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Zall Group Ltd.

卓爾集團股份有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2098)

HOLDING ANNOUNCEMENT

Reference is made to the announcements of Zall Group Ltd. (the “**Company**”) dated 28 October 2016 in relation to, among others, trading halt in the shares of the Company (the “**Shares**”) and an acquisition agreement executed by the Company which constitutes a very substantial acquisition and connected transaction of the Company (the “**Transaction**”).

The Company makes this holding announcement to inform its shareholders of the current status of the Transaction. On 28 October 2016, a wholly-owned subsidiary of the Company entered into an agreement in relation to the acquisition of up to approximately 60.49% of the equity interest in 深圳市中農網股份有限公司 (Shenzhen Agricultural Product E-commerce Joint Stock Company*) (the “**Project Company**”) established in the People’s Republic of China in consideration of up to HK\$2.591 billion. The Project Company, together with its subsidiaries, principally engages in provision of B2B e-commerce platforms for the trading of agricultural products, services including supply chain management and supply chain finance. For the financial year ended 31 December 2015, the turnover of the Project Company exceeded RMB10,000,000,000. Since one of the applicable percentage ratios under Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) exceeds 100% and one of the sellers and the guarantor of such seller are controlled by Mr. Wei Zhe, David (“**Mr. Wei**”), being an independent non-executive director of the Company, the Transaction constitutes a very substantial acquisition and connected transaction of the Company. In connection with the Transaction, Mr. Wei will be re-designated as an executive director of the Company upon completion of the Transaction.

Trading in the Shares has been suspended with effect from 1:00 p.m. on Friday, 28 October 2016, pending the release of an announcement relating to the Transaction (the “**Announcement**”). The Company is currently in the process of finalising the Announcement and will, subject to obtaining the clearance from the Stock Exchange, publish the Announcement as soon as possible and resume trading in the Shares.

Suspension of trading in the Shares will continue until the publication of the Announcement.

By order of the Board
Zall Group Ltd.
Yan Zhi
Co-chairman

Hong Kong, 1 November 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.

** The English translation of the Chinese names of the company is for illustration purpose only.*