	0.0	Company Debt Risk Premium				9.0%
Proceeds from borrowings	0.0	0.0	0.0	0.0	Company Beta				3.5
Repayment of borrowings	0.0	0.0	0.0	0.0	Target: Debt/Total Assets				10.0%
Financing Cashflow	2.7	5.0	0.0	0.0	Cost of Equity				22.3%
Net Cashflow	1.0	1.3	-1.2	2.0	Cost of Debt				10.5%
Balance Sheet A\$M					WACC				
	2016a	2017e	2018e	2019e					
Cash / (Debt)	2.6	3.9	2.7	4.5	Total NPV of FCF				25
Current Assets (Excl Cash)	0.1	1.0	1.3	1.9	Less Net Debt / (Cash)				-3
PPE	0.0	0.0	0.0	0.0	Equity Value - A\$				28
Intangibles	5.8	5.8	5.8	5.8	Ordinary Shares on Issue (m)				31
Total Assets	8.6	10.7	9.8	12.3	FCF Valuation				0.89
Accounts payable	0.3	0.3	0.3	0.3	Shares on issue				
Other Liabilities	0.0	0.0	0.0	0.0	Ordinary shares				31.1
Total Liabilities	0.3	0.3	0.3	0.3	Performance Rights /Options				15.1
Reserves and capital	15.0	20.0	20.0	20.0	Fully Diluted				46.2
Retained earnings	-6.7	-9.6	-10.5	-8.0	Substantial shareholders				
Total Equity	8.3	10.5	9.6	12.0	Michael Ye				15.0%
Total Equity & Liabilities	8.6	10.7	9.8	12.3	JMFG				13.1%
					Gold Resources				12.4%
					Global Marketplace				11.4%
					Ryder				4.0%

Source: Foster Stockbroking estimates

DATETIX: BUILDING A GLOBAL DATING TECHNOLOGY AND SERVICES PLATFORM

DTX is a global online marketplace & technology platform, with an initial focus in Asia

DateTix Group (DTX) offers, develops and is looking to be a global online marketplace & technology platform to enable individuals to meet new people and foster new relationships. Initially, its key target markets are China, HK, Singapore and the UK. DTX operates three complementary businesses that offer multiple cross-selling & up-selling opportunities to drive user growth, monetization & average revenue per user (ARPU). As with online businesses, initially the key is focusing on user engagement, retention & finally (and most importantly, monetization). DTX’s three businesses are: 1) DateTix, 2) Lovestruck, & 3) Matchmaking (branded as Lovestruck Infinity).

Figure 1: DateTix Group’s Product and Brand Portfolio

	Target age group	Price points
	18 to 35	Free to A\$32/month
	25 to 45	A\$23-84/month
	30 to 50	A\$2,000-3,000/year

Source: DateTix

The DateTix app is targeting singles aged 18-35 seeking casual relationships (similar to Tinder). It is a freemium business model that generates revenues from advertising, in-app purchases of membership subscriptions and virtual items, as well as social commerce.

Figure 2: DateTix App Screenshots

Post a Date

Pick a time and venue and the type of people you want to meet

Get Quality Candidates

Qualified people see your date and choose to apply or pass

Pick Your Favorite

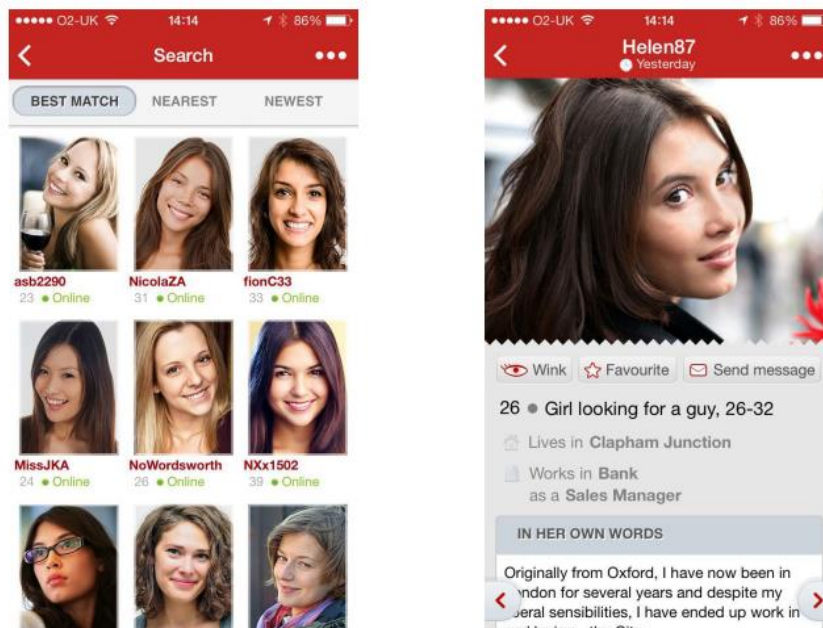
Chat with those who applied to decide who you like most, then go on your date!

Source: DateTix

LoveStruck, acquired in August 2016, targets singles seeking serious relationships & marriage

LoveStruck, acquired by DTX in August 2016, is an online platform targeting singles aged 25-45 seeking serious relationships & marriage (similar to match.com and eHarmony). It is a subscription-based business model that generates revenues from recurring memberships, the average duration of which is circa 12 months (A\$300 average lifetime revenue per paying customer, with customer acquisition costs of c.\$80-\$150 per user). Lovestruck has circa 35,500 monthly active users & 4,500 paying subscribers.

Figure 3: Lovestruck Screenshots



Source: DateTix

DTX's matchmaking service Lovestruck Infinity is a premium service with an ARPU of c.A\$2-3k

Lovestruck Infinity, DTX's matchmaking brand, is a premium service targeting singles aged 30-50 seeking serious relationships. The average selling price is approximately A\$2-3k per client for a 12-month services package. Operations today are in China & Hong Kong with near-term expansion planned for Singapore. Potentially, there are synergies with DateTix & Lovestruck in terms of increasing ARPU, sharing marketing costs, along with reducing user acquisition costs.

DATETIX GROUP'S BUSINESS MODEL: MONETISING ITS AUDIENCE REACH

As per its business model, DTX plans to generate revenue from six different streams, of which four will be online sources & two offline sources. Online avenues for revenue will be: advertising, membership subscriptions, virtual items & social commerce. The two offline revenue sources are related to personalized matchmaking and organizing social and singles events. Today, revenues are principally generated from membership subscriptions (c.+80% of revenue in 2017E).

Looking to monetise audience reach through advertising, membership subscriptions, virtual items, social commerce, matchmaking and events

Advertising: The data acquired by tracking the number of dates hosted at each local merchant can be sold to local merchant advertisers for highly measurable performance-based advertising. In addition, the data can also be bundled and sold as featured listing, which highlights and ranks local merchants at or near the top of search results.

Membership Subscriptions: Subscribing for a premium membership offers the user a multitude of perks, such as unlimited chatting, sending virtual gifts, undo last choice & a host of other special privileges. The premium subscription is available in one, three, six month and one-year packages.



Virtual Items: Users are required to purchase virtual items called to invite other users to dates and send virtual gifts to win their attention. Users get a few virtual items for free during initial registration, after which they need to buy additional virtual items from the app store. These virtual items are available in bundles, range from A\$8-\$200 and act as a virtual currency on the platform.

Social Commerce: Further, DTX may also sell vouchers & coupons from local merchants on the DTX platform that the members can purchase and redeem when they meet for their dates. DTX can charge a commission on these transactions (c.20-50% of cost).

Matchmaking: DTX leverages the large user bases of the DateTix and Lovestruck platforms as a data platform to feed sales leads to DTX's dating consultants' team, who up-sell one-on-one matchmaking packages to potential clients. The clients get carefully handpicked matches based on their preferences and personalised feedback. The prices of matchmaking packages range from A\$2,000 to A\$3,000.

Events: DTX organizes social and singles events that provide opportunity to individuals to meet a large group of potential partners. DTX collects entry fees ranging from A\$20-80. Besides revenue generation, this also helps in simultaneously acquiring new users and creating brand value for the company.

A BRIEF LOOK THROUGH THE SEGMENTS: DATETIX, LOVETRUCK & MATCHMAKING

The DateTix App: The Tinder of Asia, Focusing on Growing the User Base

DateTix's growth strategy is to:

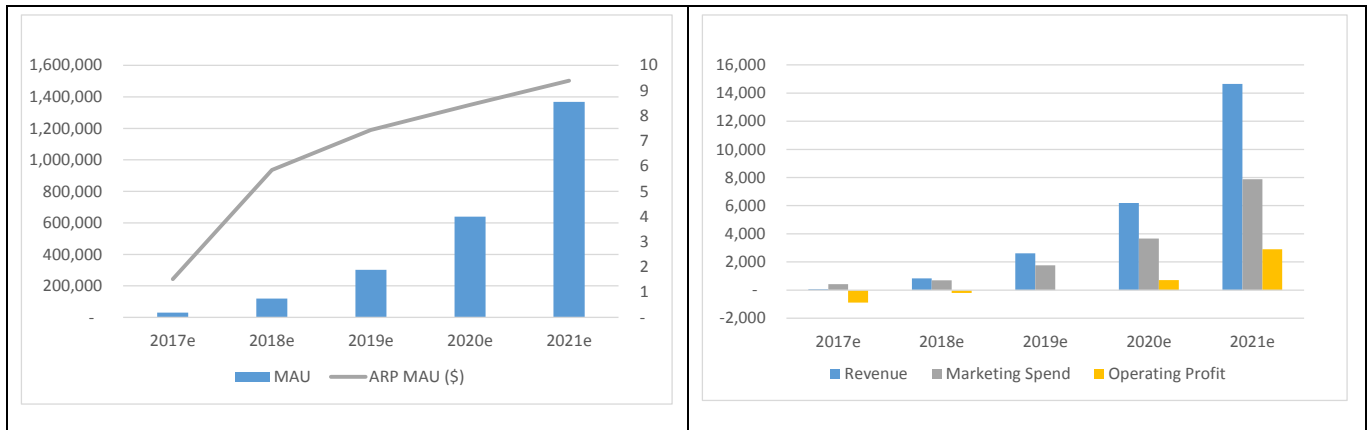
- 1) Increase the number of active users in HK, Singapore, China & Australia;
- 2) Expand geographically into new cities, with an initial focus on major Asian markets;
- 3) Enhance user retention and engagement; &
- 4) Increase average lifetime revenue per user.

With the DateTix app's freemium business model, it's likely to be loss-making until c.2018e. As part of its growth strategy, the DateTix app is planning to enter the UK & North American markets in 2018. As momentum in users reaches a 'tipping point', DTX is looking to monetize its operations through predominantly advertising and in-app purchases of membership subscriptions and virtual items (c.80% of DateTix revenues). Whilst gross margins are c.70%, ROI of marketing spend is critical, in 2020e it represents +50% of revenues. Marketing is likely to be driven online, through social media & search engine marketing.

Critical mass in users leads to monetisation of advertising revenues. ROI on marketing spend is key



Figure 4: DateTix Monthly Active Users, ARP MAU (\$) & DateTix Revenues, Marketing Spend & Operating Profit (\$000's)



Source: Foster Stockbroking estimates

Lovestruck: A Focus on Serious Long-Term Relationships

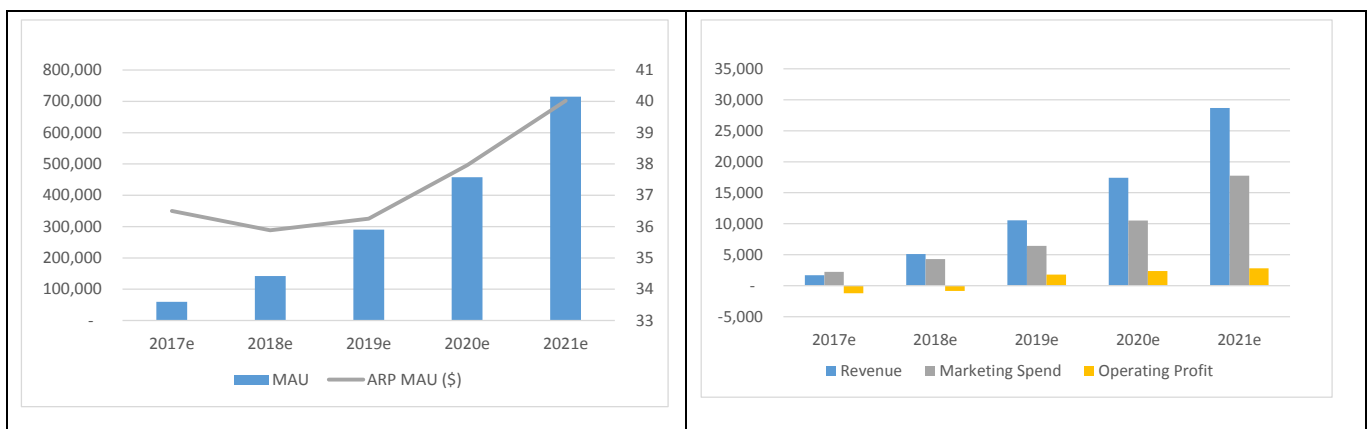
The strategy for Lovestruck is to:

- 1) Increase the number of paying subscribers in HK, Singapore and the UK;
- 2) Geographic expansion into new cities, focusing on major Asian markets;
- 3) Increase conversion rates of users to paying subscribers;
- 4) Increase average lifetime revenue per paying subscriber.

90% of revenue from recurring membership subscriptions, with marketing spend c.70% of total revenue

Lovestruck's focus is on serious long-term relationships. The basis for the revenue model is recurring monthly membership subscriptions (c.+90% of revenue). Not surprisingly, marketing is key, heading to c.70% of revenues by 2020e. Most marketing spend is online, but with a different target market, outdoor/TV is likely to comprise c.20% of marketing budgets.

Figure 5: Lovestruck Monthly Active Users, ARP MAU (\$) & Lovestruck Revenues, Marketing Spend & Operating Profit (\$000's)



Source: Foster Stockbroking estimates



Matchmaking: A Focus on Key Asian Markets, A Cultural Ritual

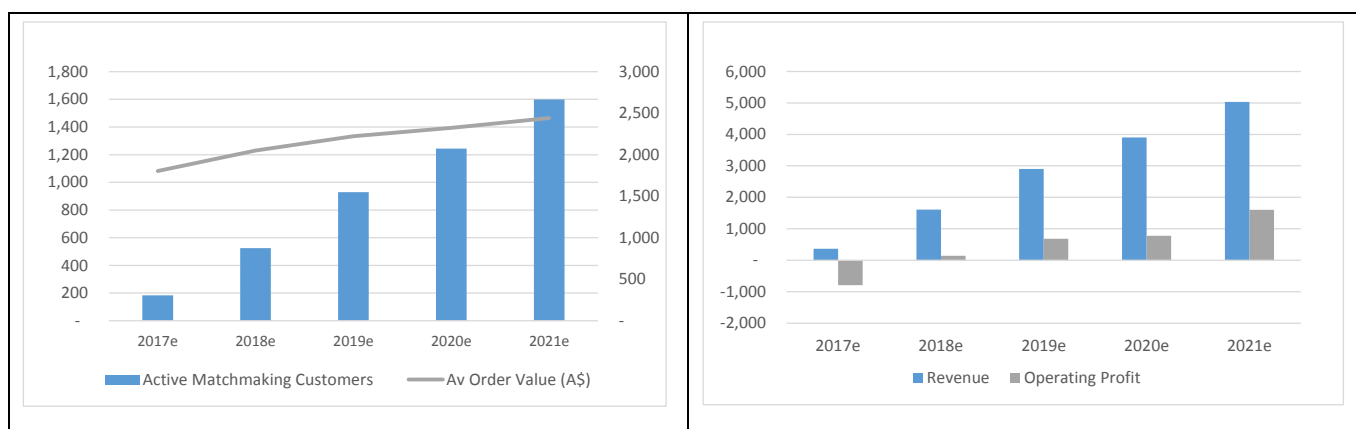
Personalised introductions provide higher value spend per client, with corresponding employee costs

DTX’s strategy for Matchmaking is to:

- 1) Increase the number of paying clients in HK & China;
- 2) Geographic expansion into new cities, including Singapore, & tier-one cities in China;
- 3) Increase conversion rates of consultation sessions to paying clients;
- 4) Increase the average lifetime revenue per paying client.

With Matchmaking’s focus on personalized introductions, a greater proportion of expenses relate to employees & occupancy costs (c.60%). Breakeven is likely to occur in 2017e.

Figure 6: Average Matchmaking Customers, Average Order Value (A\$) & Revenue, Operating Profit (000’s)



Source: Foster Stockbroking estimates

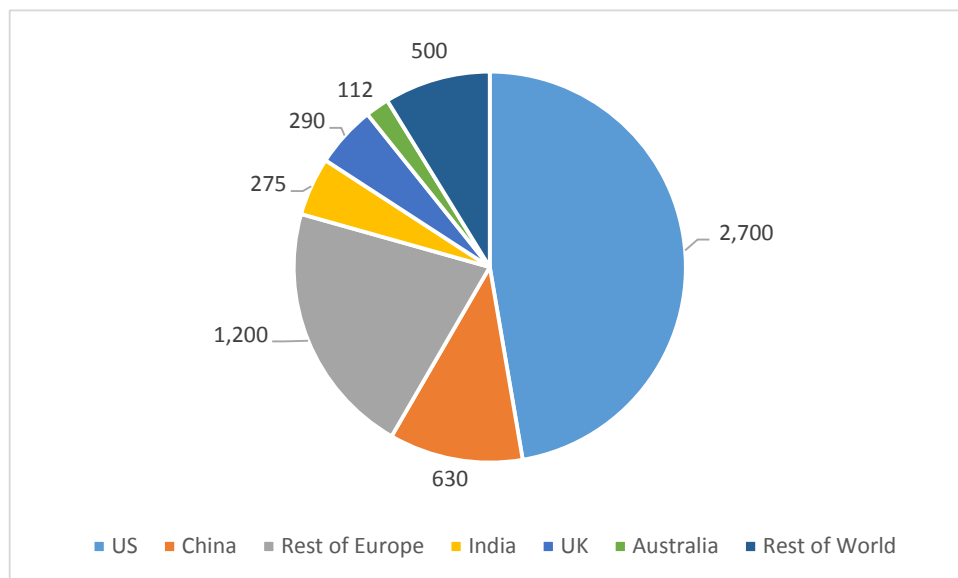
MARKET OPPORTUNITY & COMPETITION: A A\$5.7 BILLION GLOBAL MARKET

Global online dating market is c.A\$5.7 billion

The acceleration of users communication process, driven by smartphones, messaging services and the like, are molding the behavior of singles in online dating: flirting and looking for a partner today occurs everywhere and all the time. Response times are a lot shorter and there is a higher level of readiness to spontaneously meet. In order to keep up with this development, dating site operators have placed a focus on further technical development of their apps and offer services better tailored to mobile use.

With the rise of the Internet economy, it is not a surprise that online dating has become a significant global market opportunity (c.A\$5.7bn). In the last 10-years, the perception by consumers of the online dating market has changed significantly. For instance, in 2005 c.30% of US adults agreed with the statement “People who use online dating websites are desperate”, whilst only c.20% agreed today. In other words around c.+80% of people view online dating as socially acceptable. Interestingly, c.10% of 18-29 year olds in the US that are in a committed relationship, met online.

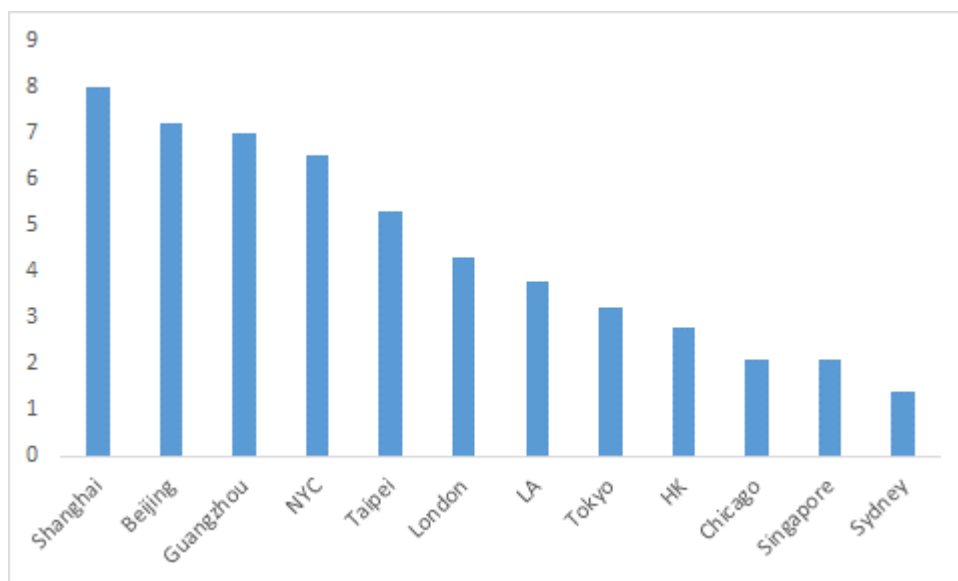
Figure 7: Online Dating is a Global A\$5.7 Billion Market Opportunity (A\$ millions)



Source: Foster Stockbroking estimates

The chart below illustrates the number of singles aged between 18-49 across 12 major cities around the world; an addressable singles population of 52.7 million.

Figure 8: Large Addressable Singles Market of Major Cities Around the World (Millions)



Source: DateTix

New marketing strategies boost revenue growth through 'Live Events'

More recently, the move to mobile has meant that users are less prepared to pay for services. Dating market participants have had to distinguish themselves through new marketing strategies and advertising to boost the industry. Recently Momo is hooking up users to 'live music'. Users pay to access & gift virtual items (which they buy with real money) to performers, who take a cut of the revenue (Momo has 75m MAU & live events make up c.50% of revenue today). Of note, those singles above 30 that are searching of serious relationships are happy to pay.

By Geography, in China, the mobile advertising market is c.A\$18bn, mobile gaming market c.A\$9bn and dating services market c.A\$2bn. There are roughly 200 million singles in China, c.15% of the population, much lower than the US at c.+35% and UK c.50%. Of note, 7 of the top 10 grossing non-game apps in China (July 2016) involve live streaming functions.



The global online dating market is highly competitive with major participants such as: Tinder, Match.com, Badoo, Momo, Zoosk, eHarmony, Plenty of Fish, OkCupid. There are thousands of sites including specific verticals such as JDate (Jewish community), ChristianMingle.com and blacksingles.com.

In the US, the dating services market is mature and is worth c.US\$2.5bn per annum (online dating market at US\$1.8bn), with an addressable target market of c.124m singles. The highest profile company in the US is Match.com, listed in 2015 (market cap US\$4bn) & has been a consolidator in the market. Interestingly, a future source of revenue is advertising (owns Tinder), however most revenues are generated from subscription services today.

In the UK, the market size for online dating is c.GBP 160m per annum, with c.18m singles (c.8m singles online each month). Only 25 of the service providers in the market have +100k active monthly subscribers. In the UK, C-Date, EliteSingles, Zoosk, eHarmony and Match have c.60% of revenues.

VALUATION: BUILDING A GLOBAL DATING TECHNOLOGY & SERVICES PLATFORM

In Figure 9 below, we highlight the valuations of listed comparable companies in the US market. On an EV / Sales basis (2019), at a 50% discount, we can value DTX at c.\$0.68-\$1.10.

Figure 9: Peer Comparative Analysis

Company	Price	Market Cap	P/Sales			P/E			'g'	EV/EBITDA			EV/EBIT		
			16Y	17Y	18Y	16Y	17Y	18Y		16Y	17Y	18Y	16Y	17Y	18Y
MTCH	\$17.62	4,435.4	3.6	3.1	2.8	24.0	18.6	14.6	29.1%	18.2	10.3	8.0	18.2	12.9	n/a
MOMO	\$23.67	4,541.7	11.0	6.3	4.5	50.0	27.5	19.1	81.8%	54.2	20.5	12.7	54.2	22.6	14.4
MEET	\$5.96	312.8	4.5	3.6	2.3	15.7	12.4	10.3	26.3%	n/a	n/a	n/a	n/a	n/a	n/a
Average			6.4	4.3	3.2	29.9	19.5	14.7	45.7%	36.2	15.4	10.4	36.2	17.7	14.4

Source: Consensus estimates

In Figure 10, we have our assumptions with regards to our DCF valuation. We highlight that our forecasts are subject to greater than usual uncertainty. We derive a valuation of A\$0.89 per share.



Figure 10: DCF Valuation of DTX

ASSET VALUATION (\$m)	2017E	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E
Adj EBIT	-3.1	-1.2	2.5	3.9	7.3	11.0	14.8	18.5	21.3	22.3	
Growth (%)	<i>nm</i>	<i>nm</i>	<i>nm</i>	56.5%	89.7%	50.0%	35.0%	25.0%	15.0%	5.0%	
- Tax Expense	0.0	0.0	0.0	0.8	2.2	3.3	4.4	5.5	6.4	6.7	
Tax Rate (%)	<i>nm</i>	<i>nm</i>	<i>nm</i>	20.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	
+ Depreciation	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.4	
- Working Capital	1.0	1.0	0.9	0.9	0.8	0.8	0.7	0.7	0.6	0.6	
- Capital Expenditure	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	
Free Cash Flow	-4.1	-2.1	1.6	2.3	4.3	7.0	9.7	12.3	14.3	15.1	15.5
% year-on-year	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	39.3%	27.2%	16.2%	5.6%	2.5%
Terminal Average FCF Growth Rate											2.5%
PV Factor (WACC After Tax)	0.864	0.715	0.592	0.490	0.406	0.336	0.278	0.230	0.190	0.155	0.860
NPV of FCF	-3.5	-1.5	0.9	1.1	1.8	2.3	2.7	2.8	2.7	2.3	13.3
Total NPV of FCF	25										
WEIGHTED AVERAGE COST OF CAPITAL											
Risk Free Rate	1.50%										
Equity Risk Premium	6.00%										
Tax Rate	30.0%										
Company Debt Risk Premium	9.00%										
Company Beta	3.5										
Target: Debt/Total Assets	10.0%										
Cost of Equity	22.32%										
Cost of Debt	10.50%										
WACC	20.82%										
FOSTER COMPANY VALUATION											
Total NPV of FCF	25										
Less Net Debt / (Cash)	-3										
Equity Value - A\$	28										
Ordinary Shares on Issue (m)	31										
FCF Valuation	0.89										

Source: Foster Stockbroking estimates

RECOMMENDATION – SPECULATIVE BUY; PRICE TARGET \$0.89/SHARE

We initiate on DTX with a Speculative Buy recommendation and a valuation of \$0.89/share. Our valuation is based on a FCF valuation, supported by peer comparative analysis.

Catalysts include: DTX's succeeding in its core Asian markets, focusing on user engagement and retention through well executed marketing spend, as well as a planned acquisition strategy. We would not be surprised to see DTX acquired by a larger player down-the-track, as audience reach and engagement accelerates.

BOARD OF DIRECTORS

Anthony (Tony) Harris– Independent Non-executive Chairman: Tony Harris was appointed a director on 6 September 2014. He is an owner and Director at Blink Mobile Interactive, a cloud based Mobile Enterprise Applications Platform provider. Tony has extensive experience at managing and growing computer software companies, he has held senior positions with Tibco software, Retriever communications and with SAP including CEO ANZ.



Michael Ye – Founder and CEO: Michael Ye was appointed a director on 26 November 2015. He founded DateTix in 2013 and has led the company's strategic direction since its inception. Michael was previously an Investment Analyst at Imperia Investment Group, focusing on the internet sector. Prior to that, Michael was a Senior Business Development Manager at GDC Technology, where he led the launch of a new business division focused on the China market, and advised the executive management team and the board of directors on potential acquisitions and investment opportunities. Michael has also worked in the investment banking divisions of Morgan Stanley, J.P. Morgan and Credit Suisse, with extensive experience advising technology and internet companies in Greater China and Asia. Michael holds a Bachelor of Mathematics degree in Computer Science from the University of Waterloo, and an MBA from The Wharton School at the University of Pennsylvania.

Leigh Kelson – Non-executive director: Leigh Kelson was appointed as an executive director on 12 May 1997 and transitioned to a non-executive role in February 2016. He is CEO and Founder of Beach City Group, a computer software company. A web technologies veteran, after commencing his career in the technology sector in the mid 1980s, Mr Kelson founded Datetix Group Ltd in 1996 and pioneered cloud computing in Australia by establishing the first Salesforce.com professional services practice in Melbourne, which is now one of the longest serving Salesforce.com partners in Australia.

Zhixian (Claire) Lin – Non-executive director: Zhixian was appointed a director on 26 November 2015. She has extensive relationships with senior level executives in the corporate world and financial services with over a decade of experience in executive search in Asia Pacific. She is a senior management member of the leading executive search firm in Greater China. In recent years, she was involved in building up an Executive search and Staffing practice with coverage in Hong Kong, Singapore and Shanghai. As Head of the Hong Kong office, she deals extensively with high level Executives of the major corporates, financial institutions and multi-nationals in the region.

In prior years, Zhixian, as a founding member, headed the Hong Kong office and was responsible for establishing the brand and clientele for a leading executive search firm. Mainly focused on the investment banking sector, she was involved in senior hire levels such as Managing Directors, Managing Partners and CEOs. Zhixian graduated with a Master of Business Administration from University of Technology, Sydney and a Bachelor of Commerce from Charles Sturt University.



RISKS

- Limited operating history of dating brands and products makes it difficult to evaluate the current business and future prospects.
- The dating industry is competitive, with low switching costs and a consistent stream of new products and entrants and innovation by competitors may disrupt business.
- DTX's growth and profitability rely, in part, on ability to attract and retain users through cost effective marketing efforts. Any failure in these efforts could adversely affect its business, financial condition and results of operations.
- Distribution and use of dating products depends, in significant part, on a variety of third party publishers, platforms and mobile app stores. If these third parties limit, prohibit or otherwise interfere with the distribution or use of dating products in any material way, it could adversely affect its business, financial condition and results of operations.
- Success depends, in part, on the integrity of systems and infrastructures and on ability to enhance, expand and adapt these systems and infrastructures in a timely and cost effective manner.
- DTX may not be able to protect its systems from cyber-attacks and may be adversely affected by cyber-attacks experienced by third parties.
- DTX has a going concern audit qualification.



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