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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 the Growth Enterprise Market (the “**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 management accounts of the Group for the nine months ended 30 September 2017 (the “**Reporting Period**”) and assessment of the latest information currently available to the Board, the Group is expected to record a loss for the three months ended 30 September 2017. This was mainly attributable to (i) the increase in marketing and advertising expense and rental expense primarily in relation to the launch and operation of MBM Autocity; (ii) the increase in employee benefits expense (including directors’ fees) as a result of (a) the new appointment of two executive Directors in 2017 and independent non-executive Directors during the listing of the shares of the Company on the GEM, which were not applicable for the three months ended 30 September 2016, (b) increase in employee headcount along with the Group’s expansion and (c) salary increments for existing employees. Furthermore, the Group’s revenue decreased slightly due to lesser modification and tuning services for the three months ended 30 September 2017.

As the Company is in the process of finalising its consolidated results for the Reporting Period, the information contained in this announcement is only based on a preliminary assessment by the management of the Company based on the information available to it and the unaudited consolidated management accounts of the Group for the Reporting Period. Investors are advised to read carefully the results announcement of the Company for the Reporting Period which is expected to be announced in November 2017.

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, 3 November 2017

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 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.