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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 – REDUCTION IN LOSS

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 unaudited consolidated net loss exceeding RMB80 million for the year ended 31 December 2023, compared to a net loss of approximately RMB230 million for the same period in 2022, with expected loss reduced by more than 60%.

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 year ended 31 December 2023, 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 the Group is expected to record unaudited consolidated net loss exceeding RMB80 million for the year ended 31 December 2023, compared to a net loss of approximately RMB230 million for the same period in 2022, with expected loss reduced by more than 60%. In 2023, the downward pressure on the economy continued to intensify, and the international situation became complex and volatile, with frequent occurrence of geopolitical conflicts and black swan incidents, resulting in an overall unfavorable external environment. Based on years of accumulation of customers and products and unremitting efforts of the team, the Group managed to maintain a generally stable operating condition in 2023. The reduction in loss was mainly due to (i) the implementation of previously centralized procurement bid-winning projects of major domestic operators, which continuously generated demand in 2023 and led to a significant increase in shipments of antenna products, resulting in a notable growth in sales revenue from domestic operator customers as compared with last year; (ii) the continuous optimization of the expense structure to improve the overall operating efficiency of the Company, which has achieved remarkable results over the years. However, the revenue from certain centralized procurement projects of domestic operators will be recognized in 2024 and beyond. Additionally, there has been changes in the production layout of major international equipment manufacturer customers in 2023, and the gradual ramp-up process needed for new factory operations has led to a decline in overall delivery. The above had an overall impact to sales revenue in 2023 and subsequently affected the net profit.

The management is still full of confidence in the future development of the Group. The Board believes that the Group maintains a sound financial position and sufficient working capital, and the Group will continue to carry out internal restructuring and staff optimisation exercise, to enable more efficient internal communication, decision-making and execution. Looking ahead, the Board remains optimistic about the growth opportunities of the telecommunications industry in Mainland China and the global market. The Board will also continue to review the business operation and strategy of the Group from time to time to meet 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 year ended 31 December 2023, 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 annual results announcement of the Company for the year ended 31 December 2023 which is expected to be issued in late March 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, 1 March 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.