Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.

ZO FUTURE GROUP
大象未來集團

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2309)

CONNECTED TRANSACTION SECOND DEED OF AMENDMENT IN RELATION TO THE OPERATING LOAN AGREEMENT

On 23 July 2025 (after trading hours of the Stock Exchange), BCL and BCFC (as borrowers) and SCL (as original lender), amongst others, have entered into the Second Deed of Amendment, pursuant to which the terms of the Operating Loan Agreement are amended with effect from (and including) the Effective Date to increase the Operating Loan Facility from an aggregate principal amount of GBP100.0 million (equivalent to approximately HK$1,070 million) to GBP150.0 million (equivalent to approximately HK$1,605 million).

As at the date of this announcement, BCL is owned as to approximately 51.72% by the Company, approximately 45.98% by SCL and approximately 2.30% by other shareholders. Accordingly, SCL is a connected person of the Company at the subsidiary level under the Listing Rules, and the Second Deed of Amendment and the transactions contemplated thereunder constitute a connected transaction for the Company under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.81 of the Listing Rules, a series of connected transactions will be aggregated and treated as if they were one transaction if they were all conducted within a 12-month period or were otherwise related. The counterparties to the First Deed of Amendment and the Second Deed of Amendment are identical and such transactions are similar in nature. Accordingly, such transactions shall be aggregated.

Since (i) the Aggregated Transactions are on normal commercial terms or better; (ii) SCL is a connected person of the Company at the subsidiary level under the Listing Rules; (iii) the Aggregated Transactions have been approved by the Board; and (iv) the Independent Non-Executive Directors have confirmed that the terms of the Aggregated Transactions are fair and reasonable, and the Aggregated Transactions are on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole, the Aggregated Transactions (standalone or after aggregation) are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but are exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

References are made to the announcements of the Company dated 9 May 2023, 30 May 2023, 3 October 2024 and 9 October 2024, respectively, and the circular of the Company dated 27 June 2023 in relation to, among other things, the Operating Loan Agreement.

The existing Operating Loan Facility (which was in an aggregate principal amount (excluding any amount capitalised as principal amount pursuant to the terms of the Operating Loan Agreement) of GBP100.0 million (equivalent to approximately HK$1,070 million)) had been utilised in an aggregate principal amount of: (i) approximately GBP72.1 million (equivalent to approximately HK$771.5 million) as at 31 December 2024; and (ii) approximately GBP90.2 million (equivalent to approximately HK$965.1 million) as at the date of this announcement.

On 23 July 2025 (after trading hours of the Stock Exchange), BCL and BCFC (as borrowers) and SCL (as original lender), amongst others, have entered into the Second Deed of Amendment, pursuant to which the terms of the Operating Loan Agreement are amended with effect from (and including) the Effective Date to increase the Operating Loan Facility from an aggregate principal amount of GBP100.0 million (equivalent to approximately HK$1,070 million) to GBP150.0 million (equivalent to approximately HK$1,605 million).

SECOND DEED OF AMENDMENT

Principal terms of the Second Deed of Amendment are set out below:

Date:	23 July 2025	
Parties:	(i)	BCL and BCFC, as borrowers;
	(ii)	BCL, BCFC and BCWFC, as guarantors;
	(iii)	SCL, as original lender; and
	(iv)	the Agent as agent and the Security Agent as security agent.

Amendment:	With effect from (and including) the Effective Date, the Operating Loan Agreement shall be amended to increase the Operating Loan Facility from an aggregate principal amount of GBP100.0 million (equivalent to approximately HK$1,070 million) to GBP150.0 million (equivalent to approximately HK$1,605 million).
Effective Date:	23 July 2025

Except as varied or supplemented by the terms of the Second Deed of Amendment, the Deed of Acknowledgement, the Second Supplemental Company Charge or, as the case may be, the Second Supplemental BCL Charge, each of the Operating Loan Agreement and the other existing Finance Documents will remain in full force and effect.

SECOND SUPPLEMENTAL COMPANY CHARGE

The Company and the Security Agent have entered into the Second Supplemental Company Charge on the Effective Date, pursuant to which the Company has (i) confirmed that any security created by the Company under the Company Charge and the First Supplemental Company Charge secures; and (ii) recreated security over the same assets as the security created under the Company Charge and the First Supplemental Company Charge to secure, in each case, the payment, discharge and performance of all present and future money, obligations or liabilities due, owing or incurred by any Obligor to any secured party under the Finance Documents, subject to certain limitations on the recourse to the Company specified therein.

SECOND SUPPLEMENTAL BCL CHARGE

BCL and the Security Agent have entered into the Second Supplemental BCL Charge on the Effective Date, pursuant to which BCL has (i) confirmed that any security created by BCL under the BCL Charge and the First Supplemental BCL Charge secures; and (ii) recreated security over the same assets as the security created under the BCL Charge and the First Supplemental BCL Charge to secure, in each case the payment, discharge and performance of all present and future money, obligations or liabilities due, owing or incurred by any Obligor to any secured party under the Finance Documents.

DEED OF ACKNOWLEDGEMENT

BCL, BCFC, BCWFC, the Company, SCL, the Agent and the Security Agent have entered into the Deed of Acknowledgement on the Effective Date, pursuant to which, amongst others; (i) the parties thereto acknowledge and agree that no change is being effected to the terms of any Finance Documents pursuant to the terms of the Second Deed of Amendment, the Second Supplemental BCL Charge or, as the case may be, the Second Supplemental Company Charge which requires the consent of the Company (in its capacity as BSHL Agent (as defined in the Subordination Deed)) pursuant to certain provisions of the Subordination Deed; (ii) each of SCL and the Company acknowledges and agrees to the entry by the Company into a share charge and security deed between the Company and KHR Servicing, LLC (as security agent) over, inter alia, shares in BCL held by the Company; and (iii) the Company, SCL, BCL and BCFC acknowledge and agree that the Second Supplemental Company Charge shall constitute a "BSHL Charge" and the Second Supplemental BCL Charge shall constitute a "BCPLC Charge" under the Shareholders' Agreement.

INFORMATION ON THE PARTIES

The Company

The Company is a company incorporated in the Cayman Islands with limited liability and, as at the date of this announcement, the Group is principally engaged in, among others, the operation of a professional football club in the UK and other related business, new energy automobiles and related business and investment in properties.

BCL

BCL is a private limited liability company incorporated in England and Wales and, as at the date of this announcement, is owned as to approximately 51.72% by the Company, approximately 45.98% by SCL and approximately 2.30% by other shareholders. BCL is principally engaged in the operation and management of BCFC.

BCFC

BCFC is a private limited liability company incorporated in England and Wales and a wholly-owned subsidiary of BCL. BCFC is principally engaged in the operation of a professional football club in the UK.

BCWFC

BCWFC is a private limited liability company incorporated in England and Wales and a wholly-owned subsidiary of BCFC. BCWFC is principally engaged in the operation of a professional football club in the UK.

SCL

SCL is a company incorporated in England and Wales with limited liability and principally engaged in investment holding. As at the date of this announcement, SCL is owned as to approximately 61.37% by Knighthead Annuity & Life Assurance Company ("KHAL"), an exempted company incorporated in the Cayman Islands, and approximately 24.16% by Knighthead Master Fund, L.P. ("KMF") an exempted limited partnership formed under the Exempted Limited Partnership Law of the Cayman Islands. Each of KHAL and KMF is managed and/or advised by Knighthead Capital Management, LLC ("Knighthead Capital"), an investment adviser registered with the United States Securities and Exchange Commission. To the best of the knowledge, information and belief of the Company having made all reasonable enquires and as confirmed by SCL, as at the date of this announcement, SCL is ultimately and beneficially owned by more than 40 individuals and institutional investors and none of the individual investors is ultimately and beneficially interested in 10% or more of SCL, and the single largest ultimate beneficial owner of SCL is Thomas A. Wagner (the co-founder of Knighthead Capital), who ultimately and beneficially owns approximately 7.66% of SCL.

The Agent and the Security Agent

The Agent (which is also the Security Agent) is a Delaware limited liability company. To the best of the knowledge, information and belief of the Company having made all reasonable enquires and as confirmed by the Agent, as at the date of this announcement, the Agent is ultimately and beneficially owned as to approximately 30.01% by Thomas A. Wagner and the entities controlled by him, and as to approximately 26.56% by Ara D. Cohen and the entities controlled by him. Mr. Cohen is another co-founder and co-managing member of Knighthead Capital. No ultimate beneficial owner holds more than 1/3 of the shares of the Agent. The principal business activities of the Agent are to service mortgage loans and other debt instruments and to hold security and other interests on behalf of other parties.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The terms of the Second Deed of Amendment were negotiated on an arm's length basis and upon normal commercial terms or better taking into account the prevailing market interest rates and the availability of third parties' debt financing. The increase in the Operating Loan Facility in an aggregate principal amount of GBP50.0 million will be provided by SCL on the same terms (including interest rate) as the existing Operating Loan Facility. Apart from the Second Supplemental Company Charge and the Second Supplemental BCL Charge, which recreate securities already in place for the existing Operating Loan Facility, the Group is not required to provide additional collateral and other securities.

As disclosed in the interim results announcement of the Company for the six months ended 31 December 2024, the Group recorded a loss attributable to owners of the Company of approximately HK$117.1 million for the said period, representing an increase of approximately 217.4% as compared to the loss of approximately HK$36.9 million for the six months ended 31 December 2023. Although the revenue generated during the six months ended 31 December 2024 from the football club segment of the Group recorded an increase of approximately 18.4% to approximately HK$145.8 million as compared to the six months ended 31 December 2023, the segment continued to record a loss of approximately HK$187.0 million. As at the date of this announcement, following a finish at the 1st position in the EFL League One Division in the season 2024/25, the Club has secured a promotion back to the EFL Championship Division in the coming season 2025/26. With a view to sustaining its participation in the EFL Championship Division and striving for further advancement, continuous investment is expected to be made by the Club to reinforce its squad. The Club also requires funding to finance its ongoing operation.

For the six months ended 31 December 2024, the BCL Group mainly financed its operations with internally generated cash flows and funding provided by shareholders, including SCL pursuant to the Operating Loan Facility in an aggregate principal amount of GBP100.0 million (equivalent to approximately HK$1,070 million). The existing Operating Loan Facility (excluding any amount capitalised as principal amount pursuant to the terms of the Operating Loan Agreement) had been utilised in an aggregate principal amount of: (i) approximately GBP72.1 million (equivalent to approximately HK$771.5 million) as at 31 December 2024; and (ii) approximately GBP90.2 million (equivalent to approximately HK$965.1 million) as at the date of this announcement. Additional funding is therefore required by the BCL Group to finance its operational costs and expenses.

The Company has considered other financing alternatives, such as non-equity related debt financing and equity related financing methods, to meet the financial requirements for the operation of BCL and BCFC, taking into account the recent financial position and capital structure of the Company as well as the prevailing market conditions. The Company considers that debt financing with external financial institutions is less viable and suitable as compared to the debt financing funding provided by SCL as shareholder of BCL because of the additional interest payment obligations on the Group to external financial institutions it would create. As compared to debt financing from an existing lender who is a shareholder of BCL, external debt financing may not be available within a short period of time because of the due diligence required and the subsequent negotiations of the terms and conditions of such financing. The overall operating loss of the Group for the six months ended 31 December 2024 also makes it difficult to secure external debt financing on favourable terms based on the same collateral as has been provided under the Finance Documents.

In respect of equity related financing methods such as rights issue, open offer or issue of new Shares, the Company completed a share placing and subscription in May 2025 and June 2025 respectively, and the Company considers that lengthy discussions with potential investors and/or underwriters would be inevitable for further equity financing. The Company may also incur additional transaction costs such as underwriting commission so as to assure the ultimate fund-raising size under rights issue or open offer, which may not be beneficial to the Company and the Shareholders as a whole.

Having considered the foregoing, the Directors are of the view that although the entering into of the Second Deed of Amendment and the transactions contemplated thereunder are not in the ordinary course of business of the Group, (i) the terms of the Second Deed of Amendment and the transactions contemplated thereunder are on normal commercial terms or better and are fair and reasonable so far as the Shareholders are concerned; and (ii) the Second Deed of Amendment and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, BCL is owned as to approximately 51.72% by the Company, approximately 45.98% by SCL and approximately 2.30% by other shareholders. Accordingly, SCL is a connected person of the Company at the subsidiary level under the Listing Rules, and the Second Deed of Amendment and the transactions contemplated thereunder constitute a connected transaction for the Company under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.81 of the Listing Rules, a series of connected transactions will be aggregated and treated as if they were one transaction if they were all conducted within a 12-month period or were otherwise related. The counterparties to the First Deed of Amendment and the Second Deed of Amendment are identical and such transactions are similar in nature. Accordingly, such transactions shall be aggregated.

Since (i) the Aggregated Transactions are on normal commercial terms or better; (ii) SCL is a connected person of the Company at the subsidiary level under the Listing Rules; (iii) the Aggregated Transactions have been approved by the Board; and (iv) the Independent Non-Executive Directors have confirmed that the terms of the Aggregated Transactions are fair and reasonable, and the Aggregated Transactions are on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole, the Aggregated Transactions (standalone or after aggregation) are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but are exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

DEFINITIONS

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

"Agent" or the "Security Agent"	KHR Servicing, LLC, which is more particularly described in the section headed "Information on the Parties – The Agent and the Security Agent" of this announcement
"Aggregated Transactions"	the transactions contemplated by the First Deed of Amendment and the Second Deed of Amendment
"BCFC" or "Club"	Birmingham City Football Club Limited, which is more particularly described in the section headed "Information on the Parties – BCFC" of this announcement
"BCL"	Birmingham City Limited, which is more particularly described in the section headed "Information on the Parties – BCL" of this announcement
"BCL Charge"	the share charge and security deed dated 13 July 2023 entered into between BCL and the Security Agent
"BCL Group"	collectively, BCL and its subsidiaries
"BCWFC"	Birmingham City Women Football Club Limited, which is more particularly described in the section headed "Information on the Parties – BCWFC" of this announcement
"Board"	the board of Directors
"Company"	ZO Future Group, an exempted company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
"Company Charge"	the share charge and security deed dated 13 July 2023 entered into between the Company and the Security Agent
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Deed of Acknowledgement"	the deed of acknowledgement entered into between BCL, BCFC, BCWFC, the Company, SCL, the Agent and the Security Agent on the Effective Date

"Director(s)"	the director(s) of the Company
"Effective Date"	23 July 2025, being the effective date of the amendments to the Operating Loan Agreement pursuant to the Second Deed of Amendment
"EFL"	the English Football League, the national governing body for the second and third tier English professional football league currently named "English Football League Championship" and "English Football League One", respectively, and any successor or replacement body from time to time
"Finance Documents"	collectively, the Operating Loan Agreement (as amended by the Second Deed of Amendment) and the other finance documents referred to therein (including, without limitation, the First Deed of Amendment, the Second Deed of Amendment, the Company Charge (as supplemented by the First Supplemental Company Charge), the First Supplemental Company Charge, the Second Supplemental Company Charge, the BCL Charge (as supplemented by the First Supplemental BCL Charge), the First Supplemental BCL Charge, the Second Supplemental BCL Charge and the Subordination Deed;
"First Deed of Amendment"	the deed of amendment in relation to the Operating Loan Agreement dated 3 October 2024 entered into between, amongst others, BCL and BCFC (as borrowers) and SCL (as original lender)
"First Supplemental BCL Charge"	the supplemental share charge and security deed in relation to the BCL Charge entered into between BCL and the Security Agent on 3 October 2024
"First Supplemental Company Charge"	the supplemental share charge and security deed in relation to the Company Charge entered into between the Company and the Security Agent on 3 October 2024
"GBP"	Pounds Sterling, the lawful currency of the UK
"Group"	the Company and its subsidiaries from time to time
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong

"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Obligor(s)"	BCL, BCFC and BCWFC
"Operating Loan Agreement"	the Operating Loan Agreement dated 13 July 2023 entered into between, amongst others, SCL (as the original lender) and BCL, as amended by the First Deed of Amendment
"Operating Loan Facility"	the loan facility made available by the lenders under the Operating Loan Agreement to BCL or BCFC (as the case may be) in accordance with the Operating Loan Agreement
"SCL"	Shelby Companies Limited, which is more particularly described in the section headed "Information on the Parties – SCL" of this announcement
"Second Deed of Amendment"	the deed of amendment in relation to the Operating Loan Agreement dated 23 July 2025 entered into between BCL and BCFC (as borrowers) and SCL (as original lender), among others, which is more particularly described in the section headed "Second Deed of Amendment" of this announcement
"Second Supplemental BCL Charge"	the supplemental share charge and security deed in relation to the BCL Charge and the First Supplemental BCL Charge entered into between BCL and the Security Agent on the Effective Date
"Second Supplemental Company Charge"	the supplemental share charge and security deed in relation to the Company Charge and the First Supplemental Company Charge entered into between the Company and the Security Agent on the Effective Date
"Share(s)"	ordinary share(s) of HK$0.25 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
"Shareholders' Agreement"	the shareholders' agreement in relation to BCL dated 13 July 2023 entered into between the Company, SCL, BCL and BCFC

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subordination Deed"	the subordination deed dated 13 July 2023 entered into between, among others, BCL and BCFC as borrowers, the Company and SCL as subordinated creditors, the Agent and the Security Agent
"UK"	the United Kingdom of Great Britain and Northern Ireland
"%"	per cent.

By Order of the Board
ZO Future Group
Zhao Wenqing
Chairman

Hong Kong, 23 July 2025

For illustration purpose only, conversion of GBP into HK$ in this announcement is based on the exchange rate of GBP1.0 to HK$10.7.

In the event of inconsistency, the English text of this announcement shall prevail over the Chinese text.

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.