ZG Group
找钢产业互联集团

(A company controlled through weighted voting rights, incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as ZGW)

(Stock Code: 6676)
(Warrant Code: 2572)

POSITIVE PROFIT ANNOUNCEMENT

This announcement is made by the Company pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2025 and the information currently available to the Board, the Group is expected to record a net profit attributable to the owners of the Company ranging from around RMB140.0 million to RMB180.0 million for the six months ended 30 June 2025, as compared to a net loss attributable to owners of the Company of around RMB76 million for the six months ended 30 June 2024. Additionally, the Group is expected to record an adjusted net loss (as defined below, which is a non-International Financial Reporting Standards (the "**IFRS**") measure) attributable to owners of the Company ranging from around RMB87.0 million to RMB127.0 million for the six months ended 30 June 2025, as compared to an adjusted net loss (non-IFRS measure) attributable to owners of the Company of approximately RMB64 million for the six months ended 30 June 2024. The Group defines the adjusted net loss (non-IFRS measure) as the profit/(loss) for the period, adjusted to exclude (i) fair value change of convertible preferred shares and warrants; (ii) share-based payments; (iii) professional fees and expenses related to De-SPAC Transaction; and (iv) De-SPAC transaction expenses arising from capital reorganization.

The turnaround from loss to profit is mainly attributable to fair value changes arising from the assessment of preferred shares and financial liabilities at fair value through profit or loss, which resulted in a non-cash gain of around RMB769 million in the current period (as compared to a non-cash loss of approximately RMB4 million in the corresponding period of 2024). This gain primarily stems from the conversion of convertible preferred shares into ordinary shares upon the Company's listing via the De-SPAC transaction, as confirmed by the Company's auditors. Meanwhile, in the first half of the year, the Company's overseas strategy continued to gain momentum, with significant growth in gross profit from the Overseas Transaction Business.

On the other hand, the expansion of adjusted net loss is mainly attributable to the cessation of FatCat Bai Tiao and FatCat Easy Procurement under Transaction Settlement Services (Fintech Solutions). With the Company's listing, it has gradually resumed Fintech Solutions through equity participation.

The information contained in this announcement is only based on a preliminary assessment by the management of the Company on the unaudited consolidated management accounts of the Group, which have not been audited or reviewed by the Company's auditors or the audit committee of the Board, and is therefore subject to possible adjustments upon finalization.

Details of the financial performance of the Group for the six months ended 30 June 2025 will be disclosed in the interim results announcement and the interim report of the Company, which is expected to be published around end of August 2025 and end of September 2025, respectively, in accordance with the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the board of directors
ZG GROUP
Wang Dong
Chairman of the board of directors

Hong Kong, August 19, 2025

As at the date of this announcement, the Board comprises: (i) Mr. Wang Dong, Mr. Wang Changhui, Ms. Gong Yingxin and Ms. Zhou Min as executive directors, (ii) Mr. Ye Qian and Mr. Jiang Rongfeng as non-executive directors and (iii) Mr. Wang Xiang, Mr. Chen Yin and Mr. Wang Weisong as independent non-executive directors.