



## Key Facts

Business address: **Haidian District, Beijing,, China**  
 Industry: **Internet Publishing and Broadcasting** (NAICS 516110)  
 SEC filer status: **Non-Accelerated Filer** as of Jun 2021  
 Market Cap: **\$47.3m** as of Sep 16, 2021  
 Annual revenue: **\$38.4m** as of Dec 31, 2020

## Corporate Governance

CEO: **NOT AVAILABLE**  
 CFO: **Mark Li** since 2019 1st level

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Board Chairman: **NOT AVAILABLE**  
 Audit Committee Chair: **NOT AVAILABLE** 2nd level

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Auditor: **Centurion ZD CPA & Co** since 2019  
 Outside Counsel (most recent): **Loeb & Loeb LLP** 3rd level

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SEC Reviewer: **Kathleen Krebs** 4th level

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Information in this report is effective Sep 17, 2021 and is taken from the company's public financial and regulatory filings. Latest filing 10-Q filed 08/16/2021. Over 75 accounting and data analysts scrutinize and review crucial information, footnotes, disclosures, etc., from these filings. Material facts are captured and processed using our proprietary methods which identify key risk factors our readers need to know. Each Watchdog Report represents 30 or more hours of analysis and processing.

Accounting and financial disclosure data from [Audit Analytics](#).  
 Executive compensation data from [Shore Group and Intrinio](#).  
 Data from [Sharadar](#).  
[Data from Barchart via Quandl](#).  
[Data from Exchange Data International via Quandl](#).

Sep 17, 2021 Jan 1, 2020 Jan 1, 2016

RECENT PERIOD

HISTORICAL PERIOD

10-Q filed on Aug 16, 2021 for period ending Jun 2021

### Reporting Irregularities

RECENT		HISTORICAL
✓	Financial Restatements	✓
✓	Revisions	✓
✓	Out of Period Adjustments	✓
!	Late Filings	!
!	Impairments	!
✓	Changes in Accounting Estimates	✓
✓	Disclosure Controls	✓
✓	Internal Controls	✓
!	Critical / Key Audit Matters	✓

### Anomalies in the Numbers

RECENT		HISTORICAL
✓	Benford's Law	✓
—	Beneish M-Score	—
!	Accounting Disclosure Complexity	!

### Securities & Exchange Commission Concerns

RECENT		HISTORICAL
!	SEC Oversight	!
✓	SEC Letters to Management	!
✓	Revenue Recognition	✓
✓	Non-GAAP Measures	✓

### Litigation & External Pressures

RECENT		HISTORICAL
✓	Significant Litigation	✓
✓	Securities Class Actions	✓
✓	Shareholder Activism	✓
✓	Cybersecurity	✓

### Management Review

RECENT		HISTORICAL
✓	CEO Changes	✓
✓	CFO Changes	!
✓	Insider Sales	✓
✓	Pledged Securities	✓
✓	Mergers & Acquisitions	✓
✓	Sales of Assets	✓

### Auditor Assessment

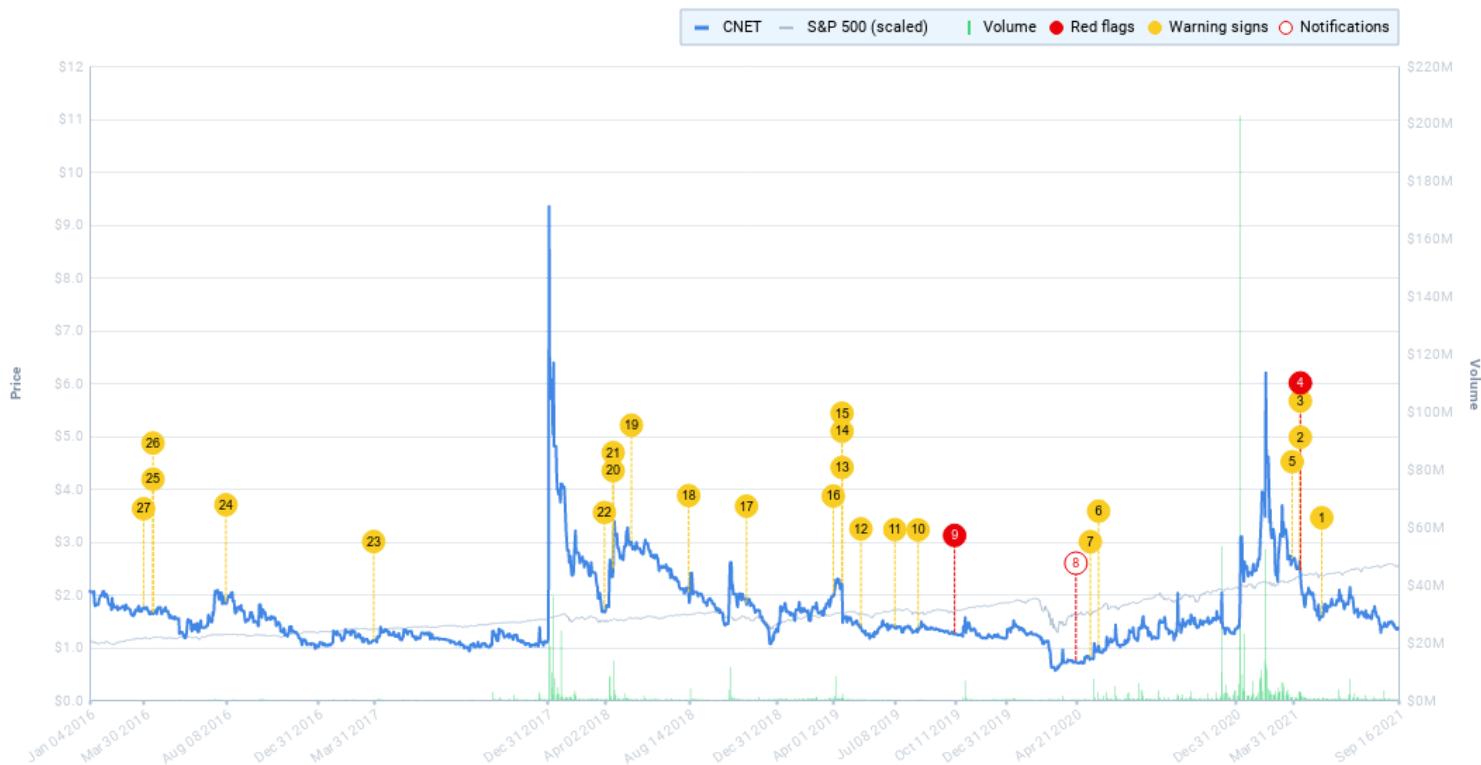
RECENT		HISTORICAL
✓	Auditor Changes	!
!	Auditor Experience	!
✓	Auditor Tenure	✓
✓	Audit Fees	!
✓	Non-Audit Fees	✓



## Overview

### Price and Volume History

This graph shows the price and trading history for ZW Data Action. Warning signs and red flags are marked on the graph according to their disclosure dates.



- |   |  |
|---|--|
| 1 May 17, 2021 - Late filing                        | 15 Apr 15, 2019 - Impairment               |
| 2 Apr 13, 2021 - Impairment                         | 16 Apr 1, 2019 - Late filing               |
| 3 Apr 13, 2021 - Critical / Key Audit Matters       | 17 Nov 14, 2018 - Late filing              |
| 4 Apr 13, 2021 - Critical / Key Audit Matters       | 18 Aug 14, 2018 - Late filing              |
| 5 Mar 31, 2021 - Late filing                        | 19 May 15, 2018 - Late filing              |
| 6 May 27, 2020 - Impairment                         | 20 Apr 16, 2018 - Impairment               |
| 7 May 14, 2020 - Late filing                        | 21 Apr 16, 2018 - Impairment               |
| 8 Apr 21, 2020 - Noncompliant with NASDAQ Standards | 22 Apr 2, 2018 - Late filing               |
| 9 Oct 11, 2019 - Auditor change                     | 23 Mar 31, 2017 - Impairment               |
| 10 Aug 14, 2019 - Late filing                       | 24 Aug 8, 2016 - SEC letters to management |
| 11 Jul 8, 2019 - Change in CFO                      | 25 Apr 14, 2016 - Impairment               |
| 12 May 15, 2019 - Late filing                       | 26 Apr 14, 2016 - Impairment               |
| 13 Apr 15, 2019 - Impairment                        | 27 Mar 30, 2016 - Late filing              |
| 14 Apr 15, 2019 - Impairment                        |  |



## Notifications

Important notifications related to the company are listed here. Notifications may come from the SEC, exchanges such as the NYSE or NASDAQ, or Watchdog Research. Examples of notifications include announcements of bankruptcy proceedings, company name changes, and noncompliance with SEC regulations or exchange rules.

### ZW Data Action has one notification since 2016.

Event date	Type	Headline	Message	Source
04/21/2020	Noncompliance	Noncompliant with NASDAQ Standards	Noncompliant with bid price standards	<a href="#">NASDAQ</a>

## Peer Group

Peer groups are used by companies to benchmark executive compensation and performance. Each company identifies its own peer group. Peer groups vary from company to company.

### Peer Group

Company	Ticker	Market Cap
Sphere 3D Corp. *	ANY	\$150m
Marchex Inc. *	MCHX	\$125m
ZW Data Action Technologies Inc.	CNET	\$47.3m
Netsol Technologies Inc. *	NTWK	\$44.1m
Bridgeline Digital, Inc. *	BLIN	\$36.7m
Silversun Technologies, Inc. *	SSNT	\$33.7m
Protagenic Therapeutics, Inc. *	PTIX	\$32.4m
Recon Technology, Ltd. *	RCON	\$25.6m
SCWorx Corp. *	WORX	\$22.1m
Telkonet Inc. *	TKOI	\$4.63m

\* Suggested by Watchdog.

### Companies Who Named ZW Data Action as a Peer

ZW Data Action is not named as a peer by any company.



## Peer Flag Comparison

The return to a company's stock is not the only measure of executive performance. Ethics matter, and growth can quickly reverse and gains evaporate if a company's accounting and financial reporting processes are not fundamentally sound and trustworthy. How does ZW Data Action's accounting quality compare to its peer group?

	CNET	PEERGROUP FLAGS		
<b>Reporting Irregularities</b>				
Financial Restatements	✓	7		2
Revisions	✓	9		
Out of Period Adjustments	✓	9		
Impairments	!	1	8	
Changes in Accounting Estimates	✓	9		
Disclosure Controls	✓	1	2	6
Internal Controls	✓	3		6
Critical / Key Audit Matters	!		2	2
<b>Anomalies in the Numbers</b>				
Benford's Law	✓	4		5
Beneish M-Score	⊖	3	2	
Accounting Disclosure Complexity	!	5	3	1
<b>Securities &amp; Exchange Commission Concerns</b>				
SEC Oversight	!	7	1	1
SEC Letters to Management	!	3	5	1
Revenue Recognition	✓	8	1	
Non-GAAP Measures	✓	9		

	CNET	PEERGROUP FLAGS		
<b>Litigation &amp; External Pressures</b>				
Significant Litigation	✓	4	1	4
Securities Class Actions	✓	6		3
Shareholder Activism	✓	5	4	
Cybersecurity	✓	9		
<b>Management Review</b>				
CEO Changes	✓	4	2	1
CFO Changes	!	1	3	3
Insider Sales	✓	9		
Pledged Securities	✓	9		
Mergers & Acquisitions	✓	9		
Sales of Assets	✓	9		
<b>Auditor Assessment</b>				
Auditor Changes	!	2	1	6
Auditor Experience	!	6	3	
Auditor Tenure	✓	7	2	
Audit Fees	!	2	6	
Non-Audit Fees	✓	6	2	



## About Watchdog Research, Inc.

Watchdog Research, Inc. is an independent research provider and publisher of Watchdog Reports. Watchdog Reports identify red flags, issues, and other anomalies in financial reporting. Our reports contain warning signs, red flags, material disclosures, and peer analysis for use in valuation, risk analysis, due diligence research, and idea generation.

Watchdog Reports are designed to assist investment professionals fulfill their fiduciary or suitability obligations and to help investors, executives, board members, regulators and educators learn what they need to know about publicly traded companies.

The company is headquartered in Ave Maria, FL. Watchdog Research, Inc. utilizes over 75 specialists and analysts to provide accurate and timely information to our readers.

### Our management team is:

**CEO: Brian Lawe.** Brian has been part of the corporate staff at The New York Times Company and IBM. He has created and operated several technology companies including MyStoreCredit, OnPage Ideas and HelloCampus. He holds an MBA from Harvard Business School and a BBA from Texas Christian University. He and his wife have four children and live in the Naples, FL area.

**CTO: Radu Cugut.** Radu has led the award-winning technology team that developed the Watchdog Report and services. He, his wife and son split their time between his home in Ave Maria, FL and his home in Timisoara, Romania where he oversees five talented development professionals. Radu has a bachelors in Computer Science and a masters in Banking and Financial Information Systems, both from the West University of Timisoara.

**Chief Content Officer: Joseph Burke, Ph.D.** is responsible for the content development, analysis, and quality control for the Watchdog Report. Joseph worked previously as a professor of economics at Ave Maria University. He received his Ph.D. from the University of Wisconsin-Madison and resides with his family in the Naples area.

**Director of Research: John Cheffers.** John is responsible for writing our blogs and for our press relationships. He received his bachelors from Washington University in St. Louis, and has worked for Audit Analytics and Ave Maria University. He graduated Ave Maria University School of Law where his research was selected for publication in the Law Review. He currently lives in Pennsylvania with his wife and two children.



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