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)

POSITIVE PROFIT ALERT

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 increase of over 80% in its unaudited consolidated net profit for the six months ended 30 June 2019 as compared to the corresponding period in 2018.

The information contained in this announcement is only a preliminary assessment made by the management of the Company based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2019, which have not been reviewed or audited by the Company's auditors.

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 increase of over 80% in its unaudited consolidated net profit for the six months ended 30 June 2019 as compared to the corresponding period in 2018.

The increase in the Group's net profit was primarily attributable to the following reasons:

(i) As Chinese operators continued to increase their efforts in low-band refarming construction, and the construction of the global 4G network was still in the investment cycle, the Group's overall net profit continued to improve. Although such contribution was partly offset by the increase in development costs incurred for the preparation for the launch of the 5G network, the Group's overall net profit continued to record significant growth;

(ii) The Group's overall gross profit margin had improved thanks to the continuous optimization in the Group's product portfolios and the increase in revenue contribution from certain new and high-end products; and

(iii) The Group had improved its profitability by optimizing its internal structure and staff structure to achieve economies of scale and by taking effective cost control measures.

Looking ahead, the Board is still optimistic about the growth opportunities of the telecommunications industry in the Mainland China and global markets (especially the business development prospects of the upcoming 5G network). The Board will continue to review the operations and strategies of the Group from time to time to overcome the challenges ahead. At the same time, the Board believes that, with the continuous improvement of its internal management standards, the Group's decision-making, internal communication between departments and actual implementation will be carried out more effectively.

The information contained in this announcement is only a preliminary assessment made by the management of the Company based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2019, which have not been reviewed or audited by the Company's auditors. Shareholders of the Company and potential investors are advised to refer to details of the interim results announcement of the Company for the six months ended 30 June 2019 which is expected to be released in late August 2019.

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, 19 July 2019

As at the date of this announcement, the executive Directors of the Company are Mr. HU Xiang and Mr. LIAO Dong; 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.