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ZALL卓尔智联

Zall Smart Commerce Group Ltd.

卓爾智聯集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2098)

**FURTHER UPDATE ON THE PROGRESS OF
THE VERY SUBSTANTIAL ACQUISITION**

References are made to the announcements of the Company dated 27 June 2017, 2 April 2018, 2 October 2018, 18 October 2018, 1 April 2019, 30 September 2019, 29 November 2019, 23 January 2020, 31 March 2021 and 31 August 2021 (collectively, the “**Announcements**”), and the circular of the Company dated 11 December 2017 (the “**Circular**”) in relation to, among other things, the Further Acquisition. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements and the Circular.

The Board is pleased to announce that all the conditions precedent of the first tranche of the Subsequent Target Equity Interest (being 3% of the total equity of the Project Company) have been fulfilled. The Parties are in the progress of arranging the registration procedures in relation to the transfer of the first tranche of the Subsequent Target Equity Interest with the relevant governmental authorities. Following the Completion, the Project Company will be indirectly owned as to approximately 71.85% by the Company.

As stated in the announcement of the Company dated 31 August 2021, the Parties are in the progress of fulfilling the remaining conditions precedent of the second tranche of the Subsequent Target Equity Interest (being 3% of the total equity of the Project Company), in particular, the entering into of a separate share purchase agreement to give effect to the transfer of the second tranche of the Subsequent Target Equity Interest.

It is expected that completion of the acquisition of the second tranche of the Subsequent Target Equity Interest would be delayed to a date falling on or before 30 June 2022. The Company shall publish further announcement(s) to keep the Shareholders and potential investors of the Company abreast of the latest development of the Subsequent Acquisition.

By Order of the Board
Zall Smart Commerce Group Ltd.
Yan Zhi
Co-chairman

Hong Kong, 31 December 2021

As at the date of this announcement, the Board comprises nine members, of which Mr. Yan Zhi, Dr. Gang Yu, Mr. Wei Zhe, David, Mr. Qi Zhiping, Mr. Yu Wei and Mr. Xia Lifeng are the executive Directors; and Mr. Cheung Ka Fai, Mr. Wu Ying and Mr. Zhu Zhengfu are the independent non-executive Directors.