

*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.*



## HOPEFLUENT GROUP HOLDINGS LIMITED

合富輝煌集團控股有限公司

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 733)**

### ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The board of directors (the “Directors” or “Board”) of Hopefluent Group Holdings Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2024, together with comparative figures as follows:

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended 31 December 2024*

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Revenue	3	<b>947,435</b>	1,294,513
Other income		<b>16,185</b>	20,381
Change in fair value on investment properties		<b>(775)</b>	(1,708)
Selling expenses		<b>(880,013)</b>	(1,190,663)
Administrative expenses		<b>(317,242)</b>	(404,802)
Other gains and losses, net	7	<b>(7,129)</b>	(2,184)
Allowance recognised on financial assets	7	<b>(24,193)</b>	(259,613)
Loss on disposal of investment properties		<b>(644)</b>	(4,928)
Gain/(loss) on disposal of subsidiaries		<b>558</b>	(18,914)
Finance costs	5	<b>(13,592)</b>	(26,242)
Loss before tax		<b>(279,410)</b>	(594,160)
Income tax credit	6	<b>5,817</b>	64,742
Loss for the year	7	<b>(273,593)</b>	(529,418)

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
<b>Other comprehensive (expense)/income</b>			
<i>Item that may not be reclassified subsequently to profit or loss:</i>			
(Loss)/gain on property revaluation, net of tax		<b>(928)</b>	10,439
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating to presentation currencies		<b>(65,840)</b>	(118,335)
Exchange differences reclassified to profit or loss upon disposal of subsidiaries		—	(1,011)
		<b>(66,768)</b>	(108,907)
Total comprehensive expense for the year		<b><u>(340,361)</u></b>	<b><u>(638,325)</u></b>
<b>Loss for the year attributable to:</b>			
Owners of the Company		<b>(279,925)</b>	(530,950)
Non-controlling interests		<b>6,332</b>	1,532
		<b><u>(273,593)</u></b>	<b><u>(529,418)</u></b>
<b>Total comprehensive (expense)/income for the year attributable to:</b>			
Owners of the Company		<b>(344,990)</b>	(639,512)
Non-controlling interests		<b>4,629</b>	1,187
		<b><u>(340,361)</u></b>	<b><u>(638,325)</u></b>
<b>Loss per share</b>			
— Basic and diluted	9	<b><u>HK(41.5) cents</u></b>	<b><u>HK(78.8) cents</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31 December 2024*

	<i>Notes</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Investment properties		<b>121,043</b>	120,377
Property, plant and equipment		<b>159,641</b>	245,676
Right-of-use assets		<b>56,593</b>	66,301
Goodwill		<b>10,960</b>	11,321
Interest in a joint venture		-	-
Loan receivables		<b>95,049</b>	608
Other receivables and deposits		<b>2,901</b>	3,875
Deferred tax assets		<b>200,344</b>	194,296
		<b>646,531</b>	642,454
<b>CURRENT ASSETS</b>			
Accounts receivable	<i>10</i>	<b>564,005</b>	577,097
Loan receivables		<b>120,717</b>	295,794
Other receivables, deposits and prepayments		<b>176,845</b>	311,378
Amount due from a joint venture		<b>14,812</b>	15,301
Financial assets at fair value through profit or loss (“FVTPL”)		<b>5,531</b>	4,383
Bank balances and cash		<b>210,526</b>	298,659
		<b>1,092,436</b>	1,502,612
<b>CURRENT LIABILITIES</b>			
Payables and accruals	<i>11</i>	<b>123,699</b>	149,794
Contract liabilities	<i>12</i>	<b>30,649</b>	21,489
Lease liabilities		<b>23,289</b>	19,597
Tax liabilities		<b>28,847</b>	38,721
Bank and other borrowings		<b>122,872</b>	122,857
		<b>329,356</b>	352,458
<b>NET CURRENT ASSETS</b>		<b>763,080</b>	1,150,154
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,409,611</b>	1,792,608
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		<b>26,139</b>	43,387
Deferred tax liabilities		<b>93,594</b>	93,911
Bank and other borrowings		-	44,396
		<b>119,733</b>	181,694
<b>CAPITAL AND RESERVES</b>			
Share capital		<b>6,741</b>	6,741
Share premium and reserves		<b>1,272,327</b>	1,597,148
Equity attributable to owners of the Company		<b>1,279,068</b>	1,603,889
Non-controlling interests		<b>10,810</b>	7,025
<b>TOTAL EQUITY</b>		<b>1,289,878</b>	1,610,914
		<b>1,409,611</b>	1,792,608

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2024*

## 1. GENERAL

Hopefluent Group Holdings Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of its registered office and principal place of business of the Company are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111 Cayman Islands and 9–10/F, One Bravo, 1 Jinsui Road, Zhujiang New Town, Tianhe District, Guangzhou, People’s Republic of China (the “PRC”), respectively.

The consolidated financial statements are presented in Hong Kong dollars while the functional currency of the Company is Renminbi (“RMB”). The Directors selected Hong Kong dollars as the presentation currency because the shares of the Company are listed on the Stock Exchange.

The Company is an investment holding company.

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

### (a) Adoption of new or amended HKFRSs

The following new or amended HKFRSs are mandatory for the first time for the financial year beginning 1 January 2024, but have no material effect on the Group’s reported results and financial position for the current and prior accounting periods.

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

(b) **New or amended HKFRSs that have been issued but are not yet effective**

Amendments to HKAS 21	Lack of Exchangeability <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Financial Instruments — Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>
Annual Improvement to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 <sup>2</sup>
Amendments to HKFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>
Amendments to HKFRS 19	Subsidiaries without Public Accountability <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>4</sup> Effective for annual periods beginning on or after a date to be determined

Other than HKFRS 18 which would impact the presentation and disclosure of the Group's financial statements, the Directors of the Company do not anticipate that the application of the amendments and revision in the future will have significant impacts on the consolidated financial statements.

**3. REVENUE**

Revenue represents agency commission in respect of property real estate agency services, financial services income and interest income from loan receivables, net of business tax and other taxes. An analysis of the Group's revenue for the year is as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
<i>Disaggregation of revenue</i>		
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
Agency commission	<b>923,849</b>	1,250,506
<b>Revenue from other sources without the scope of HKFRS 15</b>		
Finance income		
— Interest income from loan receivables	<b>20,862</b>	38,789
— Financial services income	<b>2,724</b>	5,218
	<b>947,435</b>	1,294,513

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<i>Timing of revenue recognition</i>		
At a point in time		
Agency commission	923,849	1,250,506
Financial services income	2,724	5,218
Over-time		
Interest income from loan receivables	<u>20,862</u>	<u>38,789</u>
	<u>947,435</u>	<u>1,294,513</u>

#### 4. SEGMENT INFORMATION

Operating segments and the amounts of each segment item reported in the consolidated financial statements are identified from the financial information provided regularly to the Group's top management for the purposes of allocating resources to and assessing the performance of the Group's various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of business activities.

Segment revenue, expenses, results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment, but exclude exceptional items. Segment capital expenditure is the total cost incurred during the year to acquire segment assets (both tangible and intangible) that are expected to be used for more than one year. Corporate portions of expenses and assets mainly comprise corporate administrative and financing expenses and corporate financial assets respectively.

The Group has the following operating segments during the year ended 31 December 2024. These segments are managed separately. No operating segments have been aggregated to the following reportable segments.

- Property real estate agency is the provision of first hand real estate services and secondary real estate services to property developers, corporates and individuals; and
- Financial services is the provision of mortgage referral and loan financing services to individuals or companies.

#### **Geographic information**

The Company is domiciled in the Cayman Islands while the Group operates its business in the PRC and all its revenue is derived in the PRC. Accordingly, no geographical information on the total revenue is presented.

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

**For the year ended 31 December 2024**

	<b>Property real estate agency HK\$'000</b>	<b>Financial services HK\$'000</b>	<b>Total HK\$'000</b>
Segment revenue	923,849	23,586	947,435
Segment loss	(200,851)	(6,904)	(207,755)
Other income			16,185
Central administrative costs			(42,065)
Other gains and losses, net			(7,129)
Allowance recognised on financial assets			(24,193)
Gain on disposal of a subsidiary			558
Loss on disposal of investment properties			(644)
Decrease in fair value of investment properties			(775)
Finance costs			<u>(13,592)</u>
Loss before tax			<u><u>(279,410)</u></u>

**For the year ended 31 December 2023**

	<b>Property real estate agency HK\$'000</b>	<b>Financial services HK\$'000</b>	<b>Total HK\$'000</b>
Segment revenue	1,250,506	44,007	1,294,513
Segment loss	(232,509)	(13,111)	(245,620)
Other income			20,381
Central administrative costs			(55,332)
Other gains and losses, net			(2,184)
Allowance recognised on financial assets			(259,613)
Loss on disposal of subsidiaries			(18,914)
Loss on disposal of investment properties			(4,928)
Decrease in fair value of investment properties			(1,708)
Finance costs			<u>(26,242)</u>
Loss before tax			<u><u>(594,160)</u></u>

## 5. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on:		
— Bank borrowings	2,495	4,380
— Other borrowings	7,459	12,669
— Lease liabilities	3,638	9,193
	<u>13,592</u>	<u>26,242</u>

## 6. INCOME TAX CREDIT

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax:		
— PRC Enterprise Income Tax (“EIT”)	583	588
Deferred tax:		
— Deferred tax assets	(12,515)	(52,352)
— Deferred tax liabilities	6,115	(12,978)
	<u>(5,817)</u>	<u>(64,742)</u>

Under the Law of the PRC on EIT and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008, onwards. Taxation arising from other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

PRC withholding income tax of 10% is levied on the dividends declared by the companies established in the PRC to their foreign investors out of their profits earned after 1 January 2008.

No Hong Kong profits tax has been provided in both years in the consolidated financial statements as the Group has no estimated assessable profits arising in Hong Kong for both years.



## 7. LOSS FOR THE YEAR

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss for the year has been arrived at after charging/(crediting):		
Directors' remuneration, including retirement benefits scheme contributions and share-based payments	21,638	23,141
Other staff costs	702,694	909,459
Share-based payments to employees (excluding directors)	9,093	5,523
Other retirement benefits scheme contributions	42,035	80,926
	<u>775,460</u>	<u>1,019,049</u>
Auditor's remuneration		
— Audit and audit related work	2,800	3,400
— Non-audit work	300	330
	<u>3,100</u>	<u>3,730</u>
Depreciation expense for the year		
— Property, plant and equipment	14,597	19,645
— Right-of-use assets	31,659	34,618
	<u>46,256</u>	<u>54,263</u>
Allowance recognised/(reversed) on financial assets		
— Accounts receivable	33,215	24,240
— Loan receivables	(9,022)	235,373
	<u>24,193</u>	<u>259,613</u>
Loss/(gain) on disposal of property, plant and equipment	7,963	(472)
(Gain)/loss on fair value changes of financial assets at FVTPL	(391)	2,596
(Gain)/loss on disposal of financial assets at FVTPL	(443)	60
Other gains and losses, net	<u>7,129</u>	<u>2,184</u>

## 8. DIVIDENDS

The directors of the Company did not recommend the payment of any dividend for the year ended 31 December 2024 (2023: nil).

## 9. LOSS PER SHARE

### (a) Basic

Loss

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss for the purpose of calculating basic loss per share (loss for the year attributable to owners of the Company)	<u><b>(279,925)</b></u>	<u>(530,950)</u>

Number of shares

	<b>2024</b> <i>'000</i>	2023 <i>'000</i>
Weighted average number of ordinary shares in issue	<u><b>674,150</b></u>	<u>674,150</u>

	<b>2024</b>	2023
Basic loss per share (HK cents per share)	<u><b>41.5</b></u>	<u>78.8</u>

### (b) Diluted

The basic and diluted loss per share were the same for the years ended 31 December 2024 and 2023 as the effect of share options outstanding were anti-dilutive.

## 10. ACCOUNTS RECEIVABLE

The Group allows an average credit period ranging from 30 to 180 days (2023: 30 to 180 days) to its customers. The ageing analysis of accounts receivable net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Accounts receivable		
0–30 days	<b>162,709</b>	267,925
31–60 days	<b>22,225</b>	25,024
61–90 days	<b>15,241</b>	13,298
91–120 days	<b>11,317</b>	17,391
121–180 days	<b>12,493</b>	14,636
Over 180 days	<b>340,020</b>	238,823
	<u><b>564,005</b></u>	<u>577,097</u>

## 11. PAYABLES AND ACCRUALS

The payables and accruals mainly comprise accrued other taxation, operating expenses, staff costs and other sundry creditors.

## 12. CONTRACT LIABILITIES

The Group has recognised the following revenue-related contract liabilities:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Contract liabilities in respect of third parties	<u><b>30,649</b></u>	<u>21,489</u>

The contract liabilities of the Group mainly arise from advance payments received from customers which the underlying services are not yet provided. The contract liabilities are recognised as revenue after the Group satisfies its performance obligations to the customers.

### 13. SHARE OPTIONS SCHEME

In order to attract and retain the best quality employees for the development of the Group's businesses and to provide additional incentives or rewards to selected qualifying participants, the Company adopted a share option scheme on 23 May 2023 (the "Scheme"). The eligible participants mainly include employees of the Group, the Directors, the directors of any member of the group, the directors and employees (whether full-time or part-time) of the holding companies, fellow subsidiaries or associated companies of Company. The Scheme, unless otherwise cancelled or amended, will remain in force for 10 years since 23 May 2023.

The options may be exercised within the period commencing from the date of grant of the option and expiring on the date following 10 years from the date of grant of the options subject to terms under the Scheme. The vesting period for options shall be determined by the board (the "Board") and in any case, shall not be less than twelve (12) months. A shorter vesting period may be granted at the discretion of the Board in certain circumstances. The Board and/or the remuneration committee may determine in its absolute discretion and set any performance target or impose any condition, restriction or limitation in relation to the vesting of the options.

The offer of the grant of share options under the Scheme may be accepted within 30 days after the date of the offer, at a consideration of HK\$1, payable by the grantee upon the acceptance of the offer.

The subscription price of the share options is determinable by the Directors, but shall be the highest of (i) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant, which must be a business day; (ii) the average closing price of the shares as stated in the daily quotations sheet of the Stock Exchange for the five (5) business days immediately preceding the date of grant; and (iii) the 90% of the average closing price as stated in the daily quotations sheets of the Stock Exchange for the twenty (20) business days immediately preceding the date of grant.

Pursuant to the Scheme, the maximum number of shares in the Company in respect of which options may be granted when aggregated with any other share option scheme of the Company must not exceed 10% of the issued share capital of the Company as at the date of adoption of the Scheme (i.e. 67,414,998 shares). Subject to the issue of a circular and the approval of the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may refresh the limit to 10% of the total number of shares in issue as at the date of approval by the shareholders of the Company in general meeting.

Unless shareholder approval has been obtained, no option may be granted to any person if the total number of shares of the Company already issued and issuable to him under all the options granted to him in any 12-month period up to and including the date of grant exceeding 1% of total number of shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to the issue of a circular by the Company and the approval of the shareholders in general meeting. Such participant and his associate (as defined in the Listing Rules) have to abstain from voting and/or comply with other requirements prescribed under the Listing Rules from time to time. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's shares in issue within any 12-month period must be approved in advance by the Company's shareholders.

Subject to the compliance of the requirements under the Scheme, the share options are exercisable only if the eligible participants remain in the service of the Group from the grant date of the share options up to the designated exercise date. On 16 June 2023, the Company granted share options under the share option scheme under which the option holders are entitled to acquire an aggregate of 67,380,000 shares of the Company. Pursuant to the terms of the share option scheme, the options granted are subject to certain performance conditions.

The options granted to the grantees will be vested based on the following rates on the vesting date for the relevant financial year, provided that the vesting conditions above are satisfied in the relevant financial year: (i) 70% and 40% of the total number of the share options to Mr. Zhu Rongbin (“Mr. Zhu”) and other grantees respectively, will be vested on 1 July 2024; (ii) 15% and 30% of the total number of the share options to Mr. Zhu and other grantees respectively, will be vested on 1 April 2025; and (iii) 15% and 30% of the total number of the share options to Mr. Zhu and other grantees respectively, will be vested on 1 April 2026. If the vesting conditions above have not been fulfilled during the relevant financial year, the corresponding percentage of the share options granted will lapse upon the expiry of the relevant validity period. All the options under the share option scheme should be exercisable after vesting but before the expiry of 10 years after the grant date at the exercise price of HK\$1.85 per share.

The following tables show the movements in the Company’s share options granted under the Scheme:

Name or category of participant	Date of grant	Exercise period	Exercise price per share	Number of Shares subject to share options				
				As at 1 January 2024	Granted during the year	Lapsed during the year	Cancelled during the year	As at 31 December 2024
<b>Directors</b>								
Mr. Zhu (Resigned on 31 May 2024)	16 June 2023	Vesting date to 15 June 2033	HK\$1.85	30,340,000	-	(30,340,000)	-	-
Mr. Gao Bin (Resigned on 21 March 2025)	16 June 2023	Vesting date to 15 June 2033	HK\$1.85	11,740,000	-	-	(11,740,000)	-
<b>Employees</b>	16 June 2023	Vesting date to 15 June 2033	HK\$1.85	25,300,000	-	(3,370,000)	(21,930,000)	-
<b>Total</b>				<u>67,380,000</u>	<u>-</u>	<u>(33,710,000)</u>	<u>(33,670,000)</u>	<u>-</u>
				<b>Weighted average exercise price</b>		<b>Number of share options</b>		
				<i>HK\$</i>				
Outstanding at 1 January 2023				N/A		-		
Granted during the year				1.85		<u>67,380,000</u>		
Outstanding at 31 December 2023 and 1 January 2024				1.85		<u>67,380,000</u>		
Lapsed during the year				1.85		(33,710,000)		
Cancelled during the year				1.85		<u>(33,670,000)</u>		
Outstanding and exercisable at 31 December 2024				N/A		<u>-</u>		

The exercise price of options outstanding at 31 December 2023 HK\$1.85 and their weighted average remaining contractual life was 9.46 years. None of the share options under the Scheme were vested during the year ended 31 December 2023 and the remaining 67,380,000 share options will be vested in 2024, 2025 and 2026, respectively.

In May 2024, Mr. Zhu resigned from the position of an executive director of the Company, the Chairman of the Board and the member and chairman of the nomination committee of the Company. Following the resignation of Mr. Zhu and one employee, 30,340,000 options granted to Mr. Zhu and 3,370,000 options granted to the specific employee lapsed, resulting approximately HK\$15,916,000 being transferred out of the special reserve. Please refer to the announcement issued by the Company dated 31 May 2024 for the details.

Because of the exercise prices of the share options outstanding are much higher than the market price of the shares of the Company (the “Shares”), the Board consider that the share options no longer serve the purpose of providing incentives or rewards to the grantee for contribution to the Group. Following the approval of the Board, 33,670,000 outstanding share options granted to a Director and certain employees of the Company were cancelled with effect from 1 November 2024 in accordance with the term of the Scheme resulting approximately HK\$4,570,000 was recognised to profit or loss immediately and approximately HK\$20,686,000 being transferred out of the special reserve. Please refer to the announcement issued by the Company dated 1 November 2024 for the details.

At 31 December 2024, the total number of options lapsed and cancelled are 33,710,000 and 33,670,000 respectively, resulting approximately HK\$15,916,000 and HK\$20,686,000 being transferred out of the special reserve respectively.

At 31 December 2024, the total number of shares of the Company (the “Shares”) that may be issued in respect of options granted under the Share Option Scheme amounting of nil (2023: 67,380,000) divided by the weighted average number of Shares of the relevant class in issue amounting of 674,149,989 (2023: 674,149,989) was approximately nil% (2023: 9.99%).

As at the date of this announcement, the total number of shares of the Company available for issue under the Scheme (i.e. shares issuable for share options can be granted) was 67,414,998 Shares (2023: 67,414,998 Shares), representing approximately 10% (2023: 10%) of the issued share capital of the Company as of the date thereof. The number of shares available for future grant under the mandate of the share option scheme is 67,414,998 (2023: 34,998).

The fair value of options granted on 16 June 2023 under the Scheme determined using the Binomial Option Pricing model was approximately HK\$41,648,000. The significant inputs into the model were share price of HK\$1.85, at the grant date and adjusted for the effect of the share subdivision, exercise price shown above, expected volatility is 41.29%, annual risk-free interest rate of 3.53%. Expected life of options of approximately 10 years and dividend yield of 4.26%. The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of daily share prices from 16 June 2013 to 15 June 2023. During the year, approximately HK\$20,169,000 (2023: HK\$16,433,000) were charged to profit or loss.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review

#### *I. Market Review for 2024*

In 2024, China's economy underwent cross-cyclical adjustments, while the real estate sector strived to regain its internal growth momentum. Due to ongoing adverse effects brought about by changes in the external environment, deep-seated structural contradictions that have accumulated over time in the country have emerged. Accompanied by issues such as weak domestic demand and low expectations, the real estate market did not show any prominent signs of improvement. Nationwide, investment in real estate development decreased by 10.6% year-on-year, and the floor space of buildings under construction of real estate development enterprises and the funds for investment of real estate development enterprises fell by 12.7% and 17.0% year-on-year, respectively. Thanks to increasing policy support, the market witnessed a slow recovery in the second half of the year. In response to this market situation, the Group has continued to optimize its cost structure by adjusting its operating strategy during the year, with a focus on the core cities. By elevating the efficiency of its main business and diversifying business fields, the Group strived for a stable development, maintaining its market competitiveness.

#### *II. Business Review of the Group*

For the year ended 31 December 2024, the Group's turnover amounted to approximately HK\$947 million, a decrease of approximately 27% from the same period last year (2023: approximately HK\$1,295 million), and loss attributable to shareholders amounted to approximately HK\$280 million (2023: HK\$531 million). Basic loss per share was HK41.5 cents (2023: HK78.8 cents). The Board of Directors did not recommend the payment of a final dividend for the year ended 31 December 2024.

Turnover of the Group's property real estate agency business in 2024 was approximately HK\$924 million (2023: approximately HK\$1,251 million), accounting for 98% of the Group's turnover, while the turnover of the financial services business was approximately HK\$23 million (2023: approximately HK\$44 million), accounting for 2% of the Group's turnover.

For the full 2024 year, the Group's total value of properties transacted was approximately HK\$86 billion, while the total gross floor area sold was approximately 3.7 million square meters.

### *1. Property Real Estate Agency Business*

Turnover of the Group's property real estate agency business was approximately HK\$924 million (2023: approximately HK\$1,251 million). In the face of a challenging market environment, the Group sought to build a more resilient operating system to enhance business performance under its core strategy of "dare to innovate, strive for profit, and achieve scale". During the year, the Group regularly conducted comprehensive assessments of various businesses in different regions. Through in-depth analysis of market data, customer feedback and internal operations, a number of targeted adjustments were made. The Group also continued to promote its digital integration strategy, utilizing the new media business and internet marketing to expand its brand influence, attract more potential customers, and drive continuous business growth.

During the year, the Group's agency business covers approximately 40 large and medium size cities across the country, with approximately 600 agency projects and around 70 secondary branches.

### *2. Financial Services Business*

During the year, the turnover of the financial services business was approximately HK\$23 million (2023: approximately HK\$44 million). The Group's financial services business focused on serving existing high-quality customers and took a prudent and pragmatic approach to implementing strict risk controls and conducting business operations in response to market changes, with an aim to maintain business stability.

### *3. Other Value-Added Services*

The valuation research business continued to attract customers to the Group. During the year, the Group was committed to optimizing information dissemination projects and improving their accuracy, practicability, extensiveness and timeliness. The Group also explored the application of new models and technologies to support its sales capabilities and strive to provide excellent services to customers.

In addition, the Group upgraded its online property search service platform "AI Hopefluent" to the "Bang Housing" APP and WeChat mini-program, further integrating online and offline service resources and providing a full-process, comprehensive shopping guide service. "Bang Housing" has also signed a cooperation agreement with a leading Internet company in Mainland China to jointly promote technological innovation and industrial upgrading in the real estate sector. As of 2024, the "Bang Housing" business covers more than 70 cities across the country, and the number of omni-media channel users has exceeded 8 million.



At the same time, the Group actively advanced the innovative online channel marketing business, combined big data and launched online and offline joint promotions to obtain customer information, provide professional services throughout the process, and improve transaction efficiency.

### ***III. Prospects for 2025***

With the government launching a series of easing and stimulus measures, the overall real estate market is stabilizing from its downturn and the transaction volume of both new and second-hand homes has rebounded significantly since the fourth quarter. The market is expecting a slight improvement, and housing prices in higher-tier cities have reversed their month-on-month decline. Looking ahead to 2025, the Group is set to benefit from the structural adjustments of the Chinese economy and the government's recent advocacy of the "vigorously promote urban renewal and reform" initiative. Under the guidance of the country's "14th Five-Year Plan" and the "dual circulation" economic strategy, it is believed that the real estate market will enter a new phase of development and create ample room for the Group's business expansion. The Group will continue to focus on the real estate service business, cultivate core city clusters, and strive to realize healthy growth.

The rapid development of artificial intelligence (AI) has brought unprecedented changes and opportunities to the real estate industry. The Group will actively explore the in-depth application of AI technology in the fields of market research, strategic consulting, property valuation and risk control, aiming to accurately capture market dynamics and customer needs, and provide investors and partners with more forward-looking decision-making support. At the same time, the Group will deepen the use of new media and launch other innovative businesses to improve business quality and operational efficiency, thereby creating higher value for the Group and its customers.

The Group will continue to review its cost structure and achieve cost reduction and efficiency enhancement through measures such as optimizing management processes, improving operational efficiency, and implementing refined management. The Group will also strengthen internal management and improve employee quality and business capabilities to provide customers with a better service experience.

Looking ahead, Hopefluent will remain committed to delivering superior products and services to customers, adhering to its sustainable development strategy, and fulfilling its corporate social responsibility to create long-term value for all investors.

## **AUDIT COMMITTEE**

The Audit Committee of the Company, comprising the three existing independent non-executive directors, has reviewed the audited financial statements for the year ended 31 December 2024.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 31 December 2024, the Group maintained a sound financial position where the cash and bank deposits and current ratio, as a ratio of current assets to current liabilities, were approximately HK\$211 million (2023: HK\$299 million) and 3.32 (2023: 4.26) respectively. Total borrowings amounted to approximately HK\$123 million which are secured and unsecured bank loan and other borrowings (2023: approximately HK\$167 million). The Group's gearing ratio, which was computed by dividing the total borrowings by total assets, was approximately 7.1% (2023: 7.8%). The Group's borrowings are denominated in Renminbi. The Group had no material contingent liabilities as at 31 December 2024.

## **PLEDGE OF ASSETS**

As at 31 December 2024, the Group pledged its investment properties and property, plant and equipment with an aggregate amount of approximately HK\$66 million (2023: HK\$27 million) to banks to secure bank borrowings of the Group.

## **FOREIGN EXCHANGE EXPOSURE**

Most of the Group's business transactions were denominated in either Hong Kong dollars or Renminbi. As such, the Group had no significant exposure to foreign exchange fluctuations.

## **EMPLOYEES**

As at 31 December 2024, the Group had approximately 4,000 full time employees. Employees are regarded as the greatest and valuable assets of the Group. Competitive remuneration packages are structured to commensurate with individual job duties, qualification, performance and years of experience.

## **ENVIRONMENTAL POLICY**

The Group is committed to building an environmental friendly working environment that conserves natural resources. The Group strives to minimize the environmental impact by saving electricity and water and encouraging recycle of office supplies.

## **CAPITAL STRUCTURE**

As at 31 December 2024, the total number of shares (the “Shares”) of HK\$0.01 each in the capital of the Company in issue was 674,149,989.

## **DIVIDEND**

On 28 March 2025, the Board did not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: nil).

There was no interim dividend declared for the six months ended 30 June 2024 (six months ended 30 June 2023: nil).

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 3 June 2025 (Tuesday) to 6 June 2025 (Friday), both days inclusive, for the purpose of ascertaining shareholders’ entitlement to attend and vote at the 2025 Annual General Meeting. In order to be eligible to attend and vote at the 2025 Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrars in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 2 June 2025 (Monday).

During the period mentioned above, no transfers of shares will be registered.

## **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY**

Since the Listing Date, the Company has not redeemed any of its Shares, and neither the Company nor any of its subsidiaries has purchased or sold any of the Company’s Shares.

The Company did not have any treasury shares (as defined under the Listing Rules) as at 31 December 2024 and as at the date of this announcement.

## **CORPORATE GOVERNANCE**

During the year ended 31 December 2024, the Company has complied with the code provisions set out in the Corporate Governance Code as stated in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) except the following deviation (the Code Provision C.6.1):

### **Company Secretary**

The Company has engaged Mr. Lo Hang Fong, a solicitor practising in Hong Kong, as its company secretary and Mr. Lo Yat Fung, an executive director of the Company, is the person whom the company secretary can contact. The Board is confident that having Mr. Lo Hang Fong as the company secretary is beneficial to the Group’s compliance of the applicable laws, rules and regulations.

### **Chairman and Chief Executive Officer**

According to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Since 21 March 2025, the Company has no such title as the chief executive officer and Mr. Fu Wai Chung (“Mr. Fu”) remains as the chairman of the Company. Mr. Fu has extensive experience in the industry which is beneficial and of great value to the overall development of the Company. The daily operation and management of the Company is monitored by the executive directors as well as the senior management. The Board is of the view that the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals and meet from time to time to discuss issues affecting operation of the Company. The Board has been nevertheless reviewing the structure and composition of the Board from time to time in light of prevailing circumstances, in order to maintain a high standard of corporate governance practices of the Company.

### **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (“MODEL CODE”) OF THE LISTING RULES**

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules. The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the year under review and they all confirmed that they have fully complied with the required standard set out in the Model Code.

## **PUBLICATION OF DETAILED ANNUAL RESULTS ON STOCK EXCHANGE'S WEBSITE**

The 2024 annual report containing all the information required by the Listing Rules will be released on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.hopefluent.com](http://www.hopefluent.com)) in due course and dispatched to shareholders upon request.

## **2025 ANNUAL GENERAL MEETING**

It is proposed that the 2025 Annual General Meeting of the Company will be held on 6 June 2025 (Friday). A notice convening the 2025 Annual General Meeting will be released on the websites of the Stock Exchange and the Company in due course and will be dispatched to the shareholders of the Company upon request.

## **ACKNOWLEDGEMENT**

On behalf of the Board, I would like to take this opportunity to express our sincere appreciation for the support of our customers and shareholders. Thanks also to the staff members of the Group for their commitment and dedicated services throughout the year.

By Order of the Board of Directors  
**FU Wai Chung**  
*Chairman*

Hong Kong, 28 March 2025

*As at the date of this announcement, the Board of Directors comprises the executive directors Mr. FU Wai Chung and Mr. LO Yat Fung; the non-executive directors Mr. FU Ear Ly, Mr. LI Bo and Mr. LI Fuqiang; and the independent non-executive directors Mr. LAM King Pui, Mr. CAO Qimeng and Ms. XU Jing.*