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Zheng Li Holdings Limited

正力控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8283)

VOLUNTARY ANNOUNCEMENT NEW BUSINESS DEVELOPMENT

This voluntary announcement is made by Zheng Li Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to provide the shareholders of the Company (the “**Shareholders**”) and potential investors with the information of the latest business development of the Group.

The board (the “**Board**”) of directors (the “**Directors**”, each a “**Director**”) of the Company is pleased to announce that (i) World Brilliant Investments Limited (“**World Brilliant Investments**”, an indirect wholly-owned subsidiary of the Company) has established a direct subsidiary named as 深圳嗒程科技有限公司 (Shenzhen Dacheng Technology Limited*) (“**Shenzhen Dacheng**”) on 27 July 2018; (ii) Dragon Hero International Limited (“**Dragon Hero International**”, an indirect wholly-owned subsidiary of the Company) has established a direct subsidiary named 鄭州車主角汽車銷售有限公司 (Zhengzhou Car Zhujiao Car Sales Limited*) (“**Zhengzhou Car**”, together with Shenzhen Dacheng, the “**Subsidiaries**”) on 3 August 2018.

REASONS FOR AND BENEFITS OF THE ESTABLISHMENT OF SUBSIDIARIES

In 2018, the Group planned for new development strategies such as new energy car “car sharing” and “new retail sales”. Leveraging on the dual momentum of industrial development and capital operation and taking advantage of the “Internet+” trend, we seek to create new growth driver for our business in relation to car related industries such as car sales, car sharing and core spare parts.

The Board considers that the New Business provides a prime opportunity for the Group to diversify the Group's scope of business, broaden the Group's sources of income and achieve better return to the Shareholders. The Board is of the view that the setting up of the New Business would be in the interest of the Company and the Shareholders as a whole.

INFORMATION RELATING TO THE COMPANY

The Group is an automotive service provider in Singapore with a range of services, including (i) maintenance and repair services; (ii) modification, tuning and grooming services. The Group also sells passenger car spare parts and accessories regionally.

INFORMATION RELATING TO WORLD BRILLIANT INVESTMENTS

World Brilliant Investments Limited is a company incorporated in Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**") with limited liability. It is an indirect wholly-owned subsidiary of the Company. Its principal businesses are car rental, car sharing services, corporate management consultation, computer software development, internet information technology development and services and foreign investment holding.

INFORMATION RELATING TO DRAGON HERO INTERNATIONAL

Dragon Hero International Limited is a company incorporated in Hong Kong with limited liability. It is an indirect wholly-owned subsidiary of the Company. Its principal businesses are sales of automobiles, car spare accessories, electrical equipment and general merchandise, corporate management consultation, computer software development, internet information technology development and services and foreign investment holding.

INFORMATION RELATING TO THE SUBSIDIARIES

Shenzhen Dacheng Technology Limited* is a company incorporated in the People's Republic of China ("**China**") with limited liability. It is an indirect wholly-owned subsidiary of the Company. Its registered capital is RMB10 million. It primarily engages in businesses such as the timeshare car rental and long-term car rental. It is committed to developing the "Internet+" car sharing and renting market in China.

Zhengzhou Car Zhujiao Car Sales Limited* is a company incorporated in China with limited liability. It is an indirect wholly-owned subsidiary of the Company. Its registered capital is US\$10 million. With an innovative concept of platform operation, it provides its customers with an innovative car renting and selling integrated service platform which covers car sales, car financing service, car rental service and car insurance service.

By order of the Board of
Zheng Li Holdings Limited
Kelvin LIM

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 27 August 2018

As at the date of this announcement, the executive Directors are Mr. Kelvin LIM, Mr. CHUA Boon Hou and Mr. CHEN Feng, the non-executive Director is Mr. WU Tangqing; and the independent non-executive Directors are Ms. POK Mee Yau, Mr. LIU Ji, Mr. LEUNG Yiu Cho and Mr. ZHANG Guangdong.

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 this announcement or any statement in this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its posting. This announcement will also be published on the website of the Company at www.zhengliholdings.com.

* For identification purpose only