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MINDTELL TECHNOLOGY LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8611)

PROFIT WARNING

This announcement is made by Mindtell Technology Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong.

Based on the information currently available to the board of directors of the Company (the “**Board**”), including the preliminary review of the latest unaudited consolidated management accounts of the Group, the Board wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a decrease in revenue for the three months ended 28 February 2019 (the “**2019 First Quarterly Revenue**”) of approximately 36.8% as compared with that of the corresponding period of 2018. The Group is also expected to record a decrease in profits before listing expenses for the three months ended 28 February 2019 (the “**2019 First Quarterly Profit**”) of approximately 51.7% as compared with that of the corresponding period of 2018.

The expected decrease in 2019 First Quarterly Revenue and 2019 First Quarterly Profit were mainly due to the following reasons:

- (i) up to 28 February 2019, approximately 79.2% of the Project W (as defined in the prospectus of the Company dated 29 September 2018) has been completed; and thus the contribution of Project W to the total revenue of Group decreased accordingly in which it only contributed to approximately 13.8% of the total revenue of the Group for the three months ended 28 February 2019 as compared to its contribution of approximately 65.9% of the total revenue of the Group for the three months ended 28 February 2018; and
- (ii) since the Service Tax Act 2018 became effective in Malaysia on 1 September 2018, the tax imposed on the provision of information technology services has increased to a rate of 6% as compared to 0% previously, and such increase has resulted in some customers of the Group delaying their projects as previously scheduled.

The information contained in this announcement is only based on the information currently available to the Board, including the preliminary review of the unaudited consolidated management accounts of the Group, which has not been audited or reviewed by the auditors and the audit committee of the Company.

The Company is still in the process of finalising the Group's financial results for the three months ended 28 February 2019. Shareholders and potential investors of the Company are advised to read carefully the quarterly results announcement of the Company for the three months ended 28 February 2019, which is expected to be published on or around 9 April 2019.

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

On behalf of the Board
Mindtell Technology Limited
Chong Yee Ping
Chairman

Hong Kong, 4 April 2019

As at the date of this announcement, the executive Directors are Mr. Chong Yee Ping and Mr. Liu Yan Chee James; the non-executive Directors are Mr. Siah Jiin Shyang and Mr. Lam Pang; and the independent non-executive Directors are Mr. Chan San Ping, Ms. Ho Suet Man Stella and Mr. Su Chi Wen.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least seven days after the date of publication and on the Company's website at www.mindtelltech.com.