
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Zall Smart Commerce Group Ltd., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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)

**PROPOSALS FOR RENEWAL OF
GENERAL MANDATES TO ISSUE SHARES AND
BUY BACK SHARES, RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Zall Smart Commerce Group Ltd. to be held at Conference Room, Zall International Center, 588 Jianshe Avenue, Wuhan, Hubei, the PRC on Wednesday, 28 May 2025 at 10:30 a.m. is set out on pages 15 to 18 of this circular. Whether or not you intend to be present and vote at the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting. The completion and return of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	3
2. Renewal of General Mandates to Issue and Buy Back Shares.....	4
3. Re-Election of Retiring Directors	5
4. Annual General Meeting.....	6
Appendix I – Explanatory Statement on the Share Buy-back Mandate	8
Appendix II – Details of the Directors to be re-elected	11
Notice of Annual General Meeting	15

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at Conference Room, Zall International Center, 588 Jianshe Avenue, Wuhan, Hubei, the PRC on Wednesday, 28 May 2025 at 10: 30 a.m. or any adjournment thereof, for the purpose of considering and, if thought fit, approving the proposed resolutions contained in the notice of the meeting which is set out on pages 15 to 18 of this circular
“Articles of Association”	the articles of association of the Company as amended, modified or otherwise supplemented from time to time
“associate”	shall have the meaning ascribed to it under the Listing Rules
“Auditor”	the auditor of the Company for the time being
“Board”	the board of Directors
“Business Day”	means a day on which the Stock Exchange is open for the business of dealing in securities
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC
“Companies Act”	the Companies Act, Chapter 22 of the Cayman Islands, as amended from time to time
“Company”	Zall Smart Commerce Group Ltd. (卓爾智聯集團有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2098)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Issue Mandate”	a general and unconditional mandate to be granted to the Directors at the Annual General Meeting to allot, issue or otherwise deal with (including any sale or transfer of treasury shares) new Shares with a total number not exceeding 20% of the total number of Shares in issue (excluding treasury shares, if any) as at the date of passing of the relevant resolution
“Latest Practicable Date”	17 April 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Board
“PRC”	the People’s Republic of China, which shall not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan, for the purpose of this circular
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.00333 each in the capital of the Company
“Share Buy-back Mandate”	a general and unconditional mandate to be granted to the Directors at the Annual General Meeting to exercise the power of the Company to buy back Shares up to a maximum of 10% of the total number of Shares in issue (excluding treasury shares, if any) as at the date of passing the relevant resolution
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong, as amended, supplemented or otherwise modified from time to time
“treasury shares”	has the meaning ascribed thereto under the Listing Rules
“%”	per cent

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)

Executive Directors:

Mr. Yan Zhi

(Chairman and Co-chief Executive Officer)

Dr. Gang Yu

Mr. Qi Zhiping (Co-chief Executive Officer)

Mr. Yu Wei

Ms. Fan Xiaolan

Independent Non-executive Directors:

Mr. Cheung Ka Fai

Mr. Wu Ying

Mr. Zhu Zhengfu

Registered Office:

Cricket Square

Hutchins Drive

P. O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal Place of Business

in Hong Kong:

Suite 601, 6/F

Tower 1, Lippo Centre

89 Queensway

Admiralty

Hong Kong

(effective from 23 April 2025)

25 April 2025

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR RENEWAL OF
GENERAL MANDATES TO ISSUE SHARES AND
BUY BACK SHARES, RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the notice of the Annual General Meeting and information regarding the ordinary resolutions to be proposed at the Annual General Meeting to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions. The resolutions to be proposed at the Annual General Meeting include, inter alia, (i) the renewal of the Issue Mandate and the Share Buy-back Mandate; (ii) the extension of the Issue Mandate to include Shares bought back pursuant to the Share Buy-back Mandate; and (iii) the re-election of retiring Directors.

LETTER FROM THE BOARD

RENEWAL OF GENERAL MANDATES TO ISSUE AND BUY BACK SHARES

At the annual general meeting of the Company held on Tuesday, 28 May 2024, resolutions were passed granting general mandates to the Directors (i) to allot, issue and deal with Shares with a total number not exceeding 20% of the total number of Shares in issue as at the date of passing of the relevant resolution and (ii) to buy back Shares with a total number not exceeding 10% of the total number of Shares in issue as at the date of passing of the relevant resolution. Such general mandates will expire at the conclusion of the forthcoming Annual General Meeting.

At the Annual General Meeting, separate ordinary resolutions will be proposed:

- (a) to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with Shares (including the sale or transfer of treasury shares out of treasury, if any) not exceeding 20% of the total number of Shares in issue (excluding treasury shares, if any) as at the date of passing of the resolution. The Issue Mandate will end on the earliest of (i) the date of the next annual general meeting, (ii) the date by which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable laws, or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company. Based on 12,399,505,800 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued or bought back prior to the date of the Annual General Meeting, the Directors will be authorised to issue up to 2,479,901,160 Shares under the Issue Mandate;
- (b) to grant the Share Buy-back Mandate to the Directors to exercise all powers of the Company to buy back issued Shares subject to the criteria set out in this circular. Under such Share Buy-back Mandate, the maximum number of Shares that the Company may buy back shall not exceed 10% of the total number of Shares in issue (excluding treasury shares, if any) as at the date of passing the relevant resolution. As at the Latest Practicable Date, the number of Shares in issue was 12,399,505,800 Shares. Subject to the passing of the proposed ordinary resolution approving the granting of the Share Buy-back Mandate and assuming no further Shares are issued or bought back prior to the Annual General Meeting, the Company would be allowed under the Share Buy-back Mandate to buy back a maximum of 1,239,950,580 Shares. The Share Buy-back Mandate will end on the earliest of (i) the date of the next annual general meeting, (ii) the date by which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable laws, or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company; and
- (c) subject to the passing of the aforesaid ordinary resolutions of the Issue Mandate and the Share Buy-back Mandate, to extend the number of Shares to be issued and allotted under the Issue Mandate by an additional number representing such number of Shares bought back under the Share Buy-back Mandate.

LETTER FROM THE BOARD

The new general mandates to be sought have taken into account the amendments to the Listing Rules with effect from 11 June 2024 which allows listed companies to hold repurchased shares as treasury shares and introduces a framework to govern the sale and transfer of treasury shares. Accordingly, if the Company buys back Shares pursuant to the Share Buy-back Mandate, the Company may cancel the repurchased Shares and/or hold such Shares as treasury shares depending on the prevailing market conditions and the capital management needs of the Company at the relevant time of the buy-back. Any sale or transfer of such treasury shares shall be subject to the Issue Mandate.

In accordance with the Listing Rules, an explanatory statement is set out in Appendix I to this circular to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution to renew the grant of the Share Buy-back Mandate at the Annual General Meeting.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 84(1) of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation. Further, pursuant to the code provision B.2.3 under Appendix C1 of the Listing Rules, if an independent non-executive director has served more than nine (9) years, his/her further appointment should be subject to a separate resolution to be approved by shareholders. Accordingly, Mr. Yan Zhi, Dr. Gang Yu and Mr. Wu Ying will retire at the Annual General Meeting and, being eligible, will offer themselves for re-election as Directors at the Annual General Meeting.

The Company has in place a nomination policy which sets out, inter alia, the selection criteria and the evaluation procedures in nominating candidates to be appointed or re-appointed as Directors. In the context of re-appointment of any existing member(s) of the Board, the Nomination Committee makes recommendation to the Board for its consideration and recommendation, for the proposed candidates to stand for re-election at a general meeting.

The Nomination Committee reviews the structure, size and diversity annually and recommends any proposed changes to the Board. The Nomination Committee also reviews and recommends any suitable candidate to the Board for it to consider and make recommendations to shareholders for election as Directors of the Company at general meetings or appoint as directors to fill causal vacancies. The Nomination Committee has considered the business experience, professional experience, public board experience, diversity, standing, time commitment as well as independence (if applicable) of each candidate.

The Nomination Committee has evaluated the performance of Mr. Yan Zhi, Dr. Gang Yu and Mr. Wu Ying and was of the view that each of them has been contributing to the Group proactively and are committed to their roles as Director. The Nomination Committee is also of the view that each of them would bring to the Board their own perspective, skills and experience.

LETTER FROM THE BOARD

In particular, Mr. Wu Ying has served as an independent non-executive Director for more than nine years. The Company has received from Mr. Wu Ying an annual confirmation of independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules and the Nomination Committee has assessed his independence. In the process of assessing the independence of Mr. Wu Ying, the Nomination Committee has considered (i) the factors under Rule 3.13 of the Listing Rules; (ii) whether Mr. Wu Ying is capable of bringing fresh perspectives and independent judgement to the Board despite his familiarity with the Company's affairs and management; and (iii) the fact that Mr. Wu Ying did not and does not have any management role in the Group and has no relationship with any Director, senior management, substantial or controlling shareholder of the Company. Based on the above criteria and upon due deliberation, the Nomination Committee considered that Mr. Wu Ying had exercised impartial judgement and given independent guidance to the Company during his tenure of office, and his long service would not affect his ability to bring fresh perspectives and the exercise of independent judgement in his independent scope of work. As such, the Nomination Committee is satisfied that Mr. Wu Ying is able to continue to independently fulfill his role as independent non-executive Director and recommends the same to the Board. The Board concurs with the view of the Nomination Committee and therefore recommends the re-election of Mr. Wu Ying as independent non-executive Director notwithstanding the fact that he has served the Company for more than nine years.

In accordance with the terms of reference of the Nomination Committee and the nomination policy of the Company, the Nomination Committee has reviewed the annual independence confirmation submitted by each independent non-executive Director and assessed the independence of each of them.

The Board, having considered the recommendation of the Nomination Committee, is of the view that each of the retiring Directors has contributed positively to the Company with their extensive knowledge and experience in various fields, thus providing invaluable contribution and diversity of the Board. In particular, the Directors proposed for re-election were identified by the Nomination Committee after having taken into account the skills and experience of the candidates. The Board is of the view that by holding directorship in not more than seven listed companies, each of Mr. Yan Zhi, Dr. Gang Yu and Mr. Wu Ying is able to devote sufficient time and attention to perform his duties as Directors.

The Nomination Committee considers that the composition of the Board after the re-election of the retiring Directors will remain advantageous because the Board could keep the talents from the industry together with strong academic and business backgrounds.

Accordingly, the Board has proposed that all the retiring Directors stand for re-election at the Annual General Meeting.

The biographical details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

The Company will convene the Annual General Meeting at Conference Room, Zall International Center, 588 Jianshe Avenue, Wuhan, Hubei, the PRC on Wednesday, 28 May 2025 at 10:30 a.m. at which resolutions will be proposed for the purpose of considering and if thought fit, approving the resolutions set out in the notice of the Annual General Meeting as set out on pages 15 to 18 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The resolutions to be proposed at the AGM do not relate purely to a procedural or administrative matter. Accordingly, all resolutions set out in the notice of AGM will be put to vote by way of poll at the AGM. An announcement on the results of the vote by poll will be made by the Company after the AGM in the manner prescribed under Rules 13.39(5) and 13.39(5A) of the Listing Rules.

A form of proxy for use in connection with the Annual General Meeting is enclosed with this circular. Whether or not you intend to be present and vote at the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked.

VOTING BY WAY OF POLL

All the resolutions set out in the notice of the Annual General Meeting would be decided by poll in accordance with the Listing Rules and the Articles of Association. The poll results will be published on the Company's website at www.zallcn.com and the Stock Exchange's website at www.hkexnews.hk after the conclusion of the Annual General Meeting.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the resolutions, including but without limitation to (i) the renewal of the Issue Mandate and the Share Buy-back Mandate; (ii) the extension of the Issue Mandate to include Shares bought back pursuant to the Share Buy-back Mandate; and (iii) the re-election of retiring Directors are in the best interests of the Company as well as its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully
By Order of the Board
Zall Smart Commerce Group Ltd.
Yan Zhi
Chairman

APPENDIX I EXPLANATORY STATEMENT ON THE SHARE BUY-BACK MANDATE

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the Annual General Meeting for approving the Share Buy-back Mandate. This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. SHARES IN ISSUE

As at the Latest Practicable Date, there was a total of 12,399,505,800 Shares in issue and the Company did not have any treasury shares. Subject to the passing of the ordinary resolution granting the Share Buy-back Mandate and on the basis that no further Shares are issued or bought back during the period from the Latest Practicable Date to the date of the Annual General Meeting, the Company will be allowed under the Share Buy-back Mandate to buy back a maximum of 1,239,950,580 Shares, being 10% of the total number of Shares in issue (excluding treasury shares, if any) as at the date of the passing of the relevant resolution at the Annual General Meeting.

2. REASONS FOR SHARE BUY-BACK

The Directors have no present intention to buy back any Shares but consider that the ability to do so would give the Company additional flexibility that would be beneficial to the Company and the Shareholders as a whole as such buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company had no Share repurchased and did not hold any treasury shares. The Company may cancel any Shares it repurchased and/or hold them as treasury shares subject to market conditions and its capital management needs at the relevant time of the repurchases. The Shares which are repurchased by the Company will only be held as treasury shares by the Company when the Directors consider it prudent or beneficial for capital management purposes to do so, and the treasury shares will only be resold on the market when the Directors believe that a resale of such treasury shares is in the interests of the Company and the Shareholders as a whole.

For those treasury shares not directly held by the Company but are deposited with CCASS pending resale on the Stock Exchange, the Company will adopt measures to ensure that it would not exercise any Shareholders' rights or receive any entitlements in respect of such treasury shares. Such measures will include (i) procuring the relevant broker not to give instructions to HKSCC to vote at general meetings of the Company for such treasury shares deposited with CCASS; and (ii) in case of dividends or distributions, the Company shall give instructions to the Hong Kong Share Registrar to exclude such treasury shares in determining HKSCC's entitlements to the dividends or distributions and notify (or procure the relevant broker to notify) HKSCC the number of treasury shares held with CCASS, or alternatively, withdraw the treasury shares from CCASS and either register them in the Company's own name as treasury shares or cancel them, in each case before the record date for the dividends or distributions.

3. IMPACT OF SHARE BUY-BACK

As compared with the financial position of the Company as at 31 December 2024 (as disclosed in its latest audited financial statements for the year ended 31 December 2024), the Directors consider that there would not be any material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed buy-back were to be carried out in full during the proposed buy-back period. In the circumstances, the Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would have a material adverse impact on the working capital or gearing ratio of the Company.

4. FUNDING OF BUY-BACK

The Company is empowered by its Articles of Association to buy back its Shares. In buying back Shares, the Company will only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules, the Companies Act, the laws of the Cayman Islands and any other applicable laws. Under the laws of the Cayman Islands, payment for a share buy-back by the Company may only be made out of profits, the share premium account or the proceeds of a new issue of Shares made for such purpose. The amount of premium payable on a buy-back of Shares may only be paid out of either or both of the profits or out of the share premium of the Company. Subject to the statutory solvency test prescribed by the Companies Act being satisfied, payment for a share buy-back may also be made out of capital of the Company.

In addition, under the laws of the Cayman Islands, payment out of capital by a company for the purchase by a company of its own shares is unlawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business. In accordance with the laws of the Cayman Islands, the shares so bought back would be treated as cancelled but the aggregate amount of authorised share capital would not be reduced.

5. DISCLOSURE OF INTEREST

To the best of their knowledge and belief after having made all reasonable enquiries, none of the Directors or any of their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company in the event that the Share Buy-back Mandate is granted by the Shareholders.

No core connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Share Buy-back Mandate is granted by the Shareholders.

6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that they will only exercise the powers of the Company to make buy backs pursuant to the Share Buy-back Mandate and in accordance with the Listing Rules, the Articles of Association and the laws of the Cayman Islands.

.7. EFFECT OF TAKEOVERS CODE

A buy-back of Shares by the Company may result in an increase in the proportionate interest of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Mr. Yan Zhi was beneficially interested in 8,707,139,868 Shares, representing approximately 70.22% of the total number of Shares in issue. In the event that the Directors exercise in full the power to buy back the Shares which is proposed to be granted pursuant to the Share Buy-back Mandate, the shareholding of Mr. Yan Zhi would be increased to approximately 78.02% of the total number of Shares in issue. In the opinion of the Directors, such increase would not give rise to an obligation to make a mandatory general offer under Rule 26 of the Takeovers Code, and accordingly, the Directors are not aware of any other consequences which would arise under the Takeovers Code as a result of any purchase of its Shares by the Company. The Company has no intention to exercise the Share Buy-back Mandate to such extent that it would result in the number of Shares held by the public being reduced to less than 15% of the issued share capital of the Company.

8. SHARE BOUGHT BACK BY THE COMPANY

The Company had not bought back any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

9. SHARE PRICES

During each of the previous 12 months preceding the Latest Practicable Date, the highest and lowest traded prices for the Shares recorded on the Stock Exchange were as follows:

	Price per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2024		
April	0.440	0.221
May	0.475	0.360
June	0.475	0.385
July	0.450	0.350
August	0.395	0.285
September	0.400	0.300
October	0.395	0.310
November	0.465	0.300
December	0.325	0.255
2025		
January	0.325	0.275
February	0.370	0.265
March	0.385	0.232
April (up to the Latest Practicable Date)	0.350	0.216

10. GENERAL

The Directors will exercise the Share Buy-back Mandate to repurchase any Shares in accordance with the Listing Rules and the applicable laws and regulations of the Cayman Islands. The Company confirms that the explanatory statement set out in this Appendix I contains the information required under Rule 10.06(1)(b) of the Listing Rules, and that neither this explanatory statement nor the Share Buy-back Mandate has any unusual features.

The biographical details of the Directors proposed to be re-elected at the Annual General Meeting are set out as follows:

EXECUTIVE DIRECTOR

Mr. Yan Zhi (閻志), aged 52, is the executive Director, chairman and chief executive officer of the Company since the establishment of the Group and has been re-designated as co-chairman of the board since August 2015 and co-chief executive officer since July 2018, and has been re-designated from co-chairman to chairman in August 2024. He is primarily responsible for the Group's overall business and investment strategies, as well as supervising its project planning, business and operation management. He is also a member of the Nomination Committee of the Company. Mr. Yan also serves as director to a number of subsidiaries of the Group. Mr. Yan Zhi is the founder of the Group and has extensive industry experience in commercial property and wholesale market and other investment and enterprise management experience in various industries including finance, real estate, logistics, commerce and aviation. Mr. Yan Zhi is a non-independent director and chairman of Hanshang Group Co., Ltd. (漢商集團股份有限公司), a company listed on the Shanghai Stock Exchange. Mr. Yan Zhi has been appointed as an independent director of DouYu International Holdings Limited, a company listed on the Nasdaq Stock Market, since July 2019. Mr. Yan Zhi was a director of LightInTheBox, a company listed on the New York Stock Exchange, from March 2016 to March 2023, and chairman of the board of LightInTheBox from June 2018 to March 2023, and has been re-appointed as director and chairman of the board of LightInTheBox from August 2024. Mr. Yan Zhi was a non-executive director and co-chairman of China Infrastructure & Logistics Group Ltd., which is listed on the Main Board of the Stock Exchange (stock code: 1719), and resigned in May 2022. Mr. Yan Zhi is the representative of the 14th National People's Congress of Hubei Province. In August 2017, he was elected as the chairman of the Wuhan Federation of Industry and Commerce. Mr. Yan Zhi received a master's degree in business administration for senior executives from Wuhan University (武漢大學) in February 2008 and his executive master of business administration degree at Cheung Kong Graduate School of Management (長江商學院) in September 2013, and was awarded a doctoral degree in Chinese History by Wuhan University in June 2018.

Mr. Yan is a director and shareholder of Zall Development Investment Company Limited, a controlling shareholder of the Company, and Zall Holdings Company Limited, a substantial shareholder of the Company. Save as disclosed, Mr. Yan is not connected with any director, senior management or substantial shareholders of the Company.

As at the Latest Practicable Date, Mr. Yan is interested in 8,707,139,868 Shares, representing approximately 70.22% of the issued share capital of the Company. Save as disclosed, Mr. Yan did not have any other interests in the securities of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Yan did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years.

Mr. Yan has entered into a service contract with the Company for a term of three years commencing from 10 July 2023. Mr. Yan is entitled to receive salaries of HK\$480,000 per annum which is determined by the Board with reference to his experience, duties and responsibilities, and to prevailing market conditions. Mr. Yan shall also be entitled to discretionary bonus and share options under the share option scheme of the Company and other incentives as determined by the remuneration committee of the Company from time to time with reference to the remuneration policy of the Company. The total amount of director's remuneration of Mr. Yan for the year ended 31 December 2024 was approximately HK\$680,000. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Save as disclosed above, there is no other information to be disclosed pursuant to any of the requirements set out in Rule 13.51(2)(h) to (v) of the Listing Rules in respect of Mr. Yan and there are no other matters that need to be brought to the attention of the Shareholders in relation to his re-election.

Dr. Gang Yu (于剛), aged 65, was appointed as an executive Director and co-chairman of the Board on 17 August 2015. Dr. Yu has resigned as co-chairman of the Board since August 2024. Dr. Yu also serves as director to a subsidiary of the Group. Dr. Yu is currently a co-founder and executive chairman of the 111 Inc., a well-known pharmaceutical e-commerce platform listed on NASDAQ, and was a cofounder and chairman emeritus of Yihaodian, a leading e-commerce company in China. Dr. Yu has extensive experience in E-commerce and operation and logistics management. Prior to founding Yihaodian, he was Vice President, Worldwide Procurement at Dell Inc. Dr. Yu also served as Vice President, Worldwide Supply Chain Operations at Amazon.com. Prior to joining Amazon, Dr. Yu served as the Jack G. Taylor Chair Professor in Business in the Department of Management Science and Information Systems at the McCombs School of Business, the University of Texas at Austin, Director of the Center for Management of Operations and Logistics, and co-Director of the Center for Decision Making under Uncertainty. Dr. Yu is also the founder, former chairman and chief executive officer of CALEB Technologies Corporation. CALEB Technologies was acquired by Accenture in a merger and acquisition in 2002. Dr. Yu obtained his bachelor's degree in science from Wuhan University in 1982 and his master's degree in science from Cornell University in 1985. Dr. Yu received his PhD from the Wharton School of Business, University of Pennsylvania in 1990. Dr. Yu was awarded Franz Edelman Award for Management Science Achievement by INFORMS, an international association in 2002. He was also awarded Excellence in Research Award (優秀研究獎) and Best Thesis Award (最佳論文獎) by International Industrial Engineer Institute (國際工業工程師協會) twice in 2002 and 2003. He was awarded Martin Starr Excellence in Production and Operations Management Practice Award (Martin Starr 生產與運營管理卓越實踐獎) by POMS, an international association in 2012. Dr. Yu published over 80 articles on international professional magazines along with 6 books and three American patents. Also, Dr. Yu has been appointed as director of Midea Group Co., Ltd (美的集團股份有限公司), which is listed on the Shenzhen Stock Exchange, since September 2018. Dr. Yu was a director of LightInTheBox, a company listed on the New York Stock Exchange, from March 2016 to March 2023, and an independent director of Chindata Group Holdings Limited, a company listed on Nasdaq Stock Market, from September 2020 to December 2023.

Dr. Yu is not connected with any director, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Dr. Yu is interested in 102,760,840 Shares, representing approximately 0.83% of the issued share capital of the Company. Save as disclosed, Dr. Yu did not have any other interests in the securities of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Dr. Yu did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years.

Dr. Yu has entered into a service contract with the Company for a term of three years. Dr. Yu is entitled to receive salaries of HK\$480,000 per annum which is determined by the Board with reference to his experience, duties and responsibilities, and to prevailing market conditions. Dr. Yu shall also be entitled to discretionary bonus and share options under the share option scheme of the Company and other incentives as determined by the remuneration committee of the Company from time to time with reference to the remuneration policy of the Company. The total amount of director's remuneration of Dr. Yu for the year ended 31 December 2024 was approximately HK\$690,298. He is subject to retirement and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Save as disclosed above, there is no other information to be disclosed pursuant to any of the requirements set out in Rule 13.51(2)(h) to (v) of the Listing Rules in respect of Dr. Yu and there are no other matters that need to be brought to the attention of the Shareholders in relation to his re-election.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wu Ying (吳鷹), aged 65, was appointed as an independent non-executive Director on 29 February 2016. He is also the chairman of the Nomination Committee and a member of the audit committee and remuneration committee of the Company. Mr. Wu is currently the chairman of China Capital Group since October 2008. Prior to joining China Capital Group, Mr. Wu served as chairman and chief executive officer of UTStarcom (China) Co. Ltd for 12 years. Mr. Wu has extensive experience in telecommunication industry and venture capital investment. Mr. Wu obtained his bachelor's degree in electronic engineering from the Beijing University of Technology in 1982 and obtained his master's degree in electronic engineering from the New Jersey Institute of Technology in 1988 and obtained a doctor's degree (honoris causa) from New Jersey Institute of Technology in 2016. Mr. Wu is currently chairman of ZJBC Information Technology Co., Ltd.* (中嘉博創信息技術股份有限公司), which is listed on the Shenzhen Stock Exchange. Mr. Wu served as an independent non-executive Director of JD Health International Inc., which is listed on the Hong Kong Stock Exchange, since April 2022, and an independent director of BEST Inc., which is listed on the New York Stock Exchange, since May 2022. Mr. Wu was chairman of the board of supervisors of Huayi Brothers Media Corporation Ltd.* (華誼兄弟傳媒股份有限公司), which is listed on the Shenzhen Stock Exchange, from March 2011 to August 2023, and a director of HyUnion Holding Co., Ltd. * (海聯金匯科技股份有限公司), which is listed on the Shenzhen Stock Exchange, from December 2016 to April 2022, and an independent non-executive director of Zhong An Online P & C Insurance Co., Ltd. (眾安在線財產保險股份有限公司), which is listed on the Hong Kong Stock Exchange, from December 2017 to March 2022.

As at the Latest Practicable Date, Mr. Wu is interested in 180,000 Shares, representing approximately 0.00% of the issued share capital of the Company. Save as disclosed, Mr. Wu did not have any other interests in the securities of the Company within the meaning of Part XV of the SFO. Mr. Wu is independent from and not related to any other Directors, senior management or substantial shareholders of the Company. Save as disclosed above, Mr. Wu has not held any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years.

Mr. Wu has entered into a letter of appointment with the Company with a term of three years commencing from 28 February 2025. Mr. Wu is entitled to receive salaries of HK\$300,000 per annum which is determined by the Board with reference to his experience, duties and responsibilities, and to prevailing market conditions. Mr. Wu shall also be entitled to discretionary bonus, share options under the share option scheme of the Company and other incentives as determined by the remuneration committee of the Company from time to time with reference to the remuneration policy of the Company. The total amount of director's remuneration of Mr. Wu for the year ended 31 December 2024 was HK\$345,000. He is subject to retirement and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Mr. Wu has served as an independent non-executive Director of the Company for more than nine years. Notwithstanding such a long period of his holding office as an independent non-executive Director, given that Mr. Wu has demonstrated his ability to exercise independent judgment during his years of appointment and has confirmed in writing to the Company of his independence with reference to various matters set out in Rule 3.13 of the Listing Rules, the Board is satisfied with his independence and believes he is still independent. Furthermore, given the extensive knowledge and experience of Mr. Wu, the Board believes that his re-election is in the best interests of the Company and its Shareholders and therefore he should be re-elected. Pursuant to Code Provision B.2.3 of the Corporate Governance Code set out in Part 2 of Appendix C1 of the Listing Rules, such re-election will be subject to a separate resolution to be approved by the Shareholders at the Annual General Meeting.

Save as disclosed above, there is no other information to be disclosed pursuant to any of the requirements set out in Rule 13.51(2)(h) to (v) of the Listing Rules in respect of Mr. Wu and there are no other matters that need to be brought to the attention of the Shareholders in relation to his re-election.

* The English translation of the Chinese names of the companies is for illustration purpose only.

NOTICE OF ANNUAL GENERAL MEETING

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)

Notice is hereby given that the annual general meeting (the “**Annual General Meeting**”) of Zall Smart Commerce Group Ltd. (the “**Company**”) will be held at Conference Room, Zall International Center, 588 Jianshe Avenue, Wuhan, Hubei, the PRC on Wednesday, 28 May 2025 at 10: 30 a.m. for the following purposes:

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass the following resolutions (with or without modifications) as ordinary resolutions of the Company:

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors of the Company (the “**Director(s)**”) and the auditor of the Company (the “**Auditor**”) for the year ended 31 December 2024;
2. To re-elect:
 - (a) Mr. Yan Zhi as an executive Director;
 - (b) Dr. Gang Yu as an executive Director; and
 - (c) Mr. Wu Ying as an independent non-executive Director.each as a separate resolution;
3. To authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration;
4. To appoint Baker Tilly Hong Kong Limited as Auditor to hold office until the conclusion of the next annual general meeting, and to authorise the Directors to fix their remuneration;

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company (the “**Shares**”) (including any sale or transfer of treasury shares, if any, out of treasury) and to make or grant offers, agreements and options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the grant or exercise of any option under the share option scheme of the Company; (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company; or (iv) any specific authority granted or to be granted by the shareholders of the Company in general meeting(s), shall not exceed 20% of the total number of Shares in issue (excluding treasury shares, if any) as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of ordinary shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory outside Hong Kong).”

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws, including The Codes on Takeovers and Mergers and Share Buy-back and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to buy back its Shares at a price determined by the Directors;
- (c) the total number of the Shares which are authorised to be bought back by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of Shares in issue (excluding treasury shares, if any) as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.”;

NOTICE OF ANNUAL GENERAL MEETING

7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of resolutions nos. 5 and 6 above, the general mandate granted to the Directors pursuant to resolution no. 5 be and is hereby extended by the addition thereto of an amount representing the number of Shares bought back by the Company under the authority granted pursuant to resolution no. 6, provided that such amount shall not exceed 10% of the total number of Shares in issue (excluding treasury shares, if any) as at the date of passing this resolution.”

By Order of the Board
Zall Smart Commerce Group Ltd.
Yan Zhi
Chairman

Hong Kong, 25 April 2025

Notes:

- (1) A member entitled to attend and vote at the above meeting may appoint one or, if he holds two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) Where there are joint holders of any Share, any one of such joint holder may vote, either in person or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (3) In order to be valid, a form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a certified copy thereof shall be deposited at the Company’s Hong Kong branch share registrar, Union Registrars Limited at Suites 3301–04, 33/F, Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. The proxy form will be published on the website of the Stock Exchange. The completion and return of the form of proxy shall not preclude a member from attending and voting in person at the Annual General Meeting (or any adjourned meeting thereof) if they so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (4) The register of members of the Company will be closed from Friday, 23 May 2025 to Wednesday, 28 May 2025 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the entitlement to attend and vote at the forthcoming Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Union Registrars Limited, at Suites 3301–04, 33/F, Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Thursday, 22 May 2025.
- (5) As at the date of this notice, the Board comprises eight members, of which Mr. Yan Zhi, Dr. Gang Yu, Mr. Qi Zhiping, Mr. Yu Wei and Ms. Fan Xiaolan, as executive Directors; Mr. Cheung Ka Fai, Mr. Wu Ying and Mr. Zhu Zhengfu as independent non-executive Directors.