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**ZALL** Development

**Zall Development Group Ltd.**

**卓爾發展集團有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2098)**

## **ADJUSTMENT OF CONVERSION PRICE TO USD100 MILLION 5.5% CONVERTIBLE BONDS DUE 2018**

References are made to (i) the announcements of Zall Development Group Ltd. (the “**Issuer**”) dated 11 June 2013, 19 June 2013, 30 March 2015, 13 April 2015 and 12 June 2015 in relation to the Bonds; (ii) the announcements of the Issuer dated 22 October 2014, 31 March 2015 and 22 June 2015 and the circular of the Issuer dated 31 December 2014 in relation to, among other things, the Proposed Restructuring; and (iii) the announcement of the Issuer dated 3 November 2014 in relation to the declaration of the conditional Special Dividend (together, the “**Announcements and Circular**”). Terms used in the Announcements and Circular have the same meanings when used in this announcement unless otherwise stated.

On 3 November 2014, the board of directors of the Company (the “**Board**”) resolved to distribute the conditional Special Dividend in the total amount of HK\$739,414,800. As the distribution of Special Dividends had been approved by the Independent Shareholders at the extraordinary general meeting held on 16 January 2015, and the completion of the Disposal Agreement had taken place, the Special Dividend is expected to be paid to the Shareholders in Hong Kong dollars on 30 July 2015.

Notice is hereby given that based on the adjustment provisions in the terms and conditions of the Bonds, an adjustment will be made to the conversion price of the Bonds as a result of the distribution of the Special Dividend. The conversion price of the Bonds, currently HK\$2.72 per Share, will be adjusted to HK\$2.55 per Share with effect from 10 July 2015, being the date immediately after the record date for the Special Dividend.

Save for the abovementioned adjustment to the Conversion Price, the other terms of the Bonds shall remain unchanged.

By order of the Board  
**Zall Development Group Ltd.**  
**Yan Zhi**  
*Chairman*

Hong Kong, 10 July 2015

*As at the date of this announcement, the Board comprises Mr. Yan Zhi, Mr. Cui Jinfeng, Mr. Fang Li and Ms. Wang Danli, as executive directors of the Issuer; Mr. Fu Gaochao, as non-executive director of the Issuer; Ms. Yang Qiongzhen, Mr. Cheung Ka Fai and Mr. Peng Chi, as independent non-executive directors of the Issuer.*