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IBO TECHNOLOGY COMPANY LIMITED

艾伯科技股份有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2708)

PROFIT WARNING

This announcement is made by IBO Technology Company Limited (the “**Company**” and, 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 (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2019 (the “**Reporting Period**”) and the information currently available, it is expected to record a significant decrease in the profit attributable to the owners of the Company during the Reporting Period as compared to that in the corresponding period of 2018, and this is mainly attributable to the following reasons:

- Significant increase in financial expenses in relation to the bonds and convertible bonds issued by the Group;
- Loss on change in fair value of convertible bonds was recorded;
- Significant increase in share option expenses;
- Net exchange loss was recorded during the Reporting Period, while net exchange gain was recorded in the corresponding period of 2018;
- Significant increase in the related amortization expenses of intangible assets due to the acquisition of Weitu Group (as defined in the announcement of the Company dated 13 September 2018); and
- Additional manpower was required for continuous expansion of the business scale of the Group. As at 30 September 2019, the number of employees increased by approximately 70% as compared with 30 September 2018, resulting in an increase in staff costs.

The Board wishes to remind the Shareholders that the Company is still in the process of finalising the consolidated interim results of the Group for the six months ended 30 September 2019. The information contained in this announcement is only based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2019 and the information currently available to the Board. Such information has neither been reviewed nor audited by the auditor or the audit committee of the Company and is subject to adjustment. Shareholders and potential investors are advised to read carefully the interim results announcement of the Company for the six months ended 30 September 2019, which is expected to be published by the end of November 2019.

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

By order of the Board
IBO Technology Company Limited
Lai Tse Ming
Chairman

Hong Kong, 23 October 2019

As at the date of this announcement, the Board of the Company comprises Mr. Lai Tse Ming, Mr. Gao Weilong, Mr. Teng Feng, Mr. Yu Kin Keung, Mr. Lyu Huiheng and Ms. Cheng Yan as executive Directors; and Dr. He Tianxiang, Dr. Wong Kwok Yan, and Mr. Hung Muk Ming as independent non-executive Directors.