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If you have sold or transferred all your shares in **Zero Fintech Group Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

MAJOR TRANSACTION
LOAN TRANSACTIONS

Unless the context otherwise requires, all capitalised terms used in this circular have the meanings set out in the section headed “Definitions” of this circular.

A letter from the Board is set out on pages 4 to 11 of this circular.

The Loan Transactions have been approved by way of written shareholders’ approval pursuant to Rule 14.44 of the Listing Rules. Accordingly, no general meeting of Shareholders will be convened to approve the Loan Transactions. This circular is being issued to the Shareholders for information only.

15 August 2025

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 7 July 2025 in relation to, among other things, the Loan Transactions
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Borrower I”	Horn King Limited, a company incorporated in Hong Kong with limited liability, the entire issued share capital of which is owned by the Borrower II as at the date of the Latest Practicable Date
“Borrower II”	Dr. Ho Shung Pun
“Borrower III”	Mr. Ho Sai Wing
“Borrower IV”	United Treasure (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability, the entire issued share capital of which is owned as to 87.5% by the Borrower III and as to 12.5% by Mrs. Wong as at the date of the Latest Practicable Date
“Borrowers”	the Borrower I, the Borrower II, the Borrower III and the Borrower IV
“Company”	Zero Fintech Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Earth Axis”	Earth Axis Investment Limited, a company incorporated in the British Virgin Islands with limited liability which is ultimately owned as to 99.99% by Mr. Tommy Lee and 0.01% by Mr. Lee Lap as at the Latest Practicable Date
“Group”	the Company together with its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	6 August 2025, being the latest practicable date prior to the bulk printing of this circular for ascertaining certain information contained herein
“Lee & Leung (B.V.I.)”	Lee & Leung (B.V.I.) Limited, a company incorporated in the British Virgin Islands with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement I”	the loan agreement dated 7 July 2025 entered into between X8 Finance as lender and the Borrower I, the Borrower II and the Borrower III as co-borrowers, details of which are disclosed in the section headed “Principal Terms of the Loan Agreements” of this circular
“Loan Agreement II”	the loan agreement dated 7 July 2025 entered into between X8 Finance as lender and the Borrower IV and the Borrower III as co-borrowers, details of which are disclosed in the section headed “Principal Terms of the Loan Agreements” of this circular
“Loan Agreements”	Loan Agreement I and Loan Agreement II
“Loan I”	the term loan in the principal amount of HK\$57,000,000 granted by X8 Finance to the Borrower I, the Borrower II and the Borrower III pursuant to the terms of the Loan Agreement I
“Loan II”	the term loan in the principal amount of HK\$35,000,000 granted by X8 Finance to the Borrower IV and the Borrower III pursuant to the terms of the Loan Agreement II
“Loan Transactions”	the transactions contemplated under the Loan Agreements
“Loans”	Loan I and Loan II
“Mr. Lee Lap”	Mr. Lee Lap, an executive Director and the Chairman of the Company

DEFINITIONS

“Mr. Tommy Lee”	Mr. Tommy Lee, an executive Director, the Vice Chairman and Chief Executive Officer of the Company
“Mrs. Wong”	Mrs. Wong Ho Wai Tuen, who is an independent third party of the Company and its connected person, and the sister of the Borrower II and the aunt of the Borrower III
“Previous Loan Agreement”	the loan agreement entered into between X8 Finance as lender and the Borrower I, the Borrower II and the Borrower III as co-borrowers on 7 October 2024, details of which were disclosed in the announcement of the Company dated 7 October 2024 and the circular of the Company dated 28 November 2024
“Property I”	the First Floor, Second Floor, and Portion of Garage Space “B” on the Ground Floor of No. 23, Plantation Road, the Peak, Hong Kong
“Property II”	the land and the building erected on 98 Blue Pool Road, Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	share(s) of HK\$0.08 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“X8 Finance”	X8 Finance Limited, an indirect wholly-owned subsidiary of the Company and also the lender under the Loan Agreements
“%”	per cent.

LETTER FROM THE BOARD



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)

Directors:

Executive Directors:

Lee Lap (*Chairman*)

Tommy Lee (*Vice Chairman & Chief Executive Officer*)

Chau Hau Shing

Independent Non-Executive Directors:

Shu Wa Tung, Laurence

Wu Wai Pan

Chak Wai Ting

Registered office:

Clarendon House

Church Street

Hamilton HM11

Bermuda

Head Office and Principal

Place of Business:

Room 2107-08, 21/F, Cosco Tower

183 Queen's Road Central

Sheung Wan

Hong Kong

Hong Kong, 15 August 2025

To the Shareholders

Dear Sirs,

MAJOR TRANSACTION LOAN TRANSACTIONS

INTRODUCTION

Reference is made to the Announcement in relation to, among other things, the Loan Transactions.

The purpose of this circular is to provide you with details of the Loan Transactions and other information as required under the Listing Rules.

LETTER FROM THE BOARD

BACKGROUND

The Board is pleased to announce that on 7 July 2025, X8 Finance, an indirect wholly-owned subsidiary of the Company, as lender, entered into (i) the Loan Agreement I with the Borrower I, the Borrower II and the Borrower III as co-borrowers, for making available the Loan I in the principal amount of HK\$57,000,000, which is secured by the existing first mortgage over the Property I given by the Borrower I as mortgagor; and (ii) the Loan Agreement II with the Borrower IV and the Borrower III as co-borrowers, for making available the Loan II in the principal amount of HK\$35,000,000, which will be secured by a second mortgage over the Property II given by the Borrower IV as mortgagor, pursuant to which, X8 Finance agreed to, among other things, make available to the Borrowers the respective Loans on the terms and subject to the conditions therein.

Prior to entering into the Loan Agreements, on 7 October 2024, X8 Finance as lender entered into the Previous Loan Agreement with the Borrower I, the Borrower II and the Borrower III as co-borrowers, pursuant to which X8 Finance granted a term loan in the principal amount of HK\$100,000,000 to the co-borrowers. As at the date of the Announcement, under the Previous Loan Agreement, a principal amount of HK\$57,000,000 remained outstanding to X8 Finance.

The Previous Loan Transaction constituted a major transaction of the Company and was subject to reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules. Further details of the Previous Loan Transaction were disclosed in the announcement of the Company dated 7 October 2024 and the circular of the Company dated 28 November 2024.

Save as the Previous Loan Agreement, the Group has no other outstanding loan made available to any of the Borrowers before entering into the Loan Agreements.

PRINCIPAL TERMS OF THE LOAN AGREEMENTS

The principal terms of the Loan Agreement I are as follows:

Date:	7 July 2025
Lender:	X8 Finance, an indirect wholly-owned subsidiary of the Company
Borrower:	Borrower I, Borrower II and Borrower III
Mortgagor:	Borrower I
Principal Loan Amount:	HK\$57,000,000
Drawdown Date:	7 July 2025

LETTER FROM THE BOARD

Term and Repayment Date: The term of the Loan I shall be 12 months. The outstanding principal amount of the Loan I shall be fully repaid at the end of the 12 months' period

Interest Rate: 19% per annum

Default Interest Rate: Additional 3% per annum

Security for the Loan I: The existing first mortgage in respect of the Property I in favour of X8 Finance

The principal terms of the Loan Agreement II are as follows:

Date: 7 July 2025

Lender: X8 Finance, an indirect wholly-owned subsidiary of the Company

Borrower: Borrower IV and Borrower III

Mortgagor: Borrower IV

Principal Loan Amount: HK\$35,000,000

Drawdown Date: 7 July 2025

Term and Repayment Date: The term of the Loan II shall be 12 months. The outstanding principal amount of the Loan II shall be fully repaid at the end of the 12 months' period

Interest Rate: 19% per annum

Default Interest Rate: Additional 3% per annum

Security for the Loan II: The second mortgage in respect of the Property II in favour of X8 Finance

As at the date of the Announcement, under the Previous Loan Agreement, a principal amount of HK\$57,000,000 remained outstanding to X8 Finance. The Loan I is intended to refinance the outstanding indebtedness under the Previous Loan Agreement in full. As such, immediately after drawdown being made for the Loan I, the loan under the Previous Loan Agreement was fully repaid.

LETTER FROM THE BOARD

Credit Risk Assessment

Before entering into the Loan Transactions, the Group obtained the relevant credit report on the Borrowers to assess the credit risks involved when making available the Loans.

The status of repayment of the previous loan transactions made available by the Group to the Borrowers and their associates is summarised as follows:

Date of transaction	Principal amount	Repayment status of the principal as at the Latest Practicable Date		Occurrence of event of default
		Amount repaid	Rolled over to new loan	
19 June 2023	HK\$44,000,000	HK\$44,000,000	–	No
17 January 2024	HK\$85,000,000	–	HK\$85,000,000	No
7 October 2024	HK\$100,000,000	HK\$43,000,000	HK\$57,000,000	No
3 December 2024	HK\$50,000,000	HK\$50,000,000	–	No

To the best of the Directors' information and belief after making reasonable enquiry, the Borrowers are not currently subject to any material litigation or any winding-up or bankruptcy proceedings in Hong Kong. The Borrowers also had good repayment history to the Group in their previous loan transactions with the Group and had not defaulted their previous loans (including repayment of the principal and payment of interest) with the Group.

As at the date of the Loan Agreement II, the Property II was mortgaged by the Borrower IV as mortgagor by way of the first fixed charge in favour of UOB Kay Hian Credit Pte. Ltd., a company incorporated in the Republic of Singapore, on 6 June 2024 to secure the indebtedness due to UOB Kay Hian Credit Pte. Ltd (the “**First Mortgage**”).

The Group obtained independent valuation of the Property I and the Property II. Upon obtaining valuation from the independent valuer on 26 May 2025, the market value of the Property I was estimated to be HK\$120,000,000. Given the loan amount of the Loan I is HK\$57,000,000, the loan-to-value ratio of the Loan I was approximately 47.5%. Upon obtaining valuation from the independent valuer on 26 May 2025, the market value of the Property II was estimated to be HK\$284,000,000. Together with the loan secured by the First Mortgage, the loan-to-value ratio of the Loan II over the Property II was below 50% as at the date of the Loan Agreement II.

LETTER FROM THE BOARD

FINANCIAL EFFECT OF THE LOAN TRANSACTIONS

Assets and liabilities

The Loans were funded from internal resources of the Group. Upon drawdown of the Loans being made thereunder, there was a net increase in loan receivables of HK\$35,000,000 and a decrease in cash and cash equivalents of the Group of the equivalent amount.

Earnings

Assuming that the Borrowers do not prepay the Loans and no event of default under the Loan Agreements occurs, the interest received and to be received by the Group under the Loan Agreements would be of the amount of approximately HK\$17,480,000, which will be recognised as revenue of the Group.

Save as the abovementioned, the Directors consider that the Loan Transactions will not have any other material effect on the total assets, total liabilities and earnings of the Group.

LISTING RULES IMPLICATIONS

Prior to entering into the Loan Agreements, on 7 October 2024, X8 Finance as lender entered into the Previous Loan Agreement with the Borrower I, the Borrower II and the Borrower III as co-borrowers, pursuant to which X8 Finance granted a term loan in the principal amount of HK\$100,000,000 to the co-borrowers. As at the date of the Announcement, under the Previous Loan Agreement, a principal amount of HK\$57,000,000 remained outstanding to X8 Finance. As the Previous Loan Transaction contemplated under the Previous Loan Agreement was conducted within the 12-month period from the Loan Transactions and the co-borrowers under the Previous Loan Transaction are the same parties to the Loan Agreement I, the Previous Loan Transaction and the Loan Transactions are to be aggregated together pursuant to Rule 14.22 of the Listing Rules.

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the aggregated amount of the Previous Loan Transaction and the Loan Transactions exceeds 25% under Rule 14.07 of the Listing Rules, the Loan Transactions, upon aggregating with the Previous Loan Transaction, constitute a major transaction of the Company and are therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN AGREEMENTS

The terms of the Loan Agreements, including the interest rate applicable, were arrived at after arm's length negotiations between X8 Finance and the Borrowers having taken into account the prevailing market interest rates for loans of comparable size and structure in Hong Kong, as well as market practices. The Loan Agreements were entered into by X8 Finance having regard to (i) the costs of borrowing in providing the Loans to the Borrowers; (ii) the interest income to be generated by providing the Loans; (iii) the security provided by the Mortgagors; and (iv) creditworthiness of the Borrowers. In addition, the transactions contemplated under the Loan Agreements are part of the ordinary and usual course of business of X8 Finance. In view of the above, the Directors are of the view that the terms of the Loan Agreements are on normal commercial terms, are fair and reasonable, and are in the interests of the Company and its Shareholders as a whole.

WRITTEN SHAREHOLDERS' APPROVAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Loan Transactions.

As at the Latest Practicable Date, 1,252,752,780 Shares (representing approximately 46.96% of the total issued Shares) were held by Lee & Leung (B.V.I.). Lee & Leung (B.V.I.) is wholly-owned by Lee & Leung Family Investment Limited, which is wholly-owned by HSBC International Trustee Limited as trustee for the Lee & Leung Family Trust. Mr. Lee Lap is the settlor of the Lee & Leung Family Trust, and the discretionary beneficiaries of the Lee & Leung Family Trust are Mr. Lee Lap's spouse (i.e. Mdm. Leung Lai Ping) and certain children (including Mr. Tommy Lee) and the offspring of such children. Further, 710,000,000 Shares (representing approximately 26.62% of the total issued Shares) were held by Earth Axis as at the Latest Practicable Date. Earth Axis is a company ultimately owned as to 99.99% by Mr. Tommy Lee and 0.01% by Mr. Lee Lap.

Given the above beneficial ownership of Lee & Leung (B.V.I.) and Earth Axis being owned by Mr. Lee Lap, Mr. Tommy Lee and their associates, the above Shareholders are a closely allied group of Shareholders. Their written approval was accepted by the Stock Exchange in lieu of holding a general meeting of the Company for the approval of the Loan Transactions pursuant to Rule 14.44 of the Listing Rules.

As such, no special general meeting would be convened by the Company to approve the Loan Transactions.

LETTER FROM THE BOARD

GENERAL

Information on the Group and X8 Finance

The Group is principally engaged in property investment and development, and the money lending business.

X8 Finance is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. X8 Finance is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the provision of loans as money lending. The Loans was funded from internal resources of the Group.

Information on the Borrowers

The information of the Borrowers are as follows:

The Borrower I is a company incorporated in Hong Kong with limited liability and is principally engaged in property investments. As at the Latest Practicable Date, the entire issued share capital of the Borrower I is ultimately owned by the Borrower II. The Borrower II and the Borrower III is each an individual, and the Borrower III is the nephew of the Borrower II.

The Borrower IV is a company incorporated in Hong Kong with limited liability and is principally engaged in property investments. As at the Latest Practicable Date, the entire issued share capital of the Borrower IV is ultimately owned as to 87.5% by the Borrower III and as to 12.5% by Mrs. Wong.

The Company confirms that to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Borrower I, the Borrower II, the Borrower III, the Borrower IV and Mrs. Wong is a third party independent of the Company and its connected persons.

RECOMMENDATION

The Board (including the independent non-executive Directors) considers that the Loan Transactions are carried out on normal commercial terms, and the terms of the Loan Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board (including the independent non-executive Directors) would recommend the Shareholders to vote in favour of the relevant resolution regarding the Loan Transactions if the Company were to convene a special general meeting for the approval of the Loan Transactions.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
Zero Fintech Group Limited
Lee Lap
Chairman

1. FINANCIAL INFORMATION

The audited consolidated financial statements of the Group for the years ended 31 December 2022, 2023 and 2024 were disclosed in the annual reports of the Company for the years ended 31 December 2022 (pages 61 to 146), 2023 (pages 59 to 142) and 2024 (pages 60 to 150). The aforementioned financial information of the Group has been published on both the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (<https://www.zerofintech.com.hk/>). Please refer to the hyperlinks as stated below:

- annual report of the Company for the year ended 31 December 2022 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0426/2023042602503.pdf>);
- annual report of the Company for the year ended 31 December 2023 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0425/2024042502190.pdf>);
- annual report of the Company for the year ended 31 December 2024 (<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0428/2025042800425.pdf>);

2. STATEMENT OF INDEBTEDNESS**Loan from a shareholder**

As at the close of business on 30 June 2025, being the most recent practicable date for the purpose of the statement of indebtedness, the Group had unsecured, non-guaranteed and interest-bearing loan from a shareholder of approximately HK\$97,582,000.

Bank borrowing

As at the close of business on 30 June 2025, the Group had bank borrowing of approximately HK\$215,395,000.

Amount due to a related company

As at the close of business on 30 June 2025, the Group had unsecured and non-guaranteed amount due to a related company of approximately HK\$1,241,000.

Lease liabilities

As at the close of business on 30 June 2025, the Group had lease liabilities of approximately HK\$7,812,000.

Contingent liabilities and guarantee

As at the close of business on 30 June 2025, the Group did not have any contingent liabilities or guarantees.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have outstanding, as at the close of business of 30 June 2025, any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchase commitments or other material contingent liabilities.

3. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that, after taking into account the present available financial resources of the Group, including the internally generated funds, the loan from a shareholder, bank borrowing, the available banking facilities and the impact of the Loan Transactions, the Group will have sufficient working capital to satisfy its requirements for at least the next 12 months following the date of this circular.

The Company has obtained the relevant letter as required under Rule 14.66(12) of the Listing Rules.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in property investment and development, and the money lending business. The Group will actively review its loan portfolio and risk control status, conduct more comprehensive assessments of collaterals and exercise stringent loan application requirements to minimise default risk.

Through our automatic lending mobile application “X Wallet” App (the “**X Wallet**”), customers can apply for unsecured loans without human intervention. We aim to provide our flagship product: the upgraded X Wallet App, featuring X Lend and X Pay, that seamlessly integrates lending and payment functionalities to our customers.

Looking ahead, the Group will adhere to its core risk management and endeavour to improve and perfect its risk pricing model, and will adopt a variety of marketing strategies to popularise the brand of X Wallet and X Pay to achieve greater market recognition.

5. MATERIAL ADVERSE CHANGE

The Directors confirm that there have been no material adverse changes in the financial or trading position of the Group since 31 December 2024, the date to which the latest audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF DIRECTORS' INTERESTS

Directors and chief executive

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and/or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such director or chief executive was taken or deemed to have under such provisions of the SFO); (ii) entered in the register maintained by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, were as follows:

(A) Long positions in the Shares of the Company

Name of directors	Number of Shares				Total Shares	Percentage of total issued Shares
	Personal interest	Family interest	Corporate interest	Other interest		
Mr. Lee Lap	-	-	-	1,252,752,780 (Note 1)	1,252,752,780	46.96%
Mr. Tommy Lee	-	-	710,000,000 (Note 2)	1,252,752,780 (Note 1)	1,962,752,780	73.58%
Mr. Chau Hau Shing	7,150,000	-	-	-	7,150,000	0.27%

Notes:

1. The 1,252,752,780 Shares included under the other interest of Mr. Lee Lap and Mr. Tommy Lee are held by Lee & Leung (B.V.I.). Lee & Leung (B.V.I.) is wholly-owned by Lee & Leung Family Investment Limited, which is wholly-owned by HSBC International Trustee Limited as trustee for Lee & Leung Family Trust. Mr. Lee Lap is the settlor of the Lee & Leung Family Trust. The discretionary beneficiaries of the Lee & Leung Family Trust are Mr. Lee Lap's spouse (i.e. Mdm. Leung Lai Ping) and certain children (including Mr. Tommy Lee) and the offspring of such children.
2. The 710,000,000 Shares were issued to Earth Axis as partial settlement of the consideration upon completion of the sale and purchase agreement entered into between Termbray Wealth Investment Limited ("**Termbray Wealth**") as purchaser, Earth Axis as vendor and Mr. Tommy Lee as vendor's guarantor ("**2020 Agreement**").

(B) Long positions in shares of associated corporations of the Company**Number of non-voting deferred shares held (Note)**

Name of director	Name of subsidiary	Personal Interest	Spouse interest	Percentage of total issued	
				Total non-voting deferred shares	non-voting deferred shares
Mr. Lee Lap	Lee Plastics Manufacturing Company Limited	250,000	250,000	500,000	100%
	Termbray Electronics Company Limited	7,000	3,000	10,000	100%

Note: All the above non-voting deferred shares are held by the Director or his spouse personally as beneficial owner.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interest or short position in the Shares, underlying Shares and/or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interest and short position which any such Director or chief executive of the Company was taken or deemed to have under such provisions of the SFO); (ii) entered in the register of interests required to be kept by the Company pursuant to section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules.

Substantial Shareholders

As at the Latest Practicable Date, the persons (other than the Directors as disclosed above) interested in the issued share capital of the Company as recorded in the register kept by the Company pursuant to Section 336 of the SFO were as follows:

Name of Shareholders	Capacity	Number of Shares held	Percentage of the issued share capital of the Company
Lee & Leung (B.V.I.) (Note 1)	Beneficial owner	1,252,752,780	46.96%
Lee & Leung Family Investment Limited (Note 1)	Held by controlled corporation	1,252,752,780	46.96%
HSBC International Trustee Limited (Note 1)	Held by controlled corporation as trustee for Lee & Leung Family Trust	1,252,752,780	46.96%
Mdm. Leung Lai Ping (Note 1)	Beneficiary of a trust (other than a discretionary trust)	1,252,752,780	46.96%
Earth Axis (Note 2)	Beneficial owner	710,000,000	26.62%
aEasy Finance Holdings Limited (Note 2)	Held by controlled corporation	710,000,000	26.62%
Cosmo Telecommunication Inc. (Note 3)	Beneficial owner	151,202,960	5.67%
Ms. Jing Xiao Ju (Note 3)	Held by controlled corporation	151,202,960	5.67%
East Glory Trading Limited (Note 4)	Beneficial owner	103,397,540	3.88%
Master Winner Limited (Note 4)	Held by controlled corporation	103,397,540	3.88%
Mr. Yuan Qinghua (Note 4)	Held by controlled corporation	103,397,540	3.88%

Notes:

1. The 1,252,752,780 Shares are held by Lee & Leung (B.V.I.). Lee & Leung (B.V.I.) is wholly-owned by Lee & Leung Family Investment Limited, which is wholly-owned by HSBC International Trustee Limited as trustee for Lee & Leung Family Trust. Mr. Lee Lap is the settlor of the Lee & Leung Family Trust. The discretionary beneficiaries of the Lee & Leung Family Trust are Mr. Lee Lap's spouse (i.e. Mdm. Leung Lai Ping) and certain children (including Mr. Tommy Lee) and the offspring of such children.
2. The 710,000,000 Shares were issued to Earth Axis as partial settlement of the consideration upon completion of the 2020 Agreement. Earth Axis is wholly-owned by aEasy Finance Holdings Limited which is indirectly controlled by Mr. Tommy Lee.
3. According to record, as at the Latest Practicable Date, Cosmo Telecommunication Inc. is wholly-owned by Ms. Jing Xiao Ju.
4. According to record, as at the Latest Practicable Date, East Glory Trading Limited is wholly-owned by Master Winner Limited, which in turn is wholly-owned by Mr. Yuan Qinghua. After the allotment and issue of Shares of the Company as partial settlement of the consideration on completion of the 2020 Agreement, the Company has not received notifications of disclosure of interests from these Shareholders reporting change in number of Shares. Based on the issued Shares as at 31 December 2024, the percentage level of these Shareholders was reduced to 3.88%.

Save as disclosed above, so far as is known to the Directors, as at the Latest Practicable Date, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interest or short positions in the Shares or underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein.

3. COMPETING INTERESTS OF DIRECTORS AND CLOSE ASSOCIATES

As at the Latest Practicable Date, Mr. Lee Lap and his spouse Mdm. Leung Lai Ping are interested in certain companies engaged in property investment and development in Mainland China and Hong Kong (the “**Competing Business**”).

The Board has continuously monitored to identify any conflicts of interest due to the aforesaid interests of Mr. Lee Lap and Mdm. Leung Lai Ping. If conflict of interest arises, Mr. Lee Lap and Mdm. Leung Lai Ping will abstain from participating in making any decisions. The Company is therefore capable of carrying on its business independently of, and at arm's length from the Competing Business.

Save as disclosed above, so far as the Directors are aware, as at the Latest Practicable Date, none of the Directors and their respective close associates had an interest in any business apart from the business of the Group, which competes, or are likely to compete, either directly or indirectly, with the business of the Group.

4. DIRECTORS' INTERESTS IN THE GROUP'S ASSETS AND CONTRACTS

As at the Latest Practicable Date, none of the Directors or their respective associates had any interest, direct or indirect, in any assets which have been, since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any subsisting contract or arrangement which is significant in relation to the business of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

7. MATERIAL CONTRACTS

In the two years immediately preceding the date of this circular and up to the Latest Practicable Date, the following contracts, not being contracts entered into in the ordinary course of business, were entered into by the Company or any of its subsidiaries which are or may be material:

- (a) the sale and purchase agreement entered into between Termbray (China) Land Development Company Limited, an indirect wholly-owned subsidiary of the Company, as vendor and Mr. Tommy Lee as purchaser dated 8 November 2023, in respect of the sale and purchase of all the issued shares in and shareholder's loans owing by Termbray (Fujian) Land Development Company Limited at the consideration of HK\$160,000,000 (subject to adjustment). Further details of this transaction, which was completed on 12 January 2024, are set out in the announcements of the Company dated 8 November 2023 and 12 January 2024 and the circular of the Company dated 1 December 2023;
- (b) the third supplemental agreement entered into between Termbray Wealth and Earth Axis on 8 November 2023 to amend and supplement the 2020 Agreement. Further details of the agreement are set out in the announcement of the Company dated 8 November 2023 and the circular of the Company dated 1 December 2023;

- (c) the sale and purchase agreement dated 30 April 2024 entered into between Ms. Tang Mei Lan as vendor and Termbray Electronics (B.V.I.) Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company, as purchaser in relation to the acquisition of the entire issued share capital of Alpha Times Technology Limited, a company incorporated in Hong Kong. Further details of the agreement are set out in the announcements of the Company dated 30 April 2024 and 8 May 2024;
- (d) the receivables purchase agreement dated 17 October 2024 entered into by Zero Finance Hong Kong Limited (“**Zero Finance**”) as the seller and the servicer, Zenith Funding No.1 Limited as the buyer and CSCGlobal Capital Markets (Singapore) Pte. Ltd. as the security trustee for the transfer of receivables of Zero Finance;
- (e) the servicing agreement dated 17 October 2024 entered into by Zero Finance as the seller and the servicer with Zenith Funding No.1 Limited and CSCGlobal Capital Markets (Singapore) Pte. Ltd. for administering the receivables assigned under the receivables purchase agreement; and
- (f) the subordinated note issuance deed dated 17 October 2024 entered into by Zero Finance as the subordinated noteholder with Zenith Funding No.1 Limited and CSCGlobal Capital Markets (Singapore) Pte. Ltd. for the subscription of subordinated note.

8. GENERAL

- (a) The Company was incorporated in Bermuda with limited liability on 9 October 1990. Save for the Main Board of the Stock Exchange, the Shares of the Company are not listed on any other stock exchange.
- (b) The registered office of the Company is at Clarendon House, Church Street, Hamilton HM11, Bermuda. The head office and principal place of business of the Company in Hong Kong is at Room 2107-08, 21/F, Cosco Tower, 183 Queen’s Road Central, Sheung Wan, Hong Kong.
- (c) The secretary of the Company is Mr. Lo Tai On, who is an associate member of the Hong Kong Institute of Certified Public Accountants.
- (d) The Hong Kong share registrar and transfer office of the Company is Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (e) Unless otherwise stated in the event of any inconsistency, the English language text of this circular shall prevail over the Chinese language text.

9. DOCUMENTS ON DISPLAY

Copy of the Loan Agreements is available on the Stock Exchange's website at www.hkexnews.hk and on the Company's website at www.zerofintech.com.hk for a period of 14 days from the date of this circular.

As the Loan Agreements contain (i) certain sensitive personal information, being the identity card numbers and the residential address of the Borrowers who are a natural person (the **"Personal Information"**); and (ii) the signatures of the Borrowers (the **"Signatures"** and together with the Personal Information, the **"Personal Information and Signatures"**), the Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 14.66(10) and paragraph 43(2)(c) of Appendix D1B of the Listing Rules allowing the Company to redact the Personal Information and Signatures in the Loan Agreements to be displayed on the websites of the Stock Exchange and the Company based on the following grounds:-

- (i) as the Personal Information is considered to be personal data which is currently not available in the public domain and the Borrowers who are a natural person refused to give consents for disclosure of the Personal Information on the websites of the Company and the Stock Exchange, such public disclosure may constitute a possible breach of the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong);
- (ii) the public disclosure of the Signatures may increase the risk of identity theft in respect of the Borrowers, in view that the display of the Loan Agreements will disclose their other information, including their full names and addresses; and
- (iii) given the identities of the Borrowers and other major terms of the Loan Transactions have been disclosed in the Announcement, and are also disclosed to the public in this circular and the full terms of the Loan Transactions will be available to the public by displaying the Loan Agreements on the websites of the Company and the Stock Exchange during the period of not less than 14 days from the date of this circular, the Company is of the view that the Personal Information and Signatures (a) are of minor importance only and are not such as will influence assessment of any of the assets and liabilities, financial position, profits and losses and prospects of the Company, or the impact of the Loan Transactions; and (b) the omission of which is not likely to mislead investors with regard to the facts and circumstances, knowledge of which is essential for the informed assessment of the Company's securities or the Loan Transactions.