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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 and 30 September 2019 (the “**Sixth Announcement**”), and the circular of the Company dated 11 December 2017 (the “**Circular**”) in relation to, among other things, the Further Acquisition. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as defined in the Circular and the Sixth Announcement.

LATEST DEVELOPMENT

As stated in the Sixth Announcement, the Parties are in the progress of fulfilling the remaining conditions precedent of the Second Acquisition, in particular, the conditions under the section headed “Letter from the Board – The Framework Agreement – Conditions precedent” in the Circular. The Parties are in the progress of finalizing the joint investment agreement* (合資合同), articles of association* (章程) and all the other necessary legal documents of the Project Company. As at the date of this announcement, the Purchaser has paid RMB200 million, being part of the Consideration, to Vendor E and there is an outstanding balance of RMB107 million. It is expected that the execution of the aforesaid documents and settlement of the remaining Consideration would be completed on or before 31 December 2019.

EXPECTED TIME OF COMPLETION

As disclosed in the Sixth Announcement, the Second Acquisition was estimated to be completed on or before 30 November 2019. In light of the above, it is currently expected that the change of registration procedures with relevant governmental authorities for the Second Acquisition and the Second Acquisition would be completed on or before 31 January 2020. The Company shall publish further announcement upon the completion of the Second Acquisition.

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

Hong Kong, 29 November 2019

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. Cui Jinfeng and Ms. Min Xueqin are executive Directors; Mr. Cheung Ka Fai, Mr. Wu Ying and Mr. Zhu Zhengfu are independent non-executive Directors.

* For identification purpose only