Zero Fintech Group Limited
零在科技金融集團有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 00093)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board of directors (the "Board") of Zero Fintech Group Limited (the "Company") presents to shareholders of the Company the unaudited interim condensed consolidated statement of profit or loss and other comprehensive income of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2026 and the Group's unaudited interim condensed consolidated statement of financial position as at 30 June 2026 together with the comparative figures as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the six months ended 30 June 2026

	Note	**Six months ended 30 June 2026 *HK$'000* (Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Revenue	*4*	**236,624**	159,338
Other income	*4*	**463**	1,393
Other losses, net	*4*	**(1,539)**	(838)
Fair value gain/(loss) on the investment property		**500**	(400)
Impairment losses on loan and interest receivables, net	*7*	**(64,024)**	(67,195)
Advertising and promotion expenses		**(32,959)**	(15,253)
Employee benefits expenses		**(25,162)**	(23,236)
Other operating expenses		**(23,193)**	(20,254)
Operating profit		**90,710**	33,555
Finance costs	*6*	**(20,435)**	(8,934)
Profit before income tax		**70,275**	24,621
Income tax expense	*8*	**(12,756)**	(5,733)
Profit for the period attributable to equity holders of the Company	*5*	**57,519**	18,888
Other comprehensive income:			
Item that may not be reclassified to profit or loss:			
Gain/(loss) on revaluation of leasehold land and buildings	*10*	**3,209**	(820)
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**5,675**	2,167
Other comprehensive income for the period, net of tax		**8,884**	1,347
Total comprehensive income for the period		**66,403**	20,235
		HK cents	*HK cents*
Earnings per share for profit attributable to equity holders of the Company for the period:	*9*		
Basic		**2.16**	0.71
Diluted		**2.16**	0.71

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	**As at 30 June 2026 *HK$'000* (Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
ASSETS			
Cash and cash equivalents		**252,230**	182,537
Financial assets at fair value through profit or loss		**256**	78
Loan and interest receivables	*11*	**1,220,844**	1,135,735
Deposits, prepayments and other receivables		**8,877**	11,286
Repossessed assets		**65,488**	77,070
Completed properties for sale		**56,618**	54,474
Deferred income tax assets		**14,308**	15,054
Investment property	*10*	**48,500**	48,000
Property, plant and equipment	*10*	**206,150**	205,321
Intangible assets		**8,603**	9,271
Total assets		**1,881,874**	1,738,826
EQUITY			
Equity attributable to the owners of the Company			
Share capital		**213,411**	213,411
Reserves		**973,869**	907,466
Total equity		**1,187,280**	1,120,877
LIABILITIES			
Amount due to a related company		**671**	671
Other payables and accruals	*12*	**27,294**	20,382
Income tax payable		**23,779**	11,268
Loan from a shareholder		**96,410**	98,008
Bank borrowing	*13*	**541,600**	481,569
Lease liabilities		**4,840**	6,051
Total liabilities		**694,594**	617,949
Total equity and liabilities		**1,881,874**	1,738,826

Notes

1. BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The interim condensed consolidated financial information does not include all the notes of the type normally included in an annual consolidated financial statements. Accordingly, it should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with HKFRS Accounting Standards.

2. ACCOUNTING POLICIES

The interim condensed consolidated financial statements have been prepared on the historical cost basis except for leasehold land and buildings, investment property and financial assets at fair value through profit or loss, which are carried at fair value at the end of each reporting period.

Other than changes in accounting policies resulting from application of amendments to standards, the accounting policies and methods of computation used in the interim condensed consolidated financial statements for the six months ended 30 June 2026 are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) Amended standards effective for the financial period beginning on 1 January 2026:

Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11
Amendments to HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37	Disclosures about Uncertainties in the Financial Statements

The application of the amended standards in the current period listed above did not have any impact on the Group's financial position and performance for the current and prior periods and/or on the disclosures set out in these interim condensed consolidated financial statements.

(b) The following new and amended standards and interpretations have been issued, but are not effective for the financial year beginning on 1 January 2026 and have not been early adopted:

		Effective for annual periods beginning on or after
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to Hong Kong Interpretations 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to HKFRS 19	Amendments to HKFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group will adopt the above new and amended standards and interpretations as and when they become effective. The directors of the Group have performed preliminary assessment and do not anticipate any significant impact on the Group's financial position and results of operations upon adopting these new and amended standards and interpretations to existing HKFRS Accounting Standards.

3. SEGMENT INFORMATION

Management has determined the operating segments based on the information reviewed by the Chief Operating Decision Maker ("CODM") in making strategic decisions. The CODM is identified as the executive directors of the Company.

During the six months ended 30 June 2026, the CODM assessed the performance of the Group by reviewing the results of two reportable segments:

Property development and investment	–	Property development for sale of properties in the People's Republic of China (the "PRC") and property investment for letting of properties in Hong Kong and the PRC.
Money lending	–	Provision of mortgage and personal loan financing to customers.

The CODM reviews the performance of the Group on a regular basis and reviews the Group's internal reporting in order to assess performance and allocate resources.

Information provided to the CODM is measured in a manner consistent with that in the interim condensed consolidated financial information.

The segment results and other segment items are as follows:

	Property development and investment *HK$'000*	Money lending *HK$'000*	Segment total *HK$'000*	Unallocated revenue *HK$'000*	Total *HK$'000*
For the six months ended 30 June 2026 (Unaudited)					
Revenue	**712**	**231,449**	**232,161**	**4,463**	**236,624**
Segment results	**(1,739)**	**76,008**	**74,269**		**74,269**
Unallocated revenue					**4,463**
Unallocated other income					**20**
Unallocated other gain, net					**67**
Unallocated expenses					**(8,544)**
Profit before income tax					**70,275**

	Property development and investment *HK$'000*	Money lending *HK$'000*	Segment total *HK$'000*	Unallocated revenue *HK$'000*	Total *HK$'000*
For the six months ended 30 June 2025 (Unaudited)					
Revenue	755	155,498	156,253	3,085	159,338
Segment results	(946)	30,006	29,060		29,060
Unallocated revenue					3,085
Unallocated other income					29
Unallocated other loss, net					(34)
Unallocated expenses					(7,519)
Profit before income tax					24,621

For the six months ended 30 June 2026 and 30 June 2025, unallocated expenses and unallocated other net gains and losses represent corporate expenses and unrealised net exchange gains/(losses), respectively. Segment results represent the profit/(loss) before income tax earned by each segment without allocation of certain revenue, other income, other gains and losses and expenses. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

The segment assets and liabilities are as follows:

	Property development and investment *HK$'000*	Money lending *HK$'000*	Total *HK$'000*
As at 30 June 2026 (Unaudited)			
Assets			
Segment assets	**182,680**	**1,489,891**	**1,672,571**
Unallocated assets			**209,303**
Total assets			**1,881,874**
Liabilities			
Segment liabilities	**12,149**	**677,480**	**689,629**
Unallocated liabilities			**4,965**
Total liabilities			**694,594**

	Property development and investment *HK$'000*	Money lending *HK$'000*	Total *HK$'000*
As at 31 December 2025 (Audited)			
Assets			
Segment assets	176,189	1,356,159	1,532,348
Unallocated assets			206,478
Total assets			1,738,826
Liabilities			
Segment liabilities	10,349	602,306	612,655
Unallocated liabilities			5,294
Total liabilities			617,949

All assets are allocated to operating and reportable segments other than certain property, plant and equipment, certain intangible assets, financial assets at fair value through profit or loss, certain cash and cash equivalents and certain deposits, prepayments and other receivables.

All liabilities are allocated to operating and reportable segments other than amount due to a related company, certain lease liabilities and certain other payables and accruals.

Amounts included in the measure of segment results are as follows:

	Property development and investment *HK$'000*	Money lending *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
For the six months ended 30 June 2026 (Unaudited)				
Depreciation	**(2)**	**(3,234)**	**(282)**	**(3,518)**
Amortisation	**–**	**(668)**	**–**	**(668)**
Interest income	**32**	**–**	**10**	**42**
Interest expense	**–**	**(20,427)**	**(8)**	**(20,435)**
Income tax expense	**–**	**(12,756)**	**–**	**(12,756)**
For the six months ended 30 June 2025 (Unaudited)				
Depreciation	–	(2,174)	(1,529)	(3,703)
Amortisation	–	(668)	–	(668)
Interest income	60	22	17	99
Interest expense	–	(8,911)	(23)	(8,934)
Income tax expense	(2)	(5,731)	–	(5,733)

Revenue from external customers, based on the location where the ownership of the goods are transferred and services are rendered by geographical location are as follows:

	Revenue from external customers	
	Six months ended 30 June 2026 ***HK$'000*** **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Hong Kong	**231,449**	155,498
The PRC	**5,175**	3,840
	236,624	159,338

For the six months ended 30 June 2026 and 30 June 2025, no single customer contributed to 10% or more of the Group's total revenue.

A reconciliation of reportable segment assets to total assets and reportable segment liabilities to total liabilities is provided as follows:

	As at 30 June 2026 ***HK$'000*** **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Reportable segment assets	**1,672,571**	1,532,348
Property, plant and equipment	**201,017**	198,785
Intangible assets	**1,110**	1,110
Deposits, prepayments and other receivables	**1,251**	1,419
Financial assets at fair value through profit or loss	**256**	78
Cash and cash equivalents	**5,669**	5,086
Total assets	**1,881,874**	1,738,826
Reportable segment liabilities	**689,629**	612,655
Amount due to a related company	**671**	671
Other payables and accruals	**3,392**	3,943
Lease liabilities	**902**	680
Total liabilities	**694,594**	617,949

4. REVENUE, OTHER INCOME AND OTHER LOSSES, NET

Revenue, other income and other losses, net recognised during the period are as follows:

	Six months ended 30 June 2026 ***HK$'000*** **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Revenue		
Interest income from money lending business	**231,449**	155,498
Rental income from completed properties for sale	**712**	755
Information technology service income – recognised over time	**4,463**	3,085
	236,624	159,338

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Other income		
Interest income on bank deposits	**42**	99
Handling fee income	**409**	875
Sundry income	**12**	419
	463	1,393

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Other losses, net		
Provision for impairment of repossessed assets	**(557)**	(533)
Unrealised net exchange losses	**(1,160)**	(326)
Fair value gains on financial assets at fair value through profit or loss	**178**	21
	(1,539)	(838)

5. PROFIT FOR THE PERIOD

The following expenses have been included in "other operating expenses" during the interim period:

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Depreciation of property, plant and equipment	**3,518**	3,703
Amortisation of intangible assets	**668**	668
Expenses relating to short-term leases	**250**	185

6. FINANCE COSTS

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Interest expense on lease liabilities	**199**	329
Interest expense on loan from a shareholder	**1,402**	1,240
Interest expense on bank borrowing	**16,834**	5,365
Amortisation of loan arrangement fee	**2,000**	2,000
	20,435	8,934

7. IMPAIRMENT LOSSES ON LOAN AND INTEREST RECEIVABLES, NET

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Loan and interest receivables		
– Net charge for provision for impairment	**67,685**	69,888
– Recoveries of loan and interest receivables previously written-off	**(3,661)**	(2,693)
	64,024	67,195

8. INCOME TAX EXPENSE

Taxation has been calculated on the estimated assessable profits for the six months ended 30 June 2026 at the rates of taxation prevailing in the countries/places in which the Group operates (30 June 2025: Same). Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the full financial year.

The amount of income tax charged to the interim condensed consolidated statement of profit or loss represents:

	Six months ended 30 June 2026 *HK$'000* (Unaudited)	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Current income tax		
– PRC enterprise income tax	**–**	2
– Hong Kong profits tax	**12,010**	7,828
	12,010	7,830
Deferred income tax	**746**	(2,097)
Income tax expense	**12,756**	5,733

9. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit of the Group attributable to equity holders of the Company by the weighted average number of ordinary shares in issue.

	Six months ended 30 June 2026 (Unaudited)	Six months ended 30 June 2025 (Unaudited)
Profit attributable to equity holders of the Company (HK$'000)	**57,519**	18,888
Weighted average number of ordinary shares in issue (thousand shares)	**2,667,643**	2,667,643
Basic earnings per share (HK cents)	**2.16**	0.71

There were no potential dilutive ordinary shares outstanding during the six months ended 30 June 2026 and hence the diluted earnings per share is the same as the basic earnings per share (30 June 2025: Same).

10. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

	Leasehold land *HK$'000*	Buildings *HK$'000*	Furniture, fixtures, equipment and leasehold improvements *HK$'000*	Motor vehicles *HK$'000*	Right-of-use assets *HK$'000*	Total *HK$'000*	Investment property *HK$'000*
30 June 2026 (Unaudited)							
Cost or revaluation:							
At 1 January 2026	189,000	9,000	16,805	250	11,438	226,493	48,000
Additions	–	–	657	–	452	1,109	–
Gain on revaluation	2,000	–	–	–	–	2,000	–
Fair value gain	–	–	–	–	–	–	500
Write-off	–	–	–	–	(1,672)	(1,672)	–
Exchange realignment	–	–	33	–	56	89	–
At 30 June 2026	191,000	9,000	17,495	250	10,274	228,019	48,500
Accumulated depreciation:							
At 1 January 2026	–	–	(15,157)	(250)	(5,765)	(21,172)	–
Depreciation charge during the period	(874)	(335)	(580)	–	(1,729)	(3,518)	–
Gain on revaluation	874	335	–	–	–	1,209	–
Write-off	–	–	–	–	1,672	1,672	–
Exchange realignment	–	–	(27)	–	(33)	(60)	–
At 30 June 2026	–	–	(15,764)	(250)	(5,855)	(21,869)	–
Net book value							
At 30 June 2026 (Unaudited)	191,000	9,000	1,731	–	4,419	206,150	48,500
At 31 December 2025 (Audited)	189,000	9,000	1,648	–	5,673	205,321	48,000
An analysis of cost or revaluation:							
At cost	–	–	1,731	–	4,419	6,150	–
At revaluation	191,000	9,000	–	–	–	200,000	–
At fair value	–	–	–	–	–	–	48,500
	191,000	9,000	1,731	–	4,419	206,150	48,500

The Group has accounted for leasehold land and buildings within property, plant and equipment using the revaluation model, and the investment property using the fair value model. As at 30 June 2026, leases recognised as right-of-use assets amounted to HK$4,419,000 (31 December 2025: HK$5,673,000) and are included in property, plant and equipment presented in the interim condensed consolidated statement of financial position.

(a) Valuation process of the Group

The Group's leasehold land and buildings, and the investment property were valued at 30 June 2026 by an independent professionally qualified valuer, Vincorn Consulting and Appraisal Limited, who holds a recognised relevant professional qualification and has recent experience in the locations and segments of the leasehold land and buildings, and investment property valued (31 December 2025: Same).

For leasehold land and buildings, its current use equates to the highest and best use. During the six months ended 30 June 2026, the resulting gain arising on revaluation of HK$3,209,000 (30 June 2025: loss arising on revaluation of HK$820,000) has been credited (30 June 2025: debited) to the property revaluation reserve.

For the investment property, its current use equates to the highest and best use. The fair value gain/(loss) is included in the interim condensed consolidated statement of profit or loss.

The recurring fair value measurement for leasehold land and buildings, and the investment property are included in level 3 of the fair value hierarchy. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There was no transfer between levels 1, 2 and 3 during the period (30 June 2025: Nil).

(b) Valuation techniques

The valuation of leasehold land and buildings and the investment property were determined using the direct comparison method (31 December 2025: direct comparison method) (Level 3 approach) by making reference to comparable market transactions of similar properties. The most significant input into this valuation approach is the unit sales price, taking into account the differences in transaction time, location, frontage and size, etc. between the comparables and the properties.

For the leasehold land and buildings, the unit sales price as at 30 June 2026 amounts to HK$66,500 (31 December 2025: HK$65,900) per square foot on saleable area basis.

For the investment property, the unit sales price as at 30 June 2026 amounts to HK$20,700 (31 December 2025: HK$20,500) per square foot on saleable area basis.

An increase in the unit sales price adopted would result in an increase in the fair value measurement of leasehold land and buildings, and the investment property by the same magnitude, and vice versa.

11. LOAN AND INTEREST RECEIVABLES

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Loan and interest receivables		
– Property mortgage loans	**202,241**	213,602
– Personal loans	**1,151,449**	1,049,680
	1,353,690	1,263,282
Less: Provision for impairment	**(132,846)**	(127,547)
Loan and interest receivables, net of provision	**1,220,844**	1,135,735

The Group's loan and interest receivables, which arise from the money lending business of providing property mortgage loans and personal loans in Hong Kong, are denominated in Hong Kong dollars and the carrying amounts approximate their fair values.

Except for personal loan and interest receivables of HK$1,151,449,000 as at 30 June 2026 (31 December 2025: HK$1,049,680,000) which are unsecured, the loan and interest receivables are secured by collaterals, interest-bearing and repayable with fixed terms agreed with the customers.

Borrowers are required to repay the outstanding loan balances by monthly instalments over the term of the corresponding loan and interest receivables.

A maturity profile of the loan and interest receivables as at the end of the reporting period, based on the maturity date, net of provision, is as follows:

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Within one year	**259,878**	260,320
One to two years	**134,648**	67,987
Two to five years	**423,665**	445,564
Over five years	**402,653**	361,864
	1,220,844	1,135,735

12. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2026 *HK$'000* **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Rental deposits	**81**	78
Accrued audit fee	**2,012**	2,335
Accrued employee benefits expenses	**2,083**	4,089
Accrued advertising and promotion expenses	**14,786**	9,097
Other payables and accrued expenses	**8,332**	4,783
	27,294	20,382

13. BANK BORROWING

	As at 30 June 2026 *HK$'000* **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Bank borrowing, secured	**541,600**	481,569

As at 30 June 2026, bank borrowing of HK$541,600,000 (31 December 2025: HK$481,569,000) was secured by the Group's loan and interest receivables with gross balances of HK$749,168,000 (31 December 2025: HK$657,065,000).

The bank borrowing is denominated in Hong Kong dollars and bears interest at floating rate. The weighted effective rate is 6.5% per annum for the six months ended 30 June 2026 (31 December 2025: 6.7% per annum). The carrying amount of the bank borrowing approximates its fair value.

The Group has complied with the financial covenants of its bank borrowing facility during the six months ended 30 June 2026 (31 December 2025: Same).

14. DIVIDEND

No interim dividend was declared in respect of the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

15. SUBSEQUENT EVENTS

On 20 July 2026, X8 Finance Limited, an indirect wholly-owned subsidiary of the Company, as lender entered into a new loan agreement with Horn King Limited and Dr. Ho Shung Pun as co-borrowers in the principal amount of HK$45,000,000, which is secured by the residential properties located in Hong Kong. Interest on the loan is 30% per annum for the first to second month and 18% per annum for the third to ninth month of the term. The loan is repayable by 9 months from 21 July 2026.

INTERIM DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

REVIEW OF OPERATIONS

During the current six months period under review, the Group achieved a revenue of HK$236,624,000 (six months ended 30 June 2025: HK$159,338,000) and recorded a profit for the period of HK$57,519,000 (six months ended 30 June 2025: HK$18,888,000).

The profit for the current period under review is primarily due to the aggregate effect upon the recognition of:

(i) interest income from the money lending business recorded of approximately HK$231,449,000 during the current period under review (six months ended 30 June 2025: HK$155,498,000), representing an increase of approximately HK$75,951,000 as compared with the six months ended 30 June 2025;

(ii) net impairment losses on loan and interest receivables of approximately HK$64,024,000; and

(iii) advertising and promotion expenses of approximately HK$32,959,000 during the current period under review (six months ended 30 June 2025: HK$15,253,000), representing an increase of approximately HK$17,706,000 as compared with the six months ended 30 June 2025.

Property Development and Investment

The Group's completed properties for sale – Ever Success Plaza, comprising over 440 residential units standing on 3 levels of commercial arcades and car parks, is located at a convenient and prime location with a river view in Zhongshan, Guangdong Province. The competition within the property market in Zhongshan is intense as there are abundant supplies of properties with modern design.

Although the property market in Zhongshan had not yet fully recovered during the period under review, the management continued to market the properties and to identify prospective buyers in the first half of 2026, and received expressions of interest from certain prospective buyers.

However, such efforts had not yet resulted in the completion of any sale at the end of the reporting period. During the period under review, no sale transactions were approved and registered in the government's property sales system, and the Group did not record any sale of residential units during the six months ended 30 June 2026. The rental income earned by the Group from Ever Success Plaza during the six months ended 30 June 2026 decreased by approximately 6% compared with the six months ended 30 June 2025. As at 30 June 2026, 56 residential units remained unsold, out of which 2 residential units were let out.

Money Lending

In order to provide 24/7 borrowing experience, customers can apply for revolving loans and instalment loans via the Group's lending mobile application "X Wallet" App (the "X Wallet"), which is for unsecured loans only. The whole lending process for revolving loans through X Wallet involves no human intervention. Basically, it requires the provision of the customer's Hong Kong Identity Card and facial recognition, and offers loans using information technology such as big-data and a credit scoring model. The loan facilities granted under revolving loan facilities could be repaid and re-borrowed within the approved credit limit at any time during the loan period. The Group also offers instalment loans such as debt consolidation loans and personal loans to customers granted by the credit department through X Wallet. The credit officers obtain basic information such as the applicant's name, contact details, background information, credit report, desired loan amount and purpose of the loan, etc. from the applicant. The loan facilities granted by credit department are terms loan facilities with specific credit limit, loan period and repayment schedule. The Group primarily focuses its sales and marketing effort on sourcing new customers for unsecured loans, including advertising through public transportation, outdoor banner, television, online media platforms, pamphlets and other marketing campaigns. The tenure of the majority of the unsecured loans ranged from 2 years to 7 years and the actual tenure may differ subject to customer's early repayment. The maximum amount of unsecured loan could be as high as HK$1,500,000.

The number of active customers of unsecured loans increased from 19,935 as at 31 December 2025 to 21,512 as at 30 June 2026. The increase in number of active customers improved the results of unsecured loans and generated a revenue of approximately HK$204,313,000 during the six months ended 30 June 2026 (six months ended 30 June 2025: HK$135,931,000).

The majority of interest rates for unsecured loans ranged from 25% to 48% per annum and the weighted average interest rate charged was approximately 38% per annum. Loan amounts for unsecured loans ranged from HK$5,000 to HK$1,500,000.

The Group also focuses on providing mortgage loans to customers by pledging the residential properties in Hong Kong. The management cautiously carries out the money lending business in Hong Kong. With the economic uncertainty and potential challenges, the management carefully assesses the credit worthiness of the borrowers as well as the quality and leverage of the mortgaged properties.

For mortgage loans, lower interest rates are charged compared to unsecured personal credit loans. The Group engaged mortgage referral agents, which are all independent third parties, to source new customers. The tenure of the majority of the mortgage loans ranged from 1 year to 20 years and the actual tenure may differ subject to customer's early repayment.

The majority of interest rates for secured loans granted ranged from 12% to 25% per annum and the weighted average interest rate charged was approximately 23% per annum. The majority of the collaterals are residential properties and commercial properties, and all of the collaterals are located in Hong Kong. Loan amounts for secured loans granted ranged from HK$80,000 to HK$103,000,000.

As at 30 June 2026, the number of mortgage loans customers was 45, of which the top 10 customers represented 71% of the total mortgage loan receivables, and the number of unsecured loans customers was 21,512, of which the top 10 customers represented 1% of the total unsecured loan receivables. The largest and five largest customers combined accounted for 5% and 9% respectively of the total loan receivables as at 30 June 2026.

Credit Risk Assessment Policy

All of the information provided by customers are required to undergo assessment procedures and will be reviewed according to the credit risk assessment policy approved by the Board before standard payment terms and conditions are offered.

For secured loans pledged by properties, the credit officers will obtain all mandatory information and supporting documents from the applicant. To assess the credit risk of each applicant, the credit department takes into account the applicant's credit history, the property type, valuation, loan-to-value ratios and overall market conditions at the time of the application.

For unsecured revolving loans applied via X Wallet, the Group assesses the credit quality of applications by collecting relevant customer information such as Optical Character Recognition, facial recognition, live testing and credit report through the mobile devices. The Group has established a robust control framework regarding the authorisation structure for the approval and renewal of credit facilities, which also limits concentrations of exposure by types of asset, counterparties, credit rating, geographic location, etc.

For unsecured instalment loans such as debt consolidation loans and personal loans granted by the credit department, the credit officers will obtain all mandatory information and supporting documents from the applicant. To assess the credit risk of each applicant, the credit department takes into account the applicant's background information, credit report and overall market conditions at the time of application.

The Group has also developed policies and procedures to appropriately assess and measure the expected credit loss ("ECL") in accordance with impairment requirements of HKFRS 9.

As at 30 June 2026, the net loan and interest receivables of the Group amounted to HK$1,220,844,000. The provision for impairment of loan and interest receivables as at 30 June 2026 under the ECL model amounted to HK$132,846,000.

The Group considers that default has occurred when the loan is more than 90 days past due unless the Group has reasonable and supporting information to demonstrate that a more lagging default criterion is more appropriate. In particular, the following qualitative factors are taken into account in determining the risk of default occurring:

(1) probable bankruptcy entered by the borrowers; and

(2) death of the debtors.

During the six months ended 30 June 2026, the Group had written off loan and interest receivables totalling approximately HK$63,685,000, based on the (1) bankruptcy of the borrowers, and (2) death of the debtors.

Others

There were no acquisitions of major subsidiaries or associates during the six months ended 30 June 2026 under review.

LIQUIDITY AND FINANCIAL RESOURCES

The Group remains cash sufficient and has no material capital expenditure commitments. The Group's operations are financed by loan from a shareholder, bank borrowing, capital and reserves and cash generated from operations.

The Group mainly operates in Hong Kong and the PRC, and is exposed to foreign exchange risks arising from various currency exposures, primarily with respect to Renminbi. No financial instrument is arranged for hedging purposes in respect of interest rate and currency.

INTERNAL CONTROL PROCEDURES

The following internal control measures have been implemented for the carrying out of the Group's money lending business:

Credit Approval Process

For secured loans, the credit officers will obtain basic information such as the applicant's name, contact details, background information, desired loan amount and purpose of the loan, and the particulars of the property proposed to be mortgaged. The credit officers will also obtain three preliminary estimates of valuations of the property from independent professional property valuers or banks either verbally or through internet or email. The credit officers will perform a preliminary review and verification of the application materials. The credit managers will then review the application and determine the amount of loan and the interest rate based on the applicant's information and the valuation of the property in accordance with the internal credit policies and guidelines.

For unsecured revolving loan applications through X Wallet, the credit approval is automatically processed by the established credit assessment model in the system. Credit reports of the applicant will be automatically retrieved from TransUnion Credit Information Services Limited through the Application Programming Interface. Applications will be screened by the credit scoring model which will generate a risk score in respect of each applicant based on the credit report and information supplied by the applicant. Once the loan is approved, the terms of the loan, including loan amount, interest rate and tenure will be determined specifically for each applicant. Otherwise, no loan would be offered if the applicant could not pass the credit assessment.

For unsecured instalment loans such as debt consolidation loans and personal loans granted by the credit department, the credit officers will obtain basic information such as the applicant's name, contact details, background information, credit report, desired loan amount and purpose of the loan, etc. from the applicant. The credit officers will perform a preliminary review and verification of the application materials. The credit managers will then review the application and determine the amount of loan, interest rate and loan period based on the applicant's information and the internal credit policies and guidelines.

Ongoing Monitoring of Loan Recoverability and Loan Collection

A system is in place to identify and monitor overdue loan accounts. The directors and senior management of the Group closely monitor the overall performance of the loans outstanding by checking systematically generated daily reports, and regularly review the whole collection performance of overdue assets. The collection department is responsible for loan collection and it seeks management's opinion for further actions when necessary. The collection department will contact the customer by phone if the account is overdue, and at the same time, notice of overdue payment will be issued to the customer. If the respective receivables have not been repaid in time, the collection department will engage external debt collection agents to collect the debt. For secured loans, the collection department will discuss legal actions to be taken with the management.

For loans overdue for more than 90 days, the Group will consider the loan assets to be in default, the status of the respective outstanding loan will be fully provided for, but such cases will still continue to be handled by external debt collection agents (unless the debtor has become bankrupt, subject to any debt restructuring, or if the debtor is deceased).

ORDER BOOK

Due to its business nature, the Group has no order book as at 30 June 2026. The Group has no new product and service to be introduced to the market as at 30 June 2026.

STAFF AND EMOLUMENT POLICY

As at 30 June 2026, the Group employed 136 staff at market remunerations with staff benefits such as insurance, provident fund scheme and discretionary bonus.

The emolument policy regarding the employees of the Group is based on their merit, qualifications and competence. The emoluments of the directors are reviewed by the remuneration committee, having regard to the Company's operating results, individual performance and comparable market statistics. No director, or any of his/her associates, and executive is involved in dealing with his/her own remuneration.

OUTLOOK

In the first half of 2026, the operating environment for financial services remains demanding. While Hong Kong's economic recovery has continued to evolve, near-term growth faces headwinds from tightening financial conditions, and broader geopolitical and macroeconomic uncertainties. Against this backdrop, the Group is positioned to progress from a lending-focused model toward a more integrated financial services platform. With the continued adoption and expansion of X Wallet, we remain committed to delivering a wider range of offerings to users while staying responsive to the evolving regulatory and market landscape in Hong Kong.

In 2026, the Group has named Asian pop culture icon Edison Chen as its brand ambassador, using AI to revive his millennial-era image in a new branding campaign for X Wallet to stand out in the competitive FinTech landscape. It features the tagline "Time & money. Yours at once." aiming to convey a positive message to Hong Kong citizens and the younger generation: "Take control of your finances, embrace life's challenges without fear". To bring this message to the audience, the campaign has used "AI reborn" technology to recreate a young Chen from the early 2000s, at the peak of his looks and rebellious energy. When the "Millennial Edison" engages in a time-defying dialogue with "the Mature and Stylish Edison in 2026", it not only embarks on a daring visual aesthetic and artistic experiment but also reaffirms X Wallet's unwavering determination to pioneer innovation in FinTech.

Beyond the sensorially stunning main theme campaign, the public also witness a series of advertisements for X Wallet's two core products 'X Cash.AI' and 'X Loan', our smart AI lending solutions to unlock maximum financial flexibility for customers across both time and space. Leveraging a robust AI pipeline that integrates real time feature extraction for accelerated decision making with adaptive scoring algorithms specifically designed to enhance personalization, powered by cutting edge machine learning models that continuously learn from streaming data, X Wallet revolutionizes the borrowing experience, giving customers faster approvals and highly personalized loan offer that closely aligns with their individual financial goals.

By integrating AI, advanced algorithms, and data analytics across the credit lifecycle, the Group strengthens risk management through credit scoring, periodic reviews, and strict application criteria, enhancing underwriting precision and decision efficiency. Algorithmic insights derived from these processes are further applied to refine the pricing model, enabling more granular and risk-adjusted pricing strategies. Real-time data analytics and continuous monitoring underpin early warning mechanism, facilitating proactive asset surveillance and timely risk mitigation.

On the other hand, although the property market in the PRC has not yet achieved a full recovery in 2026, the management continued to market the properties and to identify prospective buyers for the residential units at Ever Success Plaza in the first half of 2026, the management believed that the residential properties in Zhongshan remain desirable and sustainable. In the meanwhile, the management will not explore investment opportunities in the property markets in the short term.

CORPORATE GOVERNANCE

The Company has met the applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the six months ended 30 June 2026 except as disclosed below.

Pursuant to code provision B.2.2 of the CG Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. The Company is subject to a private act called "The Termbray Industries International (Holdings) Limited Act 1991". Section 4(g) of the said Act provides that: "Notwithstanding anything contained in the Companies Act or rule of law to the contrary, the directors of the Company shall not be required to be elected at each annual general meeting, but shall (save for any chairman or managing director) be subject to retirement by rotation in such manner and at such frequency as the Bye-laws may provide". Accordingly, the chairman and managing director of the Company may not be made subject to retirement by rotation. The Company has amended its bye-laws to provide that every director of the Company, other than directors holding the office of chairman or managing director, shall be subject to retirement by rotation at least once every three years, while directors holding the office of chairman or managing director shall be subject to re-election once every three years.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2026.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (the "Model Code") as the code of conduct regarding directors' securities transactions. The Company has made specific enquiry of all directors that they have complied with the Model Code throughout the six months ended 30 June 2026.

In addition, the Board also established written guidelines on no less exacting terms than the Model Code for senior management of the Company in respect of their dealings in the securities of the Company.

SUPPLEMENTAL INFORMATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The Company would like to provide the following supplemental information in relation to the annual report for the year ended 31 December 2025. Unless otherwise defined, capitalised terms used in this section shall have the same meanings as those defined in the annual report for the year ended 31 December 2025.

Connected Transactions and Continuing Connected Transactions

Technology Service Agreements

The Company would like to supplement that, the annual cap for the three years ending 31 December 2027 for the technology service agreements entered into among Alpha Shenzhen and Alpha Chongqing as service providers and Zhongshan Wanli, Shenzhen Zero and Chongqing Liangjiang as service recipients on 16 December 2024 is set at HK$9,500,000 per annum.

The Company would like to further supplement that, the auditor has issued a letter to the Board that nothing has come to their attention that causes them to believe that the continuing connected transactions disclosed by the Group:

(a) have not been approved by the Board;

(b) were not, in all material respects, in accordance with the pricing policies of the Group for transactions involving the provision of goods and services by the Group;

(c) were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and

(d) have exceeded the annual cap as set by the Company.

In addition, the Company confirms that the Company has complied with the reporting and annual review requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions as set out in the annual report for the year ended 31 December 2025.

AUDIT COMMITTEE

The audit committee of the Company has reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including review of the interim report for the six months ended 30 June 2026.

REVIEW OF INTERIM FINANCIAL INFORMATION

The interim condensed consolidated statement of profit or loss and other comprehensive income and interim condensed consolidated statement of financial position set out above in this announcement represents an extract from the condensed interim financial information, which are unaudited but have been reviewed by the Group's external auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410. PricewaterhouseCoopers' unmodified review report is included in the interim report to be sent to the shareholders of the Company.

By Order of the Board
Zero Fintech Group Limited
Lee Lap
Chairman

Hong Kong, 27 August 2026

The Directors of the Company as at the date of this announcement are as follows:

Executive Directors:
Mr. Lee Lap *(Chairman)*
Mr. Tommy Lee *(Vice Chairman & Chief Executive Officer)*
Mr. Chau Hau Shing

Independent Non-Executive Directors:
Mr. Shu Wa Tung, Laurence
Mr. Wu Wai Pan
Ms. Chak Wai Ting