Zall Group Ltd.

卓爾集團股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2098)

DISPOSAL OF SHARES BY THE CONTROLLING SHAREHOLDERS

This announcement is made by Zall Group Ltd. (the "**Company**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors (the "**Director(s)**") of the Company (the "**Board**") has been informed by (i) Mr. Yan Zhi (a controlling shareholder of the Company (as defined in the Listing Rules) (the "**Controlling Shareholder**"), the co-chairman and an executive Director) ("**Mr. Yan**"); and (ii) Zall Development Investment Company Limited ("**Zall Development**", together with Mr. Yan, the "**Vendors**"), that on 29 November 2017, the Vendors have entered into agreements to dispose of (the "**Disposals**") 937,000,000 shares (the "**Disposed Shares**") in the Company (the "**Shares**") off the market. Zall Development is a company wholly-owned by Mr. Yan and a Controlling Shareholder.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the purchasers of the Disposed Shares are third parties independent of the Company and its connected persons (as defined under the Listing Rules) and are not parties acting in concert (having the meaning as ascribed to it under the Codes on Takeovers and Mergers and Share Buy-backs) with each other or with any of the Vendors.

Before the Disposals, the Vendors were the beneficial owners of 7,599,158,268 Shares, representing approximately 65.40% of the entire issued share capital of the Company as at the date of this announcement. Immediately upon completion of the Disposals, the Vendors hold 6,662,158,268 Shares, representing approximately 57.33% of the entire issued share capital of the Company as at the date of this announcement, and the Vendors shall remain as the Controlling Shareholders.

Shareholders and potential investors of the Company are advised 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 November 2017

As at the date of this announcement, the Board comprises eight members, of which Mr. Yan Zhi, Dr. Gang Yu, Mr. Wei Zhe, David, Mr. Cui Jinfeng and Mr. Peng Chi, are executive Directors; Mr. Cheung Ka Fai, Mr. Wu Ying and Mr. Zhu Zhengfu are independent non-executive Directors.