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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)

CLARIFICATION ANNOUNCEMENT

Reference is made to the circular of Zall Development Group Ltd. (the “**Company**”) dated 25 May 2016 (the “**Circular**”) in relation to the Subscription Agreement entered into between the Investor, a wholly-owned subsidiary of the Company, and the Target Company with respect to the Acquisition. Capitalised terms used but not otherwise defined in this announcement shall, unless the context requires otherwise, have the same meanings as those defined in the Circular.

The Board wishes to clarify that the Independent Reporting Accountants’ Assurance Report on the Compilation of Pro Forma Financial Information from pages III-8 to III-10 of the Circular was issued by Ernst & Young, Certified Public Accountants of Hong Kong, the Company’s independent reporting accountants, for the purpose of the preparation of the Circular. The sign-off at the end of the aforesaid report at page III-10 of the Circular should thus read:

“Yours faithfully,

Ernst & Young

Certified Public Accountants

Hong Kong

25 May 2016”

By order of the Board

Zall Development Group Ltd.

Yan Zhi

Co-chairman

Hong Kong, 26 May 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.