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ZO FUTURE GROUP

大象未來集團

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2309)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2025

The Board of Directors (the “Board”) of ZO Future Group (the “Company”) hereby announces the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 30 June 2025 together with comparative figures as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

	<i>Notes</i>	2025 HK\$'000	2024 HK\$'000
Revenue	4	451,190	275,244
Operating expenses		<u>(825,234)</u>	<u>(570,558)</u>
Loss from operations		(374,044)	(295,314)
Interest revenue		8,829	8,348
Other income	6	8,420	8,056
Other gains/(losses), net	7	33,663	(54,065)
Profit on sales of players' registration		143,727	151,737
Amortisation of intangible assets		(69,314)	(43,320)
Selling and marketing expenses		(24,528)	–
Administrative and other expenses		(67,597)	(52,957)
Research and development costs		(27,085)	–
Finance costs	8	(116,057)	(36,808)
Share of results of an associate		<u>(26,814)</u>	<u>(5,534)</u>

		2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
	<i>Notes</i>		
Loss before taxation		(510,800)	(319,857)
Income tax (expense)/credit	9	<u>(1,180)</u>	<u>670</u>
Loss for the year	10	<u>(511,980)</u>	<u>(319,187)</u>
Other comprehensive (expense)/income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of financial statements of overseas subsidiaries		(48,073)	(1,275)
Reclassification of exchange reserve to profit or loss upon disposal of subsidiaries		<u>–</u>	<u>213</u>
		<u>(48,073)</u>	<u>(1,062)</u>
Total comprehensive expense for the year		<u>(560,053)</u>	<u>(320,249)</u>
Loss for the year attributable to:			
Owners of the Company		(313,961)	(182,779)
Non-controlling interests		<u>(198,019)</u>	<u>(136,408)</u>
		<u>(511,980)</u>	<u>(319,187)</u>
Total comprehensive expense for the year attributable to:			
Owners of the Company		(327,961)	(183,597)
Non-controlling interests		<u>(232,092)</u>	<u>(136,652)</u>
		<u>(560,053)</u>	<u>(320,249)</u>
Loss per share attributable to owners of the Company			
– Basic and diluted (<i>HK cents</i>)	12	<u>(38.04)</u>	<u>(23.37)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		376,424	172,291
Right-of-use assets		104,361	70,863
Intangible assets		288,685	60,056
Investment properties	13	470,652	470,652
Financial asset at fair value through profit or loss	14	62,595	43,700
Interest in an associate		10,203	5
Deposits, prepayments and other receivables		79,683	89,719
Total non-current assets		1,392,603	907,286
Current assets			
Inventories		54,160	16,454
Trade receivables	15	88,242	14,046
Deposits, prepayments and other receivables		167,721	129,298
Amount due from a related party	17	41,126	46,410
Bank balances and cash		242,350	145,305
Total current assets		593,599	351,513
Current liabilities			
Transfer fee payables		99,703	29,988
Trade payables	16	56,608	35,541
Accruals and other payables		239,515	99,670
Amount due to a related party	17	269,795	38,961
Contract liabilities		72,697	30,481
Borrowings	18	20,360	20,831
Lease liabilities		23,608	15,935
Total current liabilities		782,286	271,407
Net current (liabilities)/assets		(188,687)	80,106
Total assets less current liabilities		1,203,916	987,392

		2025	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current liabilities			
Transfer fee payables		134,223	16,168
Amount due to a related party	<i>17</i>	–	171,871
Borrowings	<i>18</i>	1,051,648	511,938
Lease liabilities		103,706	79,090
Deferred tax liabilities		3,905	2,426
		<hr/>	<hr/>
Total non-current liabilities		1,293,482	781,493
		<hr/>	<hr/>
NET (LIABILITIES)/ASSETS		(89,566)	205,899
		<hr/>	<hr/>
Capital and reserves			
Share capital	<i>19</i>	230,696	203,814
Reserves		132,560	254,456
		<hr/>	<hr/>
Equity attributable to owners of the Company		363,256	458,270
Non-controlling interests		(452,822)	(252,371)
		<hr/>	<hr/>
(CAPITAL DEFICIENCIES)/			
TOTAL EQUITY		(89,566)	205,899
		<hr/>	<hr/>

NOTES:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and by the Hong Kong Companies Ordinance (Cap. 622 of Laws of Hong Kong). The consolidated financial statements have been prepared under the historical cost basis, as modified by revaluation of investment properties and certain financial instruments, which are carried at their fair values.

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The functional currency of the Company is Hong Kong dollars (“HK\$”). The consolidated financial statements are presented in Hong Kong dollars for the convenience of users of the consolidated financial statements as the Company is listed in Hong Kong Special Administrative Region (“Hong Kong”) of the People’s Republic of China (the “PRC”). They are presented in HK\$ and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated.

2. MATERIAL ACCOUNTING POLICIES

Going Concern Basis

The Group incurred a loss attributable to owners of the Company of approximately HK\$313,961,000 for the year ended 30 June 2025 and as at 30 June 2025, the Group had net current liabilities and net liabilities of approximately HK\$188,687,000 and HK\$89,566,000, respectively. The Group’s total borrowings amounted to approximately HK\$1,072,008,000 as at 30 June 2025 while its cash and cash equivalents amounted to approximately HK\$242,350,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The consolidated financial statements have been prepared on a going concern basis. The directors of the Company (the “Directors”) are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due for the next twelve months after taking into consideration that (i) the Group has a loan facility from a substantial shareholder of the Company, Trillion Trophy Asia Limited, under which an unsecured revolving loan facility up to HK\$250,000,000 has been granted to the Group; (ii) the Group has a loan facility from Oriental Rainbow Investments Limited (“Oriental Rainbow”), a wholly-owned subsidiary of a substantial shareholder of the Company, under which an unsecured revolving loan facility up to HK\$300,000,000 has been granted to the Group; and (iii) the Group has a secured term loan facility from Shelby Companies Limited (“Shelby”), a non-controlling shareholder of Birmingham City Limited (“BCL”); the facility was up to approximately HK\$1,076,500,000 (equivalent to GBP100,000,000) and was later increased up to approximately HK\$1,614,750,000 (equivalent to GBP150,000,000) on 23 July 2025.

As at 30 June 2025, the total carrying amount of the borrowings under the above facilities of the Group was approximately HK\$1,071,809,000. As at 30 June 2025, the Group had approximately HK\$554,691,000 undrawn borrowing facilities available.

Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

3. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

In the current year, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 July 2024. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards ("HKFRSs"); Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current year and prior years.

The Group has not applied the new and revised HKFRS Accounting Standards that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRS Accounting Standards but is not yet in a position to state whether these new and revised HKFRS Accounting Standards would have a material impact on its results of operations and financial position.

4. REVENUE

Revenue represents amount receivable for goods sold and services provided to external customers in the normal course of business and rental income from investment properties, after deducting discounts and excluding value added tax or other sales related taxes. An analysis of the Group's revenue for the year is as follows:

	2025 HK\$'000	2024 HK\$'000
Disaggregation of revenue:		
Revenue from contracts with customers		
<i>Recognised at a point in time</i>		
Commercial income	73,939	11,432
Match day receipts	60,080	30,499
New energy automobiles and related business	123,724	5,590
Healthcare and medical related business ("Healthcare Business")	–	1,634
	<u>257,743</u>	<u>49,155</u>
<i>Recognised over time</i>		
Commercial income	47,014	47,708
Broadcasting	40,896	97,359
Match day receipts	45,578	30,588
Healthcare Business	–	78
	<u>133,488</u>	<u>175,733</u>
	<u>391,231</u>	<u>224,888</u>
Revenue from other sources		
Commercial income	31,780	22,177
Rental income	28,179	28,179
	<u>59,959</u>	<u>50,356</u>
	<u><u>451,190</u></u>	<u><u>275,244</u></u>

Revenue from contracts with customers comprise:

- | | | | |
|-------|---|---|--|
| (i) | Match day receipts | – | Match day receipts for the football match tickets are recognised when the match was held. |
| | | – | Match day receipts for sales of season tickets are recognised on a yearly basis. |
| (ii) | Broadcasting | – | Television and broadcasting income are recognised over the contract period. |
| (iii) | Commercial income | – | Shop sales, catering, and programme sales are recognised when control of the products has been transferred or when the services are rendered. |
| | | – | Royalties, advertising and sponsorship are recognised over the contract period. |
| (iv) | New energy automobiles and related business | – | New energy automobiles and related business are recognised when control of the asset and service are transferred to the customer, generally on delivery of the assets. |
| (v) | Healthcare Business | – | Healthcare and medical related business are recognised when control of the products has been transferred or when the services are rendered. |
| | | – | Healthcare club membership fee is recognised over the contract period. |

Pursuant to a share purchase agreement dated 15 March 2024 entered into between the Group and an independent third party, the Group disposed of all of its interests in Medi Hub Co., Ltd* (“Medi Hub”) and the total amount of loan outstanding and owing by Medi Hub to the Group for a total consideration of approximately HK\$312,000 (equivalent to US\$40,000). Upon the completion of disposal of Medi Hub on 22 March 2024, the Board has decided to cease the business of Healthcare Business in March 2024.

* The English translation of the company is for reference only.

5. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by operating segments, based on the information provided to the chief operating decision maker representing the Board, for the purposes of allocating resources to segments and assessing their performance. This is also the basis upon which the Group is arranged and organised.

During the year ended 30 June 2025, the Group has three (2024: four) reportable and operating segments as follows:

- (i) operation of a professional football club in the United Kingdom of Great Britain and Northern Ireland (the "UK") and other related business;
- (ii) new energy automobiles and related business; and
- (iii) investment in properties.

The Group's healthcare business ceased operation in March 2024.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

For the year ended 30 June 2025

	Football club <i>HK\$'000</i>	New energy automobiles and related business <i>HK\$'000</i>	Investment in properties <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue				
External sales	<u>299,287</u>	<u>123,724</u>	<u>28,179</u>	<u>451,190</u>
Results				
Segment results	<u>(408,961)</u>	<u>(109,737)</u>	<u>24,295</u>	<u>(494,403)</u>
Interest revenue				18
Other income				34
Other gains, net				246
Unallocated corporate expenses				(5,919)
Finance costs				<u>(10,776)</u>
Loss before taxation				(510,800)
Income tax expense				<u>(1,180)</u>
Loss for the year				<u>(511,980)</u>

For the year ended 30 June 2024

	Football club <i>HK\$'000</i>	New energy automobiles and related business <i>HK\$'000</i>	Investment in properties <i>HK\$'000</i>	Healthcare Business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue					
External sales	239,763	5,590	28,179	1,712	275,244
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Results					
Segment results	(283,287)	(19,195)	24,807	(2,665)	(280,340)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	
Interest revenue					28
Other income					31
Other losses, net					(6,177)
Unallocated corporate expenses					(28,017)
Finance costs					(5,382)
					<u> </u>
Loss before taxation					(319,857)
Income tax credit					670
					<u> </u>
Loss for the year					<u> </u> <u> </u>

Segment results represent the profit or loss incurred by each segment without allocation of certain interest revenue, other income, other gains and losses, corporate expenses, finance costs and income tax (expense)/credit.

Geographical information

The following is an analysis of geographical location of the Group's (i) revenue from external customers; and (ii) non-current assets presented based on the location of operations and geographical location of assets, respectively.

(i) Revenue from external customers

	2025 HK\$'000	2024 HK\$'000
The UK		
<i>Revenue from contracts with customers:</i>		
<i>Recognised at a point in time</i>	134,019	41,931
<i>Recognised over time</i>	133,488	175,525
Revenue from other sources	31,780	22,177
	<u>299,287</u>	<u>239,633</u>
 Asia (Note)		
<i>Revenue from contracts with customers:</i>		
<i>Recognised at a point in time</i>	16,491	7,224
<i>Recognised over time</i>	–	208
Revenue from other sources	28,179	28,179
	<u>44,670</u>	<u>35,611</u>
 North America		
<i>Revenue from contracts with customers:</i>		
<i>Recognised at a point in time</i>	107,233	–
	<u>451,190</u>	<u>275,244</u>

Note:

For the years ended 30 June 2025 and 2024, revenue from the PRC, Cambodia and Japan has been grouped under Asia.

(ii) *Non-current assets*

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong	87,682	64,895
The PRC	215	89
Cambodia	475,309	470,652
The UK	817,067	362,003
Japan	12,330	9,647
	<u>1,392,603</u>	<u>907,286</u>

As at 30 June 2025, the total of non-current assets, other than financial instruments, located in Hong Kong was approximately HK\$10,947,000 (2024: approximately HK\$109,000), the PRC was approximately HK\$215,000 (2024: approximately HK\$89,000), Cambodia was approximately HK\$475,309,000 (2024: approximately HK\$470,652,000), the UK was approximately HK\$751,524,000 (2024: approximately HK\$293,370,000) and Japan was approximately HK\$12,330,000 (2024: approximately HK\$9,647,000).

6. OTHER INCOME

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Subsidies received from the Premier League (<i>Note (i)</i>)	8,071	7,919
Sundry income	349	137
	<u>8,420</u>	<u>8,056</u>

Note:

- (i) During the year ended 30 June 2025, the Group's professional football operation received funding of approximately HK\$8,071,000 (2024: approximately HK\$7,919,000) from the Premier League in the UK under the Elite Player Performance Plan upon fulfilment of certain terms and conditions.

7. OTHER GAINS/(LOSSES), NET

	2025 HK\$'000	2024 HK\$'000
Reversal of impairment loss/(impairment loss) on right-of-use assets	338	(2,473)
Reversal of impairment loss/(impairment loss) on property, plant and equipment	6,931	(60,124)
Reversal of impairment loss/(impairment loss) on intangible assets	4,719	(2,679)
Gain on fair value change on financial asset at fair value through profit or loss	18,895	7,820
Foreign exchange loss, net (<i>Note(i)</i>)	(379)	(7,060)
Insurance compensation	2,722	5,909
Gain on early termination of lease agreement	437	–
Research and development tax relief	–	3,659
Gain on disposal of subsidiaries	–	883
	33,663	(54,065)

Note:

- (i) The foreign exchange loss primarily resulted from the depreciation of certain foreign currencies against the Hong Kong dollar during the reporting period.

8. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest expenses on:		
– Other borrowings	98,578	31,908
– Imputed interest arising on interest-free borrowings from The Football League Limited	–	406
– Notional interest on transfer fee payables	14,804	4,303
– Lease liabilities	13,187	10,904
Total interest	126,569	47,521
Less: Interest capitalised to property, plant and equipment	(10,512)	(10,713)
	116,057	36,808

During the year ended 30 June 2025, the Group has capitalised borrowing costs at a rate of 11.9% per annum (2024: 11.9%), amounting to approximately HK\$10,512,000 (2024: approximately HK\$10,713,000) on property, plant and equipment.

9. INCOME TAX (EXPENSE)/CREDIT

Income tax (expense)/credit in the consolidated statement of profit or loss and other comprehensive income represents:

	2025 HK\$'000	2024 HK\$'000
Deferred tax:		
– Current year	<u>(1,180)</u>	<u>670</u>

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in or derived from Hong Kong for the years ended 30 June 2025 and 2024.

The Group's subsidiaries in the UK are subject to corporation tax in the UK (the "Corporation Tax"). Corporation Tax is calculated at 25% of the estimate assessable profit for the year ended 30 June 2025 (2024: 25%). No provision has been made in respect of the Corporation Tax as these subsidiaries did not derive any assessable profits for the years ended 30 June 2025 and 2024.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. No provision for profits tax is made in other jurisdictions as the subsidiaries operating in other jurisdictions have no assessable profits for the years ended 30 June 2025 and 2024.

10. LOSS FOR THE YEAR

Loss for the year is arrived at after charging/(crediting) the following items:

	2025 HK\$'000	2024 HK\$'000
Staff costs (including directors' remuneration):		
– Salaries and wages	401,082	344,465
– Retirement benefits scheme contributions	43,639	37,366
Total staff costs	444,721	381,831
Auditors' remuneration	1,589	1,384
Amortisation of intangible assets	69,314	43,320
Depreciation of property, plant and equipment	34,911	30,558
Depreciation of right-of-use assets	19,241	12,075
Expenses related to short-term lease	16,480	6,788
Cost of inventories recognised as expense	163,697	22,204
Gain on fair value change on financial asset at fair value through profit or loss	(18,895)	(7,820)
(Reversal of impairment loss)/impairment loss on right-of-use assets	(338)	2,473
(Reversal of impairment loss)/impairment loss on property, plant and equipment	(6,931)	60,124
(Reversal of impairment loss)/impairment loss on intangible assets	(4,719)	2,679
Reversal of impairment loss on trade receivables	–	(932)
Impairment loss on trade receivables	3,496	2,743
Foreign exchange loss, net	379	7,060

11. DIVIDEND

No dividend was paid or proposed for the years ended 30 June 2025 and 2024, nor has any dividend been proposed since the end of the reporting periods.

12. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic loss per share

Loss per share is calculated by dividing the loss for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2025 HK\$'000	2024 HK\$'000
Loss:		
Loss attributable to owners of the Company for the purpose of calculating basic loss per share	<u>(313,961)</u>	<u>(182,779)</u>
	2025	2024
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share attributable to owners of the Company	<u>825,391,398</u>	<u>782,006,742</u>

Diluted loss per share

For the year ended 30 June 2025, the diluted loss per share attributable to owners of the Company are same as basic loss per share as there were no dilutive potential ordinary shares in issue.

For the year ended 30 June 2024, the computation of diluted loss per share does not assume the exercise of share options as they would decrease the loss per share attributable to owners of the Company and have anti-dilutive effect. All the outstanding share options lapsed on 6 December 2023 and there were no dilutive potential ordinary shares in issue since then.

13. INVESTMENT PROPERTIES

The carrying amount of the Group's investment properties as at 30 June 2025 and 2024 were stated based on the valuation conducted by JP Assets Consultancy Limited, an independent qualified professional valuer, on market value using the existing use basis. The fair value of the investment properties as at 30 June 2025 and 2024 did not vary significantly from the carrying value of the investment properties. Accordingly, no fair value adjustment has been recognised in respect of the Group's investment properties for the year ended 30 June 2025 (2024: nil).

As at 30 June 2025, investment properties of the Group were stated at fair value of approximately HK\$470,652,000 (2024: approximately HK\$470,652,000).

The Group leases out its investment properties under operating leases. The average lease term is three years. All leases are on a fixed rental basis and do not include variable lease payments.

14. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT AND LOSS

	2025 HK\$'000	2024 HK\$'000
Unlisted equity investments, at fair value	<u>62,595</u>	<u>43,700</u>
Analysed as:		
Current assets	–	–
Non-current assets	<u>62,595</u>	<u>43,700</u>
	<u>62,595</u>	<u>43,700</u>

As at 30 June 2025, the number of issued shares of the unlisted equity issuer held by the Group represented approximately 2.70% (2024: approximately 3.96%) of the issued share capital of the unlisted equity issuer.

The Group has engaged an independent qualified professional valuer to perform a valuation of the unlisted equity investments as at 30 June 2025 and 2024 which is estimated to be approximately HK\$62,595,000 (equivalent to approximately US\$8,025,000) (2024: approximately HK\$43,700,000 (equivalent to approximately US\$5,603,000)), resulting in a fair value gain of approximately HK\$18,895,000 (2024: fair value gain of approximately HK\$7,820,000) credited to profit or loss for the year ended 30 June 2025.

Changes in fair value of financial asset at fair value through profit or loss was included in the other gains/(losses), net in the consolidated statement of profit or loss and other comprehensive income for the years ended 30 June 2025 and 2024.

15. TRADE RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables	98,680	20,194
Less: Impairment loss recognised	<u>(10,438)</u>	<u>(6,148)</u>
	<u>88,242</u>	<u>14,046</u>

Notes:

- (i) In general, the Group grants a credit period of about 14 days to 90 days to its customers. The ageing analysis of trade receivables (net of provision for impairment) based on the invoice date is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 30 days	68,674	1,221
31 days to 90 days	913	963
91 days to 180 days	10,041	4,017
181 days to 365 days	<u>8,614</u>	<u>7,845</u>
	<u>88,242</u>	<u>14,046</u>

- (ii) The Group applies the simplified approach under HKFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

	Current	Less than 90 days past due	Over 90 days past due	Total
At 30 June 2025				
Weighted average expected loss rate	0.0%	0.0%	54.8%	
Receivables amount (<i>HK\$'000</i>)	69,587	10,041	19,052	98,680
Loss allowance (<i>HK\$'000</i>)	–	–	10,438	10,438
At 30 June 2024				
Weighted average expected loss rate	0.0%	0.0%	43.9%	
Receivables amount (<i>HK\$'000</i>)	2,184	4,017	13,993	20,194
Loss allowance (<i>HK\$'000</i>)	–	–	6,148	6,148

16. TRADE PAYABLES

The ageing analysis of trade payables based on the invoice date is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 30 days	18,238	20,632
31 days to 90 days	28,829	8,971
91 days to 180 days	2,803	1,799
181 days to 365 days	4,643	2,931
Over 365 days	2,095	1,208
	56,608	35,541

The credit periods of the Group's trade payables normally granted from suppliers averaging at 90 days (2024: 90 days).

17. AMOUNTS DUE FROM/TO A RELATED PARTY

	2025 HK\$'000	2024 HK\$'000
Amount due from a related party		
– Birmingham City Stadium Ltd (<i>Note (i)</i>)	<u>41,126</u>	<u>46,410</u>
Amount due to a related party		
– Shelby (<i>Note (ii)</i>)	269,795	210,832
Less: Repayable on demand shown as non-current liabilities	–	(171,871)
Amount shown as current liabilities	<u>269,795</u>	<u>38,961</u>

Notes:

- (i) Amount due from a wholly-owned subsidiary of a non-controlling shareholder of BCL, Shelby, is unsecured, interest bearing and repayable on demand. The balances are denominated in Pounds Sterling and the maximum amount outstanding during the year ended 30 June 2025 is approximately HK\$46,410,000 (2024: approximately HK\$46,410,000).
- (ii) The carrying amount of approximately HK\$269,795,000 as at 30 June 2025 (2024: approximately HK\$210,832,000) represented amount due to a non-controlling shareholder of BCL. The balances are denominated in Pounds Sterling and are unsecured, interest-free. Included in amount due to the related party of nil (2024: approximately HK\$171,871,000) will not be demanded for repayment within the next twelve months from the end of reporting period and the amounts are therefore shown as non-current.

18. BORROWINGS

	2025 HK\$'000	2024 HK\$'000
Other borrowings, secured:		
– Loan from a related party (<i>Note (i)</i>)	971,460	475,185
Other borrowings, unsecured:		
– Loan from substantial shareholders	100,349	56,930
– Loan from third parties	–	471
– Other loan	<u>199</u>	<u>183</u>
	<u>1,072,008</u>	<u>532,769</u>

Note:

- (i) As at 30 June 2025 and 2024, the Group has charged its entire interest in BCL, a non-wholly owned subsidiary of the Company, from time to time as security for the operating loan provided by Shelby and its group companies.

As at 30 June 2025 and 2024, total other borrowings were repayable as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Carrying amounts repayable:		
– On demand or within one year	20,360	20,831
– Between one and two years	79,989	–
– Between two and five years	971,460	511,755
– Over five years	199	183
	1,072,008	532,769
Less: Amounts due within one year shown as current liabilities	(20,360)	(20,831)
Amounts shown as non-current liabilities	1,051,648	511,938
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Carrying amount are denominated in the following currencies:		
Hong Kong dollars	100,349	56,930
Pounds Sterling	971,659	475,368
Renminbi	–	471
	1,072,008	532,769
	2025	2024
Effective interest rates per annum:		
Hong Kong dollars	7.00%	4.50% – 10.50%
Pounds Sterling	11.90%	0.00% – 11.90%
Renminbi	N/A	5.00%

19. SHARE CAPITAL

	Number of shares	Amount HK\$'000
<i>Ordinary shares of HK\$0.25 each</i>		
Authorised:		
At 1 July 2023, 30 June 2024, 1 July 2024 and 30 June 2025	2,000,000,000	500,000
	Number of shares	Amount HK\$'000
Issued and fully paid:		
At 1 July 2023	771,559,941	192,890
Issue of shares upon share subscriptions (<i>Note (i)</i>)	43,697,478	10,924
At 30 June 2024 and 1 July 2024	815,257,419	203,814
Issue of shares upon share placing (<i>Note (ii)</i>)	37,634,000	9,409
Issue of shares upon share subscriptions (<i>Note (iii)</i>)	69,892,473	17,473
At 30 June 2025	922,783,892	230,696

Notes:

- (i) On 12 January 2024, the Company entered into two subscription agreements with Ever Depot Limited (a substantial shareholder of the Company) (the “First Subscription”) and XINSIDER CAPITAL LIMITED (an independent third party) (the “Second Subscription”), respectively, pursuant to which the Company conditionally agreed an aggregate of 43,697,478 new shares to be allotted and issued at the subscription price of HK\$2.142 per share, being an aggregate consideration of HK\$93,600,000, under specific mandate. Out of the total net proceeds, approximately HK\$10,924,000 was credited to the share capital account and approximately HK\$82,332,000 (net of transaction costs) was credited to the share premium account. The related transaction costs amounted to approximately HK\$344,000 have been recorded in the share premium account.

The completion of the First Subscription and the Second Subscription took place on 28 March 2024 and 12 April 2024, respectively. Details of the aforesaid subscriptions and the completion were disclosed in the announcements of the Company dated 12 January 2024, 20 March 2024, 28 March 2024, 10 April 2024 and 12 April 2024 and the circular of the Company dated 1 March 2024.

- (ii) On 7 May 2025, the Company completed a placing of new shares in which 37,634,000 shares (the “Placing Shares”) were placed at the placing price of HK\$1.86 per share raising approximately HK\$70,000,000 before expenses (the “Placing”). Out of the total net proceeds, approximately HK\$9,409,000 was credited to the share capital account and approximately HK\$60,241,000 (net of transaction costs) was credited to the share premium account. The related transaction costs amounted to approximately HK\$350,000 have been recorded in the share premium account. Details of the Placing were disclosed in the announcements of the Company dated 11 April 2025 and 7 May 2025, respectively.

- (iii) On 11 April 2025, the Company entered into a subscription agreement (the “Subscription Agreement”) with Ever Depot Limited (a substantial shareholder of the Company), pursuant to which the Company conditionally agreed to allot and issue (i) an aggregate of 32,258,065 new shares (the “First Tranche Subscription Shares”); and (ii) in any event, not exceeding 37,634,408 new shares the “Second Tranche Subscription Shares”), at the subscription price of HK\$1.86 per share raising approximately HK\$130,000,000 before expenses (the “Subscriptions”). Out of the total net proceeds, approximately HK\$17,473,000 was credited to the share capital account and approximately HK\$111,927,000 (net of transaction costs) was credited to the share premium account. The related transaction costs amounted to approximately HK\$600,000 have been recorded in the share premium account. The completion of subscription of the First Tranche Subscription Shares and the Second Tranche Subscription Shares took place on 5 June 2025 and 10 June 2025, respectively. Details of the Subscription Agreement and the completion were disclosed in the announcements of the Company dated 11 April 2025, 7 May 2025, 2 June 2025, 5 June 2025 and 10 June 2025 and the circular of the Company dated 16 May 2025.
- (iv) The new shares rank *pari passu* with the existing shares of the Company in all respects.

20. CONTINGENT LIABILITIES

Player transfer costs

As at 30 June 2025, under the terms of certain contracts with other football clubs in respect of player transfers, additional player transfer cost would become payable if certain specific conditions are met. The maximum amount not provided that could be payable in respect of the transfers up to 30 June 2025 was approximately HK\$159,311,000 (equivalent to approximately GBP14,799,000) (2024: approximately HK\$24,740,000, equivalent to approximately GBP2,506,000).

21. EVENTS AFTER THE REPORTING PERIOD

The Group had the following significant events subsequent to the end of the reporting period and up to the date of this announcement:

On 23 July 2025, BCL and Birmingham City Football Club Limited (“BCFC”) (as borrowers) and Shelby (as original lender), amongst others, have entered into the second deed of amendment, pursuant to which the terms of the operating loan agreement dated 13 July 2023 as amended by the deed of amendment dated 3 October 2024 (the “Operating Loan Agreement”) are amended with effect from (and including) 23 July 2025 to increase the loan facility made available by the lenders under the Operating Loan Agreement to BCL or BCFC in accordance with the Operating Loan Agreement from an aggregate principal amount of GBP100.0 million (equivalent to approximately HK\$1,076.5 million) to GBP150.0 million (equivalent to approximately HK\$1,614.8 million). For the details of the aforesaid transaction, please refer to the announcements of the Company dated 9 May 2023, 30 May 2023, 3 October 2024, 9 October 2024, and 23 July 2025, and the circular of the Company dated 27 June 2023.

Save as disclosed in this announcement and up to the date of this announcement, there has been no significant event relevant to the business or financial performance of the Group that come to the attention of the Directors after the year ended 30 June 2025.

EXTRACT OF INDEPENDENT AUDITOR’S REPORT ON THE COMPANY’S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

An extract of the Company’s independent auditor’s report for the year ended 30 June 2025 is as follows:

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material uncertainty related to going concern

We draw attention to note 2 to the consolidated financial statements which mentions that the Group incurred a loss attributable to owners of the Company of approximately HK\$313,961,000 for the year ended 30 June 2025 and as at 30 June 2025, the Group had net current liabilities and net liabilities of approximately HK\$188,687,000 and HK\$89,566,000, respectively. These conditions indicate a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 30 June 2025 (2024: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Performance and Results

For the year ended 30 June 2025, the revenue of the Group was approximately HK\$451.2 million (2024: approximately HK\$275.2 million), representing an increase of approximately 63.9% as compared with the year ended 30 June 2024.

The Group recorded a loss attributable to owners of the Company of approximately HK\$314.0 million for the year ended 30 June 2025, representing an increase of approximately 71.8% as compared to the loss of approximately HK\$182.8 million for the year ended 30 June 2024. The significant increase in loss was mainly due to, during the year under review: (i) a decrease in broadcasting income due to the relegation of Birmingham City Football Club (the “Club”) to the EFL League One in the season 2024/25; (ii) an increase in finance costs mainly driven by higher borrowings; (iii) a rise in operating expenses in the Club mainly due to higher match day and commercial expenses and an increase in depreciation on property, plant, and equipment following the completion of the repair and maintenance of infrastructure and facility upgrades; (iv) an increase in amortisation of intangible assets resulting from the acquisition of new players; (v) a rise in share of loss from an associate driven by an increase in the associate’s operating expenses; and (vi) an increase in selling and marketing expenses, research and development costs, and administrative expense of the new energy automobiles business, which were partly offset by an increase in commercial income and match day receipts and a gain on fair value change on financial asset recorded during the year.

For the year ended 30 June 2025, the basic loss per share was approximately HK38.04 cents (2024: approximately HK23.37 cents).

Business Review and Prospect

During the year ended 30 June 2025, the Group is principally engaged in three reportable business segments: (i) operation of a professional football club in the UK and other related business; (ii) new energy automobiles and related business; and (iii) investment in properties.

(i) Football club

Through BCFC, the Group operates the Club in the UK. During the season 2024/25, the Club was in the EFL League One and finished at the first position. The Club was promoted and will be played in the EFL Championship in the season 2025/26. At the date of this announcement, the Club stood at the 11th position in the EFL Championship division. Revenue streams of BCFC comprised (i) match day receipts which consisted of season and match day tickets; (ii) broadcasting income, including distributions of broadcasting revenue from the English Football League (the “EFL”), cup competitions, solidarity payment from the Premier League and revenue from the media; and (iii) commercial income which comprised shop sales, sponsorship income, royalties, advertising, corporate hospitality, conferences and events and other sundry income. During the year under review, the Club recorded a revenue of approximately HK\$299.3 million, representing an increase of approximately 24.9% over the year ended 30 June 2024. The segment loss of the football club segment was approximately HK\$409.0 million, representing a year-on-year increase of approximately 44.4%. The financial performance of the Club remained unsatisfactory, the management is eager to work with Shelby to develop strategies and plans which can drive comprehensive improvements in the Club’s overall performance.

(ii) New energy automobiles and related business

New energy automobiles and related business principally comprises selling and leasing of commercial automobiles, provision of automobiles repair and maintenance services, provision of automobiles accessories and equipment, and provision of charging services.

Since entering the new energy automobiles sector in 2023, the Group has actively advanced its business development. Its “ZO MOTORS” brand has already been launched in the market in Japan and Cambodia, while the “ZM TRUCKS” brand business are operating through our associated partner in markets including the United States, Canada, South America, and the Middle East. During the year under review, the Group effectively implemented its strategy of strengthening the upstream supply chain and precisely aligning with downstream market demands, and achieved remarkable performance in the new energy automobiles and related business segments. During the year ended 30 June 2025, the Group has delivered approximately 320 new energy automobiles, generating revenue of approximately HK\$123.7 million. The segment loss for the new energy automobiles and related businesses was approximately HK\$109.7 million.

The Group will focus on diversifying product innovation and expanding its product portfolio to meet the needs of different customers in the market. While strengthening market penetration and deepening its presence in existing markets, it will actively seek opportunities to enter emerging markets. Through localized partnerships, digital marketing, and exceptional user experiences, the Group aims to enhance its brand influence. Additionally, the Group is committed to building a green energy ecosystem for electric vehicles, including the development and operation of charging networks. This initiative aims to provide end customers with comprehensive new energy commercial vehicle services, contribute to global zero-emission goals, and create greater value for users.

(iii) Investment in properties

The Group holds certain residential apartments and commercial properties in Phnom Penh, Cambodia. During the year ended 30 June 2025, the Group recorded rental income of approximately HK\$28.2 million from the investment properties. All the properties are leased to secure a stable stream of income for the Group. The management will proactively explore opportunities in investment properties and to expand its portfolio as and when opportunities with good potential have been identified.

As at 30 June 2025, investment properties of the Group were stated at fair value and amounted to approximately HK\$470.7 million (2024: approximately HK\$470.7 million) representing approximately 23.7% (2024: approximately 37.4%) of the total assets of the Group.

Investment in unlisted equity investments

During the year ended 30 June 2025, the Group invested in series B-1 preferred shares issued by an independent third party (the “Project Company”). The Project Company is principally engaged in the research and development and sale and marketing of next-generation zero-emissions and intelligent heavy-duty trucks. As at 30 June 2025, the Group had financial asset at fair value through profit or loss of approximately HK\$62.6 million (equivalent to approximately US\$8.0 million) (2024: approximately HK\$43.7 million, equivalent to approximately US\$5.6 million), the fair value of which represented approximately 3.2% of the total assets of the Group as at 30 June 2025 (2024: approximately 3.5%).

Outlook

The current global macroeconomic environment is characterized by complexity and challenges. Uncertainty in trade policies has increased the risk of trade barriers and operational costs, affecting the competitiveness of products in key markets and disrupting global supply chain arrangements. Geopolitical conflicts have led to fluctuations in energy prices, hindered international trade, weakened demand in regional markets, and affected the momentum of global economic development.

Despite the formidable challenges ahead, the long-term trend of global green and low-carbon transition remains irreversible. Policy support for new energy automobiles across countries, growing consumer environmental awareness, and continuous technological advancements present broad development opportunities for the Group. The management team will continue to actively expand global electric vehicle sales, providing innovative, reliable, and inclusive electric mobility solutions to contribute substantially to global environmental protection and greenhouse gas emission control. We believe that through prudent management, strategic flexibility, and unwavering commitment to our core mission, the Group will not only navigate cycles and mitigate risks but also seize opportunities amidst uncertainties. Ultimately, we will achieve both commercial success and social value, delivering an outstanding contribution to a cleaner and greener world.

FINANCIAL REVIEW

Revenue

The revenue of the Group for the year ended 30 June 2025 was approximately HK\$451.2 million (2024: approximately HK\$275.2 million), representing an increase of approximately 63.9% over the year ended 30 June 2024.

The revenue from the football club segment for the year ended 30 June 2025 was approximately HK\$299.3 million (2024: approximately HK\$239.8 million), representing an increase of approximately 24.8% compared with the year ended 30 June 2024.

The revenue derived from the new energy automobiles and related business segment for the year ended 30 June 2025 was approximately HK\$123.7 million (2024: approximately HK\$5.6 million), representing an increase of approximately 2,113.3% over the year ended 30 June 2024.

The revenue derived from the investment in properties for the year ended 30 June 2025 was approximately HK\$28.2 million (2024: approximately HK\$28.2 million), all of which was the rental income from the premises of the Group.

Operating Expenses

Operating expenses incurred during the year ended 30 June 2025 were approximately HK\$825.2 million (2024: approximately HK\$570.6 million), representing an increase of approximately 44.6% over the year ended 30 June 2024. The increase in operating expenses were mainly attributable to higher operating expenses of the Club and new energy automobiles and related business segment during the period under review.

Other Income

Other income during the year ended 30 June 2025 was approximately HK\$8.4 million (2024: approximately HK\$8.1 million). Other income was mainly generated from the subsidies received from the Premier League.

Other Gains/(Losses), Net

For the year ended 30 June 2025, we recorded other gains, net of approximately HK\$33.7 million (2024: other losses, net of approximately HK\$54.1 million). Other gains and losses mainly include (i) reversal of impairment loss on non-current assets of approximately HK\$12.0 million; (ii) an insurance compensation of approximately HK\$2.7 million; and (iii) a gain on fair value change on financial asset at fair value through profit or loss of approximately HK\$18.9 million.

Profit on Sales of Players' Registration

Profit on sales of players' registration for the year ended 30 June 2025 was approximately HK\$143.7 million (2024: approximately HK\$151.7 million), representing a decrease of approximately 5.3% over the year ended 30 June 2024.

Amortisation of Intangible Assets

Amortisation of intangible assets during the year under review was approximately HK\$69.3 million (2024: approximately HK\$43.3 million), representing an increase of approximately 60.0% over the year ended 30 June 2024. The increase was primarily due to the additional players' registration incurred during the year as more players were signed.

Selling and Marketing Expenses

Selling and marketing expenses primarily consist of incentives paid to the sales and marketing staff, advertising and promotion expenses, consultancy fee, transportation costs, travelling expenses and business hospitality expenses. For the year ended 30 June 2025, selling and marketing expenses amounted to approximately HK\$24.5 million (2024: nil). The management will continue to implement stringent control measures to ensure that selling and marketing expenses are maintained at a reasonable level.

Administrative and Other Expenses

Administrative and other expenses for the year ended 30 June 2025 amounted to approximately HK\$67.6 million (2024: approximately HK\$53.0 million) representing an increase of approximately 27.6% over the year ended 30 June 2024, which included mainly depreciation charges, professional fees, staff costs and office overheads. The increase in administrative and other expenses was mainly due to rising costs associated with the development of the Group's new energy automobiles and related business segment during the reporting period. The management will continue to implement stringent measures on control and management so as to maintain the administrative and other expenses at a reasonable level.

Research and Development Costs

Research and development costs for the year amounted to approximately HK\$27.1 million (2024: nil), primarily driven by expenses related to the development of new products and technologies for the Asian markets.

Finance Costs

During the year ended 30 June 2025, the Group incurred finance costs of approximately HK\$116.1 million (2024: approximately HK\$36.8 million), representing an increase of approximately 215.3% over the year ended 30 June 2024. Such increase was mainly attributable to the increase in interest on other borrowings costs and notional interest on transfer fee payables as compared to the year ended 30 June 2024.

Share of results of an associate

The Group's share of losses from associates increased to approximately HK\$26.8 million in 2025, compared to a loss of approximately HK\$5.5 million in 2024. This increase was primarily driven by an increase in operating expenses at the associate level.

Intangible Assets

The Group had intangible assets amounted to approximately HK\$288.7 million at the year end which was approximately 380.7% higher than that of the previous year. The intangible assets principally consist of players' registration and trademark. The increase was primarily due to the additional players' registration for the signing of new players amounting approximately HK\$279.5 million which partially offset by amortisation expense during the year.

Contingent Liabilities

Other than disclosed in note 20 above, the Group did not have any material contingent liabilities as at 30 June 2025.

Capital Commitments

As at 30 June 2025, the Group had no significant capital commitments in respect of property, plant and equipment (2024: nil).

As at 30 June 2025, the Group had capital commitments in respect of product development fee which are contracted for but not provided for approximately HK\$13.4 million (2024: approximately HK\$5.4 million).

A joint venture company, ZO Motors North America LLC, in the USA which the Group held as to 20% of the issued share capital principally engaged in the new energy automobiles and related business. The Group committed to contributing approximately HK\$62.4 million (equivalent to US\$8.0 million) (2024: approximately HK\$15.6 million, equivalent to US\$2.0 million) to ZO Motors North America LLC. The registered capital of ZO Motors North America LLC is approximately HK\$312.0 million (equivalent to US\$40.0 million) (2024: approximately HK\$78.0 million, equivalent to US\$10.0 million). As at 30 June 2025, the outstanding capital commitments of the Group amounted to approximately HK\$19.5 million (equivalent to approximately US\$2.5 million) (2024: approximately HK\$10.1 million, equivalent to approximately US\$1.3 million).

Save as disclosed in this announcement, the Board is not aware of any significant capital commitments which requires disclosure.

Capital Expenditure

During the year ended 30 June 2025, the Group incurred approximately HK\$204,798,000 (2024: approximately HK\$204,812,000) in acquiring property, plant and equipment, majority of which were for the non-wholly owned subsidiaries in the UK. This capital expenditure was financed mainly from a non-controlling shareholder of the subsidiaries in the UK.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Financial Ratios

As at 30 June 2025, the current ratio (calculated as current assets divided by current liabilities) of the Group was approximately 75.9% (2024: approximately 129.5%) and the gearing ratio (calculated as total borrowings divided by equity attributable to owners of the Company plus total borrowings) of the Group was approximately 74.7% (2024: approximately 53.8%). The ratio of total liabilities to total assets of the Group was approximately 104.5% (2024: approximately 83.6%).

Financial Resources

The Group generally finances its operations with internally generated cash flows, bank borrowings, loans from shareholders and from independent third parties, and through the capital market available to listed companies in Hong Kong. As at 30 June 2025, the Group has bank balances and cash (including bank deposits and cash and cash equivalents) of approximately HK\$242.4 million (2024: approximately HK\$145.3 million), which were principally denominated in Hong Kong dollars, Pounds Sterling, US dollars, Renminbi and Japanese Yen. As at 30 June 2025, the Group had total borrowings of approximately HK\$1,072.0 million (2024: approximately HK\$532.8 million), with approximately HK\$20.4 million repayable on demand or within one year, approximately HK\$80.0 million repayable after one year and within two years, approximately HK\$971.5 million repayable after two years and within five years and approximately HK\$0.2 million repayable after five years. Approximately 9.4% and 90.6% of these borrowings were denominated in Hong Kong dollars and Pounds Sterling, respectively. All borrowings were at fixed interest rates.

The management endeavour to enhance the financial strengths of the Group so as to pave the way for future business development. Cost control measures have already been put in place to monitor the day-to-day operational and administrative expenses.

The management closely review the financial resources of the Group in a cautious manner and continue to explore opportunities in external financing and equity funding. The Company will take proactive actions to improve the liquidity and financial position of the Group by way of equity fund raising exercises. The Company will closely monitor the market situation and take prompt actions when such opportunities arise.

Directors' Opinion on Sufficiency of Working Capital

As at 30 June 2025, the Group had net current liabilities and net liabilities of approximately HK\$188.7 million and HK\$89.6 million, respectively (2024: net cash outflow from operating activities of the Group was approximately HK\$332.1 million). Ability of the Group to continue as a going concern depends on the financial resources presently available to the Group. Taking into account the expected financial performance, net cash expected to be generated from the operation of the Group and the available loan facilities, the Directors believe that the Group is able to fully meet its liabilities as and when they fall due and to carry on its business without a significant curtailment of operations for the foreseeable future.

Foreign Exchange Exposure

The Group runs its businesses in various countries. Exposure of the Group to foreign currency risk mainly arises from daily commercial transactions, recognised assets and liabilities, and net investments in these overseas operations. It is the Group's policy to encourage its operating entities to use their corresponding local currencies as much as possible to minimise exchange-related risks. During the year under review, most transactions of the Group's principal businesses were conducted and recorded in Pounds Sterling, US dollars, Hong Kong dollars, Renminbi and Japanese Yen. The Group does not use derivative financial instruments to hedge its foreign currency risks. Management will continue to monitor foreign exchange exposure and take appropriate measures when necessary.

Pledge of Assets

As at 30 June 2025, the Group has charged its entire interest in BCL, a non-wholly owned subsidiary of the Company, from time to time as security for the operating loan provided by Shelby and its group companies. For details, please refer to the circular of the Company dated 27 June 2023 and the announcements of the Company dated 9 May 2023, 30 May 2023, 5 June 2023, 7 June 2023, 13 July 2023, 3 October 2024 and 9 October 2024.

Save as disclosed above, there was no material charge on the Group's assets as at 30 June 2025.

Capital Structure

On 7 May 2025, pursuant to a placing agreement dated 11 April 2025 and under the general mandate granted by the shareholders of the Company at the annual general meeting of the Company on 30 December 2024, the Company allotted and issued in aggregate 37,634,000 shares at the placing price of HK\$1.86 per share in aggregate of approximately HK\$70,000,000 before expenses. Details of the Placing and the completion were disclosed in the announcements of the Company dated 11 April 2025 and 7 May 2025.

On 5 June 2025 and 10 June 2025, pursuant to the Subscription Agreement and under the specific mandate granted by the independent shareholders of the Company at the extraordinary general meeting of the Company on 2 June 2025, the Company allotted and issued 32,258,065 shares and 37,634,408 shares, respectively at the subscription price of HK\$1.86 per share in aggregate of approximately HK\$130,000,000 before expenses. Details of the Subscriptions and the completion were disclosed in the announcements of the Company dated 11 April 2025, 7 May 2025, 2 June 2025, 5 June 2025 and 10 June 2025 and the circular of the Company dated 16 May 2025.

As at 30 June 2025, the Company had an issued capital of 922,783,892 shares of HK\$0.25 each (2024: 815,257,419 shares).

Use of Proceeds

On 7 May 2025, the Company completed the Placing. The total funds raised were approximately HK\$70.0 million. After deducting the expenses incurred, the net proceeds from the Placing are approximately HK\$69.6 million. Approximately HK\$48.7 million, or approximately 70.0% of the net proceeds, was planned for repayment of the Group's liabilities and the remaining balance of approximately HK\$20.9 million, or approximately 30.0% of the net proceeds, was planned as general working capital of the Group. As at 30 June 2025, the proceeds from the Placing were fully utilised and were applied in accordance with the planned use as disclosed in the announcement of the Company dated 7 May 2025.

On 5 June 2025 and 10 June 2025, the Company completed the subscription of the First Tranche Subscription Shares and the Second Tranche Subscription Shares, respectively. The total funds raised were approximately HK\$130.0 million. After deducting the expenses incurred, the net proceeds from the said subscriptions was approximately HK\$129.4 million. Approximately HK\$90.6 million, or approximately 70.0% of the net proceeds, was planned for repayment of the Group's liabilities and the remaining balance of approximately HK\$38.8 million, or approximately 30.0% of the net proceeds, was planned as general working capital of the Group. Up to 30 June 2025, details of the use of the net proceeds from the Subscriptions are listed as below:

	Planned use of net proceeds <i>HK\$'million</i>	Actual usage <i>HK\$'million</i>	Unutilised <i>HK\$'million</i>	Expected timeline for the intended use
Repayment of the Group's liabilities	90.6	69.3	21.3	By 31 August 2025
General working capital	38.8	15.1	23.7	By 31 December 2025
Total	<u>129.4</u>	<u>84.4</u>	<u>45.0</u>	

During the year ended 30 June 2025, the proceeds from the Subscriptions were applied in accordance with the planned use as disclosed in the circular of the Company dated 16 May 2025.

HUMAN RESOURCES AND REMUNERATION POLICY

During the year ended 30 June 2025, the Group employed on average approximately 440 full time employees and approximately 140 temporary staff members in Hong Kong, the PRC, the UK, Japan and South East Asia (2024: approximately 340 full time employees and approximately 120 temporary staff members) and the total staff costs of the Group amounted to approximately HK\$444.7 million (2024: approximately HK\$381.8 million). The Group recognises the importance of high calibre and competent staff and continues to provide remuneration packages to employees mainly based on industry practices and individual performance. In addition, the Group provides other employee benefits including medical insurance, training subsidy, discretionary bonus and participation in the share schemes of the Group.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 30 June 2025 as set out in the preliminary announcement of the Group's results for the year ended 30 June 2025 have been agreed by the Group's auditor, ZHONGHUI ANDA CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by ZHONGHUI ANDA CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by ZHONGHUI ANDA CPA Limited on the preliminary announcement.

AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") with written terms of reference in compliance with the Corporate Governance Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process, risk management over the financial reporting system and internal control systems of the Group. The Audit Committee comprises three Independent Non-executive Directors, Mr. Yeung Chi Tat, Mr. Pun Chi Ping and Ms. Leung Pik Har, Christine. Mr. Yeung Chi Tat is the chairperson of the Audit Committee. The Audit Committee has reviewed and discussed the annual results of the Group for the year ended 30 June 2025.

CORPORATE GOVERNANCE

The Company had complied with all the applicable code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules for the year ended 30 June 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry with the existing Directors, all of them confirmed that they had complied with the required standard set out in the Model Code during the year ended 30 June 2025.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 30 June 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

EVENTS AFTER THE REPORTING PERIOD

The Group had the following significant events subsequent to the end of the reporting period and up to the date of this announcement:

On 23 July 2025, BCL and BCFC (as borrowers) and Shelby (as original lender), amongst others, have entered into the second deed of amendment, pursuant to which the terms of the operating loan agreement dated 13 July 2023 as amended by the deed of amendment dated 3 October 2024 are amended with effect from (and including) 23 July 2025 to increase the loan facility made available by the lenders under the Operating Loan Agreement to BCL or BCFC in accordance with the Operating Loan Agreement from an aggregate principal amount of GBP100.0 million (equivalent to approximately HK\$1,076.5 million) to GBP150.0 million (equivalent to approximately HK\$1,614.8 million). For the details of the aforesaid transaction, please refer to the announcements of the Company dated 9 May 2023, 30 May 2023, 3 October 2024, 9 October 2024, and 23 July 2025, and the circular of the Company dated 27 June 2023.

Save as disclosed in this announcement and up to the date of this announcement, there has been no significant event relevant to the business or financial performance of the Group after the year ended 30 June 2025.

PUBLICATION OF FINAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Company at www.zogroup.com.hk and the Stock Exchange at www.hkexnews.hk. The annual report of the Company will be published on the websites of the Company and the Stock Exchange and will be despatched to the shareholders of the Company in due course.

By Order of the Board
ZO Future Group
Zhao Wenqing
Chairman

Hong Kong, 29 September 2025

As at the date of this announcement, the Board comprises seven Directors, namely Mr. Zhao Wenqing (Chairman), Mr. Huang Dongfeng (Chief Executive Officer), Mr. Yiu Chun Kong and Dr. Guo Honglin as Executive Directors; and Mr. Pun Chi Ping, Ms. Leung Pik Har, Christine and Mr. Yeung Chi Tat as Independent Non-executive Directors.