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MEGALOGIC TECHNOLOGY HOLDINGS LIMITED

宏創高科集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8242)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a significant loss for the three months ended 31 March 2012 against a profit recorded for the comparative quarter for the three months ended 31 March 2011.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by Megalogic Technology Holdings Limited (the “Company”), together with its subsidiaries, (the “Group”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).

The board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on information currently available, the Group is expected to record a significant loss for the three months ended 31 March 2012 against a profit recorded for the comparative quarter for the three months ended 31 March 2011. Such estimated significant loss was primarily attributable to the expenses incurred in connection with the listing of approximately HK\$9.3 million, which are non-recurrent in nature, to be charged to the Group’s profit and loss account upon of the completion of the listing on 19 January 2012. In addition, the Group also recorded a drop in revenue and gross profit of the Group as a result of increasing competition in the IC industry and the debt crisis in Europe, and an increase in administrative expenses to cope with the need of listing over the period under review.

The Company is still in the process of finalising the unaudited results of the Group for the three months ended 31 March 2012. The information contained in this announcement is only a preliminary assessment by the management of the results of the Group. Finalised results for the three months ended 31 March 2012 of the Group will be disclosed in the first quarterly results announcement of the Group, which is expected to be released on 11 May 2012.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
Megalogic Technology Holdings Limited
Liu Kam Lung
Executive Director and Company
Secretary

Hong Kong, 19 April 2012

As at the date of this announcement, the non-executive director of the Company is Mr. Hui King Chun; the executive directors of the Company are Mr. Li Kwei Chung, Mr. Liu Kam Lung and Mr. Liu Loi Ying; and the independent non-executive directors of the Company are Mr. Chan Sun Kwong, Mr. Chan Chi Kwong, Dickson, Mr. Ko Yin Wai and Mr. Sung Tak Wing, Leo.

This announcement, for which the directors of the Company (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market 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 enquires, 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 7 days from the date of its publication and on the Company’s website at www.megalogic.com.hk.