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ZHI CHENG HOLDINGS LIMITED

智城控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 08130)

VOLUNTARY ANNOUNCEMENT ENTERING INTO OF MOU REGARDING POSSIBLE ACQUISITION OF SHAREHOLDINGS IN A SPORTS COMPLEX PROJECT IN BEIJING

The board (the “**Board**”) of directors (the “**Directors**”) of Zhi Cheng Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to provide an update to the shareholders (the “**Shareholders**”) and potential investors of the Company on the latest business development of the Group. This announcement is made on a voluntary basis.

The Board is pleased to announce that on 23 January 2018, the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with 北京力行中天管理諮詢有限公司(Beijing Lixing Zhongtian Management Consultant Company Limited*) (the “**Vendor**”), a company established in the People’s Republic of China (“**PRC**”). To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected persons (as defined under the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

To the knowledge and information of the Company, the Vendor is holding 40% equity interests in two companies established in the PRC (the “**PRC Companies**”), principally engaged in the development of a sports complex project in Beijing, the PRC (the “**Project**”). The Project is located in Chaoyang District, Beijing and the total construction land for the project is 65,000 square meters with a total construction area of 100,000 square meters, including 65,000 square meters on the ground and 35,000 square meters on the underground. The Project includes training center, event reception center, teaching complex and restaurant, dormitory and underground garage, and construction of the Project is of great significance to the development of sports industry in Beijing. Pursuant to the MOU, the Company intends to acquire and the Vendor intends to transfer certain equity interests in the PRC Companies (the “**Possible Acquisition**”). Saved for the existing shareholders of the PRC Companies, the Possible Acquisition is exclusive to the Company and the MOU is valid for 6 months from the date of the MOU. The terms and conditions of the Possible

Acquisition will be subject to arm's length negotiations between the relevant parties and as at the date of this announcement, the terms and conditions of the Possible Acquisition including the consideration and the shareholding percentage to be acquired have not fixed yet. The actual terms and conditions of Possible Acquisition shall be subject to the entering of agreements between the relevant parties. Upon satisfaction of due diligence, the Company shall pay a refundable earnest money of Renminbi 15 million (the "**Earnest Money**") to the Vendor. The Earnest Money shall be deducted from the consideration if the Possible Acquisition materialises. If the Possible Acquisition does not materialise, the Vendor shall return the Earnest Money within 10 working days upon receipt of notification from the Company.

The Possible Acquisition, if materialises, may constitute a notifiable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules. Further announcement(s) will be made by the Company regarding the Possible Acquisition as and when appropriate in compliance with the GEM Listing Rules.

Shareholders and potential investors of the Company should note that the Possible Acquisition contemplated under the MOU may or may not materialise. Accordingly, Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

By order of the Board
Zhi Cheng Holdings Limited
Lien Wai Hung
Chairman

Hong Kong, 23 January 2018

As at the date of this announcement, the executive Directors are Mr. Lien Wai Hung, Mr. Wu Xiaoming, Dr. Shen Furong, Mr. Wei Shu Jun and Ms. Zhu Qi; the independent non-executive Directors are Dr. Zhang Wei, Mr. Law Yui Lun, Mr. Wang Hsiang Hung and Mr. Yeung Kwong Wai.

This announcement, for which the Directors 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 herein or this announcement misleading.

This announcement will remain on the GEM website at "www.hkgem.com" on the "Latest Company Announcements" page for 7 days from the day of its posting and the Company's website at www.zhicheng-holdings.com.

* *For identification purpose only*