

Hong Kong Exchange and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Zall Group Ltd.

卓爾集團股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2098)

CLARIFICATION ANNOUNCEMENT

This announcement is made in relation to Rules 13.17 and 13.21 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors of the Company wishes to inform shareholders of the Company that on 3 June 2016, Zall Development Investment Company Limited (“**Zall Development Investment**”), a company wholly-owned by Mr. Yan Zhi and a controlling shareholder of the Company, executed a share charge in favour of the Industrial Bank Co., Ltd. Hong Kong Branch (the “**Lender**”), pursuant to which Zall Development Investment charged over 888,000,000 shares of the Company (the “**Pledged Shares**”) held by it as security for a term loan facility provided by the Lender to the Company in the amount of HK\$500 million, pursuant to a facility letter dated 31 May 2016. The Pledged Shares represent approximately 8.26% of the issued share capital of the Company as at the date of this announcement.

The Company will continue to make the relevant disclosure under its subsequent interim and annual reports pursuant to Rule 13.21 of the Listing Rules as long as circumstances giving rise to the obligations under Rule 13.17 of the Listing Rules continue to exist.

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

Hong Kong, 24 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.