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ZALL Development

Zall Development Group Ltd.

卓爾發展集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2098)

DECLARATION OF THE CONDITIONAL SPECIAL DIVIDEND

Reference is made to the announcement of the Company dated 22 October 2014 (the “**Announcement**”) in respect of, among other things, the Proposed Restructuring and the proposed declaration of the Special Dividend. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board announces that at the Board meeting held on Monday, 3 November 2014, the Board has resolved, conditional upon (i) obtaining the Independent Shareholders’ approval at the EGM; and (ii) completion of the Disposal Agreement (collectively, the “**Conditions**”), to declare the Special Dividend in the total amount of HK\$739,414,800 being the gross proceeds from the Disposal Agreement (equivalent to an amount of HK\$0.2112 per Share based on 3,500,000,000 Shares in issue as at the date of this announcement).

For the avoidance of doubt, if the Conditions are not fulfilled, the Special Dividend will not be payable to Shareholders. If the Conditions are fulfilled, the Special Dividend will be paid to Shareholders whose names appear on the register of members of the Company at the close of business on a date after the Conditions are fulfilled (the “**Record Date**”).

Further announcement(s) will be made by the Company after the EGM to confirm as to whether the Conditions have been fulfilled, and, if applicable, to advise the Shareholders details of the distribution of the Special Dividend, including but not limited to, the Record Date, the payment date and the closure of register of members for determining the Shareholders’ entitlements to the Special Dividend.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

By order of the Board of
Zall Development Group Ltd.
Yan Zhi
Chairman

Hong Kong, 3 November 2014

As at the date of this announcement, the Board comprises Mr. Yan Zhi, Mr. Cui Jinfeng, Mr. Fang Li and Ms. Wang Danli, as executive Directors; Mr. Fu Gaochao, as a non-executive Director; Ms. Yang Qiongzhen, Mr. Cheung Ka Fai and Mr. Peng Chi, as independent non-executive Directors.