MAXNERVA
雲智匯科技服務

MAXNERVA TECHNOLOGY SERVICES LIMITED
雲智匯科技服務有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 1037)

PROFIT WARNING

This announcement is made by Maxnerva Technology Services Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Listing Rules.

Reference is made to the announcement of the Company dated 31 August 2017 whereby the board of directors (the "**Board**") of the Company announced that it has resolved to change the financial year end date of the Company from 31 March to 31 December. Accordingly, the forthcoming audited financial statements of the Company will cover a nine-month period from 1 April 2017 to 31 December 2017.

The Board wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review of the Group's unaudited consolidated management accounts for the nine months ended 31 December 2017, the Group expects to record consolidated net profit attributable to the I.T. integration and solutions services business segment (the "**continuing operation**") in the range of approximately RMB33,000,000 to RMB38,000,000, when compared to the audited consolidated net profit from continuing operation of approximately RMB91,580,000 for the twelve months ended 31 March 2017. Following the disposal of electronic product manufacturing business on 28 December 2017, such business segment will be disclosed as discontinued operation in the coming consolidated annual results for the nine months ended 31 December 2017 but the results of discontinued operation are still under assessment.

The Board considers that the expected decrease in the consolidated net profit attributable to the I.T. integration and solutions services business segment is mainly due to factors including, but not limited to, (i) the increase in the proportion of smart office and smart home solutions undertaken by the Group during the period which in general yield lower profit margins due to fiercer market competitions; (ii) the increase in the operating expenses including staff costs, rental expenses and marketing expenses as a result of the expansion of operation; and (iii) the change in the financial year end date and there are only nine-month operation in this reporting period versus twelve-month operation for the previous financial year.

As the Group is still in the course of preparing and finalising the consolidated annual results for the nine months ended 31 December 2017 and as such, the above mentioned consolidated net profit is subject to change. The information contained in this announcement is only based on preliminary assessment of the information currently available to the Board, including the unaudited consolidated management accounts of the Group. The Group's consolidated annual results for the nine months ended 31 December 2017 is expected to be released on or around 28 March 2018.

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

By order of the Board
Maxnerva Technology Services Limited
HUI LAP SHUN, JOHN
Chairman

Hong Kong, 9 February 2018

As at the date of this announcement, the Board comprises three executive directors, namely, Mr. Chien Yi-Pin Mark (Mr. Cheng Yee Pun as his alternate), Mr. Baker Sung Mahn Sam and Mr. Fung Wai Ching, three non-executive directors, namely, Mr. Hui Lap Shun John, Mr. Tse Tik Yang Denis and Mr. Lee Eung Sang, and three independent non-executive directors, namely, Mr. Tang Tin Lok Stephen, Mr. Kan Ji Ran Laurie and Mr. Chen Timothy.