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ZHICHENG TECHNOLOGY GROUP LTD.

(志承科技集團有限公司*)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8511)

PROFIT WARNING

This announcement is made by Zhicheng Technology Group Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2) 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 (Cap. 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for year ended 31 March 2020 and information currently available, the Board expects that the Group may record a decrease of approximately 45% to 65% in its profit attributable to owners of the Company for the year ended 31 March 2020, as compared to that for the year ended 31 March 2019. The Board considers that despite an increase in revenue and gross profit margin, such decrease was mainly attributable to the increase in the research and development expenditure and other administrative expenses arising from the Group’s business expansion as compared to the year ended 31 March 2019.

The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the year ended 31 March 2020 and information currently available to the Company, and is not based on any figures or information which have been audited or reviewed by the Company’s auditors. Figures and information are in the course of being considered and checked and are therefore subject to adjustments. The Shareholders and potential investors should refer to the Group’s annual results announcement for the year ended 31 March 2020, which is expected to be published in early June 2020, for details of the performance of the Group.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Zhicheng Technology Group Ltd.
Wu Di
Executive Director

Hong Kong, 18 May 2020

As at the date of this announcement, the executive Directors are Mr. Wu Di and Ms. Liu Zhining; and the independent non-executive Directors are Mr. Tang Yong, Mr. Xing Shaonan and Mr. Tan Michael Zhen Shan.

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 “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days from the date of its publication and on the website of the Company at www.ztecgroup.com.

* *For identification purposes only*