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**ZALL卓尔**

**Zall Group Ltd.**

**卓爾集團股份有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2098)**

**VOLUNTARY ANNOUNCEMENT  
IN RELATION TO  
THE ACQUISITION AND SUBSCRIPTION OF THE EQUITY INTEREST OF  
NINGBO HAISHANGXIAN INFORMATION TECHNOLOGY CO., LTD.**

This announcement is made by Zall Group Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to update its shareholders and potential investors on the latest business development of the Group.

**EQUITY TRANSFER AND CAPITAL INCREASE AGREEMENT**

The board of directors (the “**Directors**”) of the Company (the “**Board**”) is pleased to announce that on 17 April 2018, Wuhan Zall Interconnection Tech Co., Ltd.\* (武漢卓爾互聯科技有限公司) (“**Zall Interconnection**”), a wholly-owned subsidiary of the Company (as the leading investor), Shenzhen Sinoagri E-commerce Co., Ltd.\* (深圳市中農網有限公司) (“**Shenzhen Sinoagri**”), a subsidiary of the Company, and other investors entered into an equity transfer and capital increase agreement (the “**Equity Transfer and Capital Increase Agreement**”) with Ningbo Haishangxian Information Technology Co., Ltd.\* (寧波海上鮮資訊科技有限公司) (“**Haishangxian**”), the existing shareholders of Haishangxian (the “**Vendors**”) and the subsidiaries of Haishangxian in relation to the acquisition (the “**Acquisition**”) and subscription (the “**Subscription**”) of the equity interest of Haishangxian (“**Haishangxian Equity Interest**”).

Pursuant to the Equity Transfer and Capital Increase Agreement, Zall Interconnection agreed to (i) subscribe for 15% Haishangxian Equity Interest (as enlarged by the Subscription) from Haishangxian at a consideration of RMB90 million; and (ii) acquire 6% Haishangxian Equity Interest (as enlarged by the Subscription) from the Vendors at an aggregate consideration of RMB27 million, and Shenzhen Sinoagri agreed to acquire 1% Haishangxian Equity Interest (as enlarged by the Subscription) from one of the Vendors at a consideration of RMB4.5 million. In addition, the other investors also agreed to subscribe for an aggregate of 25% Haishangxian Equity Interest (as enlarged by the Subscription) at a total consideration of RMB150 million.

The Subscription and the Acquisition have been completed and Haishangxian is indirectly owned as to 22% by the Company.

## **INFORMATION ON HAISHANGXIAN**

Haishangxian is a limited company incorporated in the PRC which provides an integrated one-stop platform for seafood buyers and sellers. Such platform is designed to provide seafood buyers and sellers with maritime communications, trading platform, supply chain finance and related value-added services. Haishangxian mainly operates in the coastal areas of China such as the Yellow Sea, the Bohai Sea and the East China Sea. Through the establishment of branches and offices in major ports and supported by the technology of “Offshore Wi-Fi” communication terminal, Haishangxian provides open information and offline two-way communication to facilitate transactions between buyers and fishermen and increase its customer retention. Haishangxian also provides post-transaction related services thru the internet, and established a complete industrial chain ecosystem for the seafood industry.

## **REASONS FOR AND BENEFITS OF INVESTING IN HAISHANGXIAN**

The Directors are of the view that the fishery internet of things (IOT) and trading services engaged by Haishangxian is an emerging market. Taking onto consideration the vast number of domestic fishing vessels and the fishery population, such market has considerably significant room for business expansion and exploration. Upon completion of the transaction, leveraging on the Group’s extensive experience and leading position in operating B2B trading platforms, Haishangxian may further enhance its IOT technology and supply chain management service, and cooperate with the supply chain financing and cold chain logistics services of the Group to expand its business operation and strive to become the largest integrated fishery platform in China. By investing in Haishangxian, the Group will also expand its business to the fishery industry and fresh seafood supply chain field and further expand the coverage of its intelligent trading ecosystem.

## **INFORMATION ON THE PARTIES**

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, save for the transactions under the Equity Transfer and Capital Increase Agreement, the Vendors, the other investors and their respective ultimate beneficial owners are independent third parties.

## LISTING RULES IMPLICATIONS

As all the applicable ratios in respect of the Acquisition and the Subscription, in aggregate, are less than 5%, the entering into of the Equity Transfer and Capital Increase Agreement does not constitute a notifiable transaction of the Company under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

Hong Kong, 16 May 2018

*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; and Mr. Cheung Ka Fai, Mr. Wu Ying and Mr. Zhu Zhengfu are independent non-executive Directors.*

\* *For identification only*