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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)**

### **PROFIT WARNING**

This announcement is made 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, Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”, each a “**Director**”) of Zheng Li Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group, the Group is expected to record a loss for the year ended 31 December 2017. This was mainly attributable to (i) a decrease in revenue as a result of the lower number of passenger cars from both maintenance and repair services and modification, tuning and grooming services, trading of spare parts and accessories mainly due to the disruptions caused by the relocation of operations in the third quarter of 2016 and the setting up of the operation Sin Ming Autocity service centre in the second half of 2017; (ii) an increase in employee-related expenses including directors’ fee as a result of the appointment of two executive Directors in 2017 and independent non-executive Directors in end 2016, salary increments and bonuses for existing employees during 2017 and the increase in headcount for the expansion of our business at Sin Ming Autocity service centre; (iii) an increase in marketing and advertising expenses; and (iv) an increase in our rental expense due to commencement of operation at Sin Ming Autocity service centre.

As the Company is in the process of finalising its annual results of the Group for the year ended 31 December 2017, the information contained in this announcement is only based on a preliminary assessment by the Board based on the information available to it and the unaudited consolidated management accounts of the Group for the year ended 31 December 2017 which have not been audited by the Company’s auditor. Further details of the Group’s financial results and performances will be disclosed in the 2017 annual result announcement of the Company which is expected to be announced before the end of March 2018.

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

By the order of the Board of  
**Zheng Li Holdings Limited**  
**Kelvin LIM**  
*Co-Chairman, Chief executive officer and  
executive Director*

Hong Kong, 20 March 2018

*As at the date of this announcement, the executive Directors are Mr. Kelvin LIM, Mr. WANG Jingan, Mr. CHUA Boon Hou, Mr. SO Zelong and Mr. LIM Kong Joo, the non-executive Director is Mr. DU Xianjie; and the independent non-executive Directors are Ms. POK Mee Yau, Mr. LIU Ji and Mr. LEUNG Yiu Cho.*

*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 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](http://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](http://www.zhengliholdings.com).*