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FRESH EXPRESS DELIVERY HOLDINGS GROUP CO., LTD

鮮馳達控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 1175)

PROFIT WARNING

This announcement is made by the Company pursuant to the Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary assessment of the information currently available to the Board, both the revenue and the Group's profit attributable to the owners of the Company for the Current Period are expected to record significant declines as compared to the corresponding period in 2016.

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

This announcement is made by Fresh Express Delivery Holdings Group Co., Ltd (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (“**SFO**”).

The board (the “**Board**”) of directors of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the information currently available to the Board, both the revenue and the Group's profit attributable to owners of the Company for the six months period ended 30 September 2017 (the “**Current Period**”) are expected to record significant declines as compared to the corresponding period in 2016.

The expected decline in the net profit attributable to owners of the Company for the Current Period was mainly due to the following factors:

- 1) Due to the strategic adjustment of the Group in focusing on the development of small and medium-sized clients, and gradually reducing our reliance on the sales to a few major customers, the Group's total sales revenue decreased over the Current Period, but the customer structure has been greatly improved;
- 2) The sales channel of our Group has been shifting from offline to online which needs more information technology background support and thus there was an increase of the staffing expenses of the Group's information technology department; and
- 3) Due to the Group's major property, plant and equipment were purchased during the corresponding period, the depreciation expense was provided from the purchase date to the period ended 30 September 2016 (approximately 3 months). The depreciation expense increased significantly by providing full depreciation expense (6 months) for the Current Period.

The information contained in this announcement is only the preliminary assessment by the management of the Company based on the information currently made available (including the Group's unaudited consolidated management accounts, which are neither reviewed nor audited by the Company's auditor). The actual results of the Group for the six months ended 30 September 2017 may be different from what is disclosed herein. Further details of the Group's financial performance shall be disclosed in the Company's interim results announcement for the Current Period.

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

For and on behalf of the Board
Fresh Express Delivery Holdings Group Co., Ltd
Pan Junfeng
Chairman and Executive Director

Hong Kong, 24 November 2017

As at the date of this announcement, the Board comprises Mr Pan Junfeng and Mr Tang Dacong as executive Directors, Mr Wen Cyrus Jun-ming as non-executive Director and Dr Leung Hoi Ming, Mr Mak Ka Wing, Patrick and Mr Sung Wing Sum as independent non-executive Directors.