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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 the Group is expected to record an unaudited consolidated net loss of approximately RMB30 million for the six months ended 30 June 2024, compared to a net loss of approximately RMB3.47 million for the same period in 2023.

The information contained in this announcement is only based on the preliminary assessment by the Company of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2024, which have not been audited or reviewed 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 the Group is expected to record an unaudited consolidated net loss of approximately RMB30 million for the six months ended 30 June 2024, compared to a net loss of approximately RMB3.47 million for the same period in 2023. In the first half of 2024, the Group maintained its position as the main supplier to its major customers, and the bid-winning amounts of some customers continued to grow steadily. However, affected by the cyclical deployment of domestic and overseas mobile communication network construction, the sales revenue in the first half of 2024 decreased as compared with the same period of last year. The impact on net profit is mainly based on the following aspects:

- (i) The network construction plans of domestic operators were postponed, the overall tendering and bidding projects were delayed and the implementation progress of the awarded projects was slower than expected;

- (ii) Major international equipment manufacturer customer was still adjusting its production layout in the first half of the year. Although production has resumed successively, the shipments in the first half of the year decreased to a certain extent as compared with the same period of last year due to the production ramp-up process;
- (iii) Revenues from certain projects are expected to be recognised in the second half of 2024 and beyond; and
- (iv) Exchange gains decreased by nearly RMB7 million as compared with the same period of last year.

The Group continued to strengthen source management and kept abreast of the customers' needs in the field of technology by always adhering to the management philosophy of "Taking the market as the direction, R&D as the core, quality as the lifeline, talents as the first resource, and compliance and internal control as the cornerstone", with a view to gain a foothold in the evolving and complex market environment. The Group has achieved remarkable results over the years by constantly carrying out expense control coupled with the principle of resource matching income, and continuously optimizing the expense structure to improve the overall operating efficiency of the Company. As a result, the overall expense scale was further reduced in the first half of 2024. At the same time, the Group continued to increase its investment in technical research and development to overcome key technical difficulties and expand the range of products. At present, the Group has achieved further R&D breakthrough in green antennas, multi-band ultra-wideband duplex modules, multi-mode technology and ceramic dielectric filters, which is expected to facilitate the Group to gain more market shares in the future. In order to get rid of the cyclical impact of the telecommunications industry on revenue and to achieve industrial transformation and upgrading, the Group has achieved initial results after years' efforts in the field of "telecommunications + new energy/energy saving". Currently, the Group is carrying out renovation projects in over 30 old communities with a total estimated revenue scale of nearly RMB10 million. Meanwhile, the new breakthrough, GPS Beidou Antenna Project, has been delivered in batches, with a total estimated revenue scale of over RMB10 million. In addition, photovoltaic projects are also under frequent negotiation, and have made certain progress, which is expected to achieve the revenue scale of over RMB100 million. The said projects will generate the growth points of the Group's performance in the future. It is believed that with the continuous consolidation of traditional businesses and frequent breakthroughs in new business areas, the Group will increase its market share steadily in the future.

The management remains confident about the future development of the Group. The Board believes that the Group maintains a sound financial position and sufficient working capital, contributing to its future development through continuous management optimization and resource allocation. The Board remains optimistic about the growth opportunities of the telecommunications industry in Mainland China and the global market (especially the business development prospects of 5G and 5G-A networks and new business areas) and also continues to review the Group's operations and strategies from time to time to cope with challenges.

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 2024, which have not been audited or reviewed 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 2024 which is expected to be issued in mid August 2024.

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 2024

As at the date of this announcement, the executive directors of the Company are Mr. Hu Xiang, Ms. Zhou Lingbo and Mr. Ye Rong; 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.