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ZALL卓尔

Zall Group Ltd.

卓爾集團股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2098)

**VOLUNTARY ANNOUNCEMENT
POSSIBLE INVESTMENT IN AN INSURANCE COMPANY**

This announcement is made by Zall Group Ltd. (the “**Company**”) on a voluntary basis.

The board of directors (the “**Board**”) of the Company would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Company is planning to subscribe the new shares of an insurance company, which is an independent third party (the “**Potential Investment**”). The terms concerning the Potential Investment is not yet finalized and is subject to the approval by the relevant government authority in China. The Potential Investment if materialised, may constitute a discloseable transaction of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

As at the date of this announcement, the Company has not entered into any definitive agreement in relation to the Potential Investment. The Board will make further announcement as and when necessary in compliance with the Listing Rules and applicable laws.

The Potential Investment may or may not materialize. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

By order of the Board

Zall Group Ltd.

Yan Zhi

Co-chairman

Hong Kong, 29 August 2016

As at the date of this announcement, the Board comprises Mr. Yan Zhi, Dr. Gang Yu, Mr. Cui Jinfeng, Mr. Wang Chuang and Mr. Peng Chi, as executive directors of the Company; Mr. Cheung Ka Fai, Mr. Wu Ying and Mr. Wei Zhe, David, as independent non-executive directors of the Company.