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MOBI 摩比

MOBI Development Co., Ltd.

摩比發展有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 947)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the Shareholders of the Company and potential investors that notwithstanding the fact that the unaudited consolidated net loss of the Group for the six months ended 30 June 2022 showed an improving trend as compared to the six months ended 30 June 2021, the Group is expected to record a net loss exceeding RMB30 million for the six months ended 30 June 2022. The Group recorded a net loss of approximately RMB57.58 million in the same period of 2021.

The information contained in this announcement is only based on the preliminary assessment by the management of the Company of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2022, which have not been reviewed or audited by the auditors of the Company.

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

This announcement is made by MOBI Development Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board of Directors (the “**Board**”) wishes to inform the Shareholders of the Company and potential investors that notwithstanding the unaudited consolidated net loss of the Group for the six months ended 30 June 2022 showed an improving trend as compared to the six months ended 30 June 2021 mainly attributable to (i) the recognition by both domestic and foreign customers of the Group’s product quality performance; (ii) the Group’s deepened and strengthened cooperation with operator customers and equipment manufacturer customers; (iii) the gradual development in new businesses and implementation of related projects; and (iv) the decrease in the Group’s operating expense ratio, with improvement in overall efficiency after the implementation of the cost control measures, the Group is expected to record a net loss exceeding RMB30 million for the six months ended 30 June 2022. The net loss was mainly attributable to the impact of the prices of bulk commodities and raw materials, coupled with the increase in labour costs and product costs, resulting in a decline in the gross profit margin.

The Group is expected to record a net inflow for cash flows from operating activities for the first half of 2022, as compared to a net outflow for cash flows from operating activities for the same period of last year, representing a significant improvement from net outflow to net inflow and the overall liquidity as well as solvency of the Group. Finance costs for the first half of 2022 were also significantly decreased as compared to that for the same period of last year.

The Board remains confident about the future development of the Group. The Board believes that the Group maintains a sound financial position and sufficient working capital. Looking ahead, the Board will, from time to time, continue to review the Group's operations and strategies to meet challenges, and remain optimistic about the growth opportunities of the telecommunications industry in Mainland China and the global market (especially the business development prospects of 5G network and new business areas).

The information contained in this announcement is only based on the preliminary assessment by the management of the Company of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2022, which have not been reviewed or audited by the auditors of the Company. Shareholders of the Company and potential investors are advised to refer to the details in the interim results announcement of the Company for the six months ended 30 June 2022 which is expected to be issued in late August 2022.

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

By Order of the Board
MOBI Development Co., Ltd.
Hu Xiang
Chairman

Hong Kong, 2 August 2022

As at the date of this announcement, the executive Director of the Company is Mr. HU Xiang; the non-executive Director is Mr. QU Deqian; and the independent non-executive Directors are Mr. LI Tianshu, Mr. ZHANG Han and Ms. GE Xiaojing.