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

2026
INTERIM REPORT

The board of directors (the "Directors") of Hopefluent Group Holdings Limited (the "Company") announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2026, together with comparative figures for the corresponding period in 2025 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	Six months ended 30 June **2026** **HK$'000** **(unaudited)**	 2025 HK$'000 (unaudited)
Revenue	4	**170,186**	369,420
Other income		**1,407**	3,302
Selling expenses		**(165,614)**	(362,691)
Administrative expenses		**(106,648)**	(121,666)
Allowance reversed/(recognised) on financial assets		**1,508**	(26,581)
Other gains and losses		**(14,741)**	(10,976)
Share of result of an associate		**(135)**	(65)
Finance costs	5	**(3,939)**	(4,543)
Loss before tax		**(117,976)**	(153,800)
Income tax (expense)/credit	6	**(696)**	6,474
Loss for the period	7	**(118,672)**	(147,326)
Other comprehensive income for the period			
Items that may not be reclassified to profit or loss:			
Exchange differences arising on translating to presentation currency		**25,442**	36,498
Gain on property revaluation, net of tax		**11,643**	–
		37,085	36,498
Total comprehensive expense for the period		**(81,587)**	(110,828)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Cont'd)

For the six months ended 30 June 2026

	Notes	Six months ended 30 June **2026** **HK$'000** **(unaudited)**	 2025 HK$'000 (unaudited)
Loss for the period attributable to:			
— Owners of the Company		**(114,311)**	(147,208)
— Non-controlling interests		**(4,361)**	(118)
		(118,672)	(147,326)
Total comprehensive (expense)/income for the period attributable to:			
— Owners of the Company		**(77,534)**	(110,883)
— Non-controlling interests		**(4,053)**	55
		(81,587)	(110,828)
Dividends	8	**–**	–
Loss per share			
— Basic and diluted	9	**HK16.96 cents**	HK21.84 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
NON-CURRENT ASSETS			
Investment properties		**85,241**	89,056
Property, plant and equipment	10	**126,473**	127,659
Right-of-use assets	10	**56,642**	41,796
Interests in an associate and a joint venture		**983**	524
Loan receivables		**165**	62,653
Other receivables and deposits		**2,102**	1,676
Deferred tax assets		**208,669**	209,046
		480,275	532,410
CURRENT ASSETS			
Accounts receivable	11	**437,089**	438,342
Loan receivables		**212,264**	143,017
Other receivables, deposits and prepayments		**123,500**	174,050
Amount due from a joint venture		**16,005**	15,471
Financial assets at fair value through profit or loss ("FVTPL")	12	**5,914**	3,290
Bank balances and cash		**106,450**	141,081
		901,222	915,251
CURRENT LIABILITIES			
Payables and accruals	13	**124,743**	127,818
Contract liabilities		**51,414**	29,836
Lease liabilities		**11,985**	19,594
Tax liabilities		**24,707**	25,002
Bank and other borrowings		**–**	88,889
		212,849	291,139
NET CURRENT ASSETS		**688,373**	624,112
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,168,648**	1,156,522

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Cont'd)

As at 30 June 2026

	Notes	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
NON-CURRENT LIABILITIES			
Lease liabilities		**44,410**	16,932
Deferred tax liabilities		**70,551**	70,201
Bank and other borrowings		**69,936**	19,728
		184,897	106,861
CAPITAL AND RESERVES			
Share capital	14	**6,741**	6,741
Share premium and reserves		**951,419**	1,028,953
Equity attributable to owners of the Company		**958,160**	1,035,694
Non-controlling interests		**25,591**	13,967
TOTAL EQUITY		**983,751**	1,049,661
		1,168,648	1,156,522

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company									
	Share capital HK$'000	Share premium HK$'000	Special reserve HK$'000	Statutory surplus reserve HK$'000	Translation reserve HK$'000	Property revaluation reserve HK$'000	Retained earnings HK$'000	Sub-total HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 January 2025 (audited)	6,741	416,637	16,180	180,349	(286,556)	15,038	930,679	1,279,068	10,810	1,289,878
Other comprehensive income for the period	–	–	–	–	36,325	–	–	36,325	173	36,498
Loss for the period	–	–	–	–	–	–	(147,208)	(147,208)	(118)	(147,326)
Total comprehensive (expense)/ income for the period	–	–	–	–	36,325	–	(147,208)	(110,883)	55	(110,828)
Distribution to non-controlling interests	–	–	–	–	–	–	–	–	(1,664)	(1,664)
At 30 June 2025 (unaudited)	6,741	416,637	16,180	180,349	(250,231)	15,038	783,471	1,168,185	9,201	1,177,386
At 1 January 2026 (audited)	6,741	416,637	16,180	181,462	(218,309)	2,983	630,000	1,035,694	13,967	1,049,661
Other comprehensive income for the period	**–**	**–**	**–**	**–**	**25,134**	**11,643**	**–**	**36,777**	**308**	**37,085**
Loss for the period	**–**	**–**	**–**	**–**	**–**	**–**	**(114,311)**	**(114,311)**	**(4,361)**	**(118,672)**
Total comprehensive (expense)/ income for the period	**–**	**–**	**–**	**–**	**25,134**	**11,643**	**(114,311)**	**(77,534)**	**(4,053)**	**(81,587)**
Distribution to non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1,603)**	**(1,603)**
Capital injection from NCI	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**17,280**	**17,280**
At 30 June 2026 (unaudited)	**6,741**	**416,637**	**16,180**	**181,462**	**(193,175)**	**14,626**	**515,689**	**958,160**	**25,591**	**983,751**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Net cash used in operating activities	**(7,190)**	(50,393)
Net cash generated from investing activities	**5,237**	24,483
Net cash used in financing activities	**(38,738)**	(28,313)
Net decrease in cash and cash equivalents	**(40,691)**	(54,223)
Cash and cash equivalents at beginning of the period	**141,081**	210,526
Effect of foreign exchange rate changes	**6,060**	7,945
Cash and cash equivalents at the end of the period, represented by bank balances and cash	**106,450**	164,248

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. GENERAL INFORMATION

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 Company and its subsidiaries (the "Group") are principally engaged in provision of property real estate agency services and mortgage referral and loan financing services.

2. BASIS OF PREPARATION

The unaudited condensed interim financial statements (the "Interim Financial Statements") have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, issued by the Hong Kong Institute of Certified Public Accountant (the "HKICPA") and the applicable disclosure provisions of Main Board Listing Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange.

The Interim Financial Statements have been prepared with the same accounting policies adopted in the 2025 annual financial statements, except for those relating to new periods beginning on or after 1 January 2026. Details of any changes in accounting policies are set out in note 3.

The preparation of these Interim Financial Statements in compliance with HKAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. For the areas where significant judgments and estimates have been made in preparing these Interim Financial Statements, the Company's accounting policies applied and the key sources of estimation uncertainty were the same as those that applied to 2025 annual financial statements.

These Interim Financial Statements are presented in Hong Kong dollars ("HK$") and all amounts are rounded to the nearest thousand ("HK$'000") except otherwise indicated. These interim financial statements contain consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the 2025 annual financial statements. These Interim Financial Statements and the notes do not include all of the information required for a complete set of financial statements prepared in accordance with HKFRS Accounting Standards and should be read in conjunction with the 2025 annual financial statements.

3. MATERIAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties and financial assets at FVTPL which are measured at fair value, as appropriate.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those set out in the Group's annual financial statements for the year ended 31 December 2025.

In the current reporting period, the Group has applied, for the first time, the following new and amendments to HKASs and Hong Kong Financial Reporting Standards ("HKFRS Accounting Standards") issued by the HKICPA that are relevant for the preparation of the Group's unaudited condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Financial Instruments — Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Annual Improvement to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

None of these new or amended HKFRS Accounting Standards has a material impact on the Group's results and financial position for the current or prior period.

4. REVENUE AND SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of services provided.

The Group has identified two (six months ended 30 June 2025: two) reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies.

The following summary describes the operations in each of the Group's 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.

4. REVENUE AND SEGMENT INFORMATION (Cont'd)

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

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Disaggregation of revenue		
Revenue from contracts with customers within the scope of HKFRS 15		
Agency commission	**165,573**	362,985
Revenue from other sources outside the scope of HKFRS 15		
Finance income		
Interest income from loan receivables	**4,613**	6,435
	170,186	369,420

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Timing of revenue recognition		
At a point in time		
Agency commission	**165,573**	362,985
Over-time		
Interest income from loan receivables	**4,613**	6,435
	170,186	369,420

4. REVENUE AND SEGMENT INFORMATION (Cont'd)

Geographical information

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

At the end of each reporting period, the non-current assets are substantially located in the PRC.

Information about major customers

There was no revenue from any customer that contributed over 10% of total revenue of the Group for both financial periods presented.

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

	Six months ended 30 June 2026 (unaudited)		
	Property real estate agency HK$'000	**Financial services HK$'000**	**Total HK$'000**
Segment revenue	**165,573**	**4,613**	**170,186**
Segment (loss)/profit	**(92,293)**	**10**	**(92,283)**
Other income			**1,407**
Central administrative costs			**(9,793)**
Allowance reversed on financial assets			**1,508**
Other gains and losses			**(14,741)**
Share of result of an associate			**(135)**
Finance costs			**(3,939)**
Loss before tax			**(117,976)**
Income tax expense			**(696)**
Loss for the period			**(118,672)**

4. REVENUE AND SEGMENT INFORMATION (Cont'd)

	Six months ended 30 June 2025 (unaudited)		
	Property real estate agency HK$'000	Financial services HK$'000	Total HK$'000
Segment revenue	362,985	6,435	369,420
Segment loss	(103,246)	(429)	(103,675)
Other income			3,302
Central administrative costs			(11,262)
Loss allowance on financial assets			(26,581)
Other gains and losses			(10,976)
Share of result of an associate			(65)
Finance costs			(4,543)
Loss before tax			(153,800)
Income tax credit			6,474
Loss for the period			(147,326)

Segment profit represents the profit earned by each segment without allocation of other income, central administrative costs including directors' emoluments, other gains and losses, allowance recognised on financial assets, share of result of an associate and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

5. FINANCE COSTS

	Six months ended 30 June	
	2026 HK$'000 (unaudited)	2025 HK$'000 (unaudited)
Interests on:		
Bank and other borrowings	**2,691**	3,247
Lease liabilities	**1,248**	1,296
	3,939	4,543

6. INCOME TAX (EXPENSE)/CREDIT

The tax charges represent the PRC Enterprises Income Tax ("EIT") for both periods.

EIT is provided on the estimated assessable profits of the Group's subsidiaries in the PRC in accordance with the laws and regulations in the PRC at 25%.

No Hong Kong profits tax has been provided in both current and prior periods in the condensed consolidated financial statements as the Group has no estimated assessable profits arising in Hong Kong for both periods.

7. LOSS FOR THE PERIOD

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Loss for the period has been arrived at after charging/(crediting):		
Salaries and other benefit	**164,244**	303,411
Retirement benefits scheme contributions	**17,806**	25,684
Total staff costs	**182,050**	329,095
Depreciation charges		
Property, plant and equipment	**10,386**	7,855
Right-of-use assets	**14,485**	14,188
	24,871	22,043
Allowance (reversed)/recognised on financial assets		
Accounts receivable	**(1,823)**	9,175
Loan receivables	**315**	17,406
	(1,508)	26,581
Loss on disposal of investment properties	**14,563**	6,464
Bank interest income	**(97)**	(313)
Rental income net of direct expenses of HK$196,000 (2025: HK$309,000)	**(1,598)**	(1,604)

8. DIVIDENDS

The Directors of the Company do not recommend the payment of any dividend in respect of the six months ended 30 June 2026 (six months ended 30 June 2025: HK$nil).

9. LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing loss for the period attributable to owners of the Company by the weighted average number ordinary shares in issue during the period.

	Six months ended 30 June	
	2026 **HK$'000** **(unaudited)**	2025 HK$'000 (unaudited)
Loss for the period attributable to owners of the Company	**(114,311)**	(147,208)
Weighted average number of ordinary shares in issue (thousand shares)	**674,150**	674,150
Basic loss per share (HK cents)	**16.96**	21.84

(b) Diluted

The basic and diluted loss per share are the same for the six months ended 30 June 2026 and 2025 as there was no dilutive potential ordinary shares existed.

10. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2026, the Group had addition of property, plant and equipment amounting to approximately HK$253,000 (six months ended 30 June 2025: HK$6,457,000).

In addition, during the six months ended 30 June 2026, the Group disposed property, plant and equipment with a carrying amount of approximately HK$2,361,000 (six months ended 30 June 2025: HK$23,000) for the proceeds of approximately HK$1,557,000 (six months ended 30 June 2025: HK$69,000) resulting in a loss on disposal of approximately HK$804,000 (six months ended 30 June 2025: gain on disposal of HK$46,000).

During the six months ended 30 June 2026, the Group entered into certain new lease agreements for the use of commercial, office and hotel components for one to ten years (six months ended 30 June 2025: one to five years). The Group is required to make fixed monthly payment during the contract period. On lease commencement, the Group recognised approximately HK$38,885,000 (six months ended 30 June 2025: HK$4,127,000) of right-of-use assets and approximately HK$38,885,000 (six months ended 30 June 2025: HK$4,127,000) of lease liabilities.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

For the six months ended 30 June 2026

11. ACCOUNTS RECEIVABLE

The Group allows a credit period ranging from 30 to 180 days (2025: 30 to 180 days) to its trade customers. The aging analysis of accounts receivable net of allowance for doubtful debts presented based on the invoice date as at the end of the reporting period is as follows:

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
0–30 days	**78,492**	93,518
31–60 days	**21,931**	5,578
61–90 days	**5,747**	13,403
91–120 days	**3,740**	6,212
121–180 days	**5,982**	6,540
Over 180 days	**321,197**	313,091
	437,089	438,342

12. FINANCIAL ASSETS AT FVTPL

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Listed investments at fair value — Listed equity securities	**5,914**	3,290

Fair value of the investments in listed equity securities as determined by reference to bid prices quoted in active market.

13. PAYABLES AND ACCRUALS

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

For the six months ended 30 June 2026

14. SHARE CAPITAL

	Number of shares	Nominal Amounts HK$'000
Authorised: Ordinary shares of HK$0.01 each At 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026	**8,000,000,000**	**80,000**
Issued and fully paid: At 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026	**674,149,989**	**6,741**

15. RELATED PARTY TRANSACTIONS

Except as disclosed elsewhere in the unaudited condensed consolidated financial statements, the Group had no material transactions with its related parties during the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

16. OPERATING LEASES

(a) The Group as lessee

At the end of the reporting period, the total future minimum lease payments under non-cancellable leases were payable as follows:

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Within one year	**26,089**	36,221

The Group is the lessee in respect of a number of shops with lease term of 12 months or less. The Group applies the "short-term lease" recognition exemptions for these leases and the future minimum lease payments regarding these leases are disclosed as above.

16. OPERATING LEASES (Cont'd)

(b) The Group as lessor

Operating lease income commitments are mainly for the investment properties of the Group. At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Within one year	**6,065**	2,539
In the second to fifth year inclusive	**12,578**	6,385
Over five years	**6,911**	2,090
	25,554	11,014

17. 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") to achieve this purpose. The eligible participants mainly include employees of the Group, 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 the 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.

17. SHARE OPTIONS SCHEME (Cont'd)

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.

At 30 June 2026, the total number of the Shares that may be issued in respect of options granted under the Share Option Scheme amounting of nil divided by the weighted average of Shares of the relevant class in issue amounting of 674,149,989 was approximately nil%.

As at the date of this report, the total number of shares of the Company available for issue under the Scheme (i.e. options can be granted) was 67,414,998 Shares (31 December 2025: 67,414,998 Shares), representing approximately 10% (2025: 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 Scheme is 67,414,998 (31 December 2025: 67,414,998).

During the six months ended 30 June 2026 and 2025, no option was granted by the Company under the Scheme. No option was exercised, cancelled or lapsed during the six months ended 30 June 2026. The Company did not have any outstanding share option as at 30 June 2026 and 31 December 2025.

BUSINESS REVIEW
MANAGEMENT DISCUSSION AND ANALYSIS

I. Market Review for First Half 2026

In the first half of 2026, China's real estate market continued its bottoming-out and gradual recovery, characterized by "aggregate contraction and structural divergence." Nationwide, the sales area of new commercial housing was 401.4 million square meters, representing a year-on-year decrease of 11.6%, while real estate development investment amounted to RMB3,807.4 billion, down 18.0%, as investment continued to contract. Inventory destocking made some progress, with commercial housing for sale declining for four consecutive months.

The market exhibited a divergent pattern. First-tier cities showed signs of emerging from the bottom, with new home sales turning positive year-on-year in the second quarter and housing prices registering month-on-month increases for four consecutive months. Core second-tier cities have entered a stabilization phase, whereas demand in third- and fourth-tier cities continued to soften.

At the policy level, the government introduced several key institutional initiatives, including the articulation of real estate's strategic role, the inclusion of a dedicated chapter on real estate in the "15th Five-Year Plan" Outline, and the release of the inaugural national-level "Urban Renewal 15th Five-Year Plan." For the first time, the Plan repositions real estate from the economic regulation framework to the people's livelihood chapter, replacing the long-standing principle of "housing is for living, not for speculation" with a new directive to "promote high-quality real estate development." This marks a fundamental pivot in the industry's orientation — from curbing speculative activity to fostering development-led growth, with a renewed focus on safeguarding livelihoods, stabilizing the market, and enhancing residential quality, all in pursuit of "better housing for all." Moreover, housing has been officially designated as a "major durable consumer good," signaling that the stabilization of the real estate sector has been elevated from an industry-specific concern to a macro-strategic priority with direct implications for household wealth security and consumer confidence.

II. Business Review of the Group

For the six months ended 30 June 2026, the Group's turnover amounted to approximately HK$170 million, a decrease of approximately 54% from the same period last year (2025: approximately HK$369 million), and loss attributable to shareholders amounted to approximately HK$114 million (2025: approximately HK$147 million). Basic loss per share was HK16.96 cents (2025: HK21.84 cents). The Board of Directors did not recommend the payment of an interim dividend for the six months ended 30 June 2026.

Turnover of the Group's property real estate agency business in the first half of 2026 was approximately HK$166 million (2025: approximately HK$363 million), accounting for 98% of the Group's turnover, while the turnover of the financial services business was approximately HK$4 million (2025: approximately HK$6 million), accounting for 2% of the Group's turnover.

For the six months ended 30 June 2026, the Group's total value of properties transacted was approximately HK$16.5 billion, a decrease of approximately 35% from the same period last year (2025: approximately HK$25.3 billion), while the total gross floor area sold was approximately 650 thousand square meters.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

II. Business Review of the Group (Cont'd)

1. Property Real Estate Agency Business

Turnover of the Group's property real estate agency business was approximately HK$166 million (2025: approximately HK$363 million). Amidst persistent uncertainties and a market that remains in the process of bottoming out, the Group adheres to its core principle of "driving innovation, pursuing profitability, and achieving scale," adopting a prudent approach in navigating the various challenges arising from industry adjustments. During the period, the Group closely monitored the diverging trends across regional markets, conducted business reviews in an orderly manner, and adjusted resource allocation and operational focus in response to the varying pace of recovery in different cities. Concurrently, the Group continued to advance its digital transformation initiatives, highlighting the value of systematic services through online platforms and new media channels under the new brand "Hopefluent Star Chain Services", boosting brand awareness and enhancing brand visibility, and exploring new customer touchpoints within a controlled scope to reinforce its existing business foundation.

Currently, the Group's agency business covers approximately 30 large and medium size cities across the country, with over 200 agency projects and approximately 70 franchised secondary branches.

2. Financial Services Business

During the period, the turnover of the financial services business was approximately HK$4 million (2025: approximately HK$6 million). Focusing on existing high-quality customers, the Group's financial services business responds to market changes through rigorous risk control measures and ensures steady business development while maintaining long-term customer relationships.

3. Other Value-Added Services

The Group's value research business continued to play a supporting role. During the period, as "Hopefluent Star Chain Services" steadily expanded its influence, the new media publication system of the value research business was progressively developed and enhanced, better showcasing the brand's professionalism and providing foundational references for internal decision-making and frontline operations. Concurrently, the Group continued to optimize the operation and maintenance of its online home-purchasing service platform "Bang Housing" APP and mini-program, bridging online and offline scenarios to improve traffic conversion efficiency. As of the first half of 2026, the "Bang Housing" platform recorded steady growth in user service volume across all media channels, with platform operations trending toward increasingly normal functionality.

III. Prospects for the second half of 2026

In the second half of 2026, a comprehensive recovery of the domestic real estate sector will still require time. On the policy front, comprehensive stabilization measures are expected to enter their implementation phase in the coming months. The "15th Five-Year Plan for Expanding Consumption" has, for the first time, incorporated housing consumption into the category of major durable consumer goods and placed it at the forefront, signaling a policy pivot toward incentivizing and guiding a domestic-led economic circulation, with a focus on restoring the value of real estate assets. Urban renewal initiatives are expected to maintain strong momentum in the second half of the year, unlocking considerable investment opportunities. Policies such as "better housing", provident fund optimization, home purchase subsidies, and resettlement voucher schemes will continue to stimulate market demand. Market concerns over significant price declines are anticipated to gradually ease.

The Group will proactively capture industry trends and evolving homebuyer preferences, leveraging innovative technologies to interpret market dynamics and gain deeper insights into customer needs. By combining a dual-track online and offline operational model, the Group is committed to delivering multi-scenario, personalized, high-quality and systematic services, establishing a new service paradigm for the high-quality development phase of the real estate sector. Through these efforts, the Group aims to proactively navigate market cycles and support the Group's return to an upward growth trajectory.

The Group remains steadfast in its long-term orientation and prudent, pragmatic approach, further pursuing "development, innovation, and breakthrough." We will refine our operational strategies in a timely manner, continuously enhance operational efficiency and innovation capabilities, and provide clients with superior products and services. With steadfast dedication to our corporate social responsibilities, we strive to achieve a turnaround from loss to profit in operating performance and remain committed to delivering long-term value to our investors.

AUDIT COMMITTEE

The Company established an audit committee, currently comprising the three existing independent non-executive directors, which has reviewed the unaudited interim results for the six months ended 30 June 2026 including the accounting, internal control and financial reporting issues.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2026, 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$106 million (31 December 2025: HK$141 million) and 4.23 (31 December 2025: 3.14) respectively. Total borrowing amounted to approximately HK$70 million which are secured and unsecured bank loan and other borrowings (31 December 2025: approximately HK$109 million). The Group's gearing ratio, which was computed by dividing the total borrowings by total assets, was approximately 5.1% (31 December 2025: 7.5%). The Group's borrowings are denominated in Renminbi. The Group had no material contingent liabilities as at 30 June 2026.

PLEDGE OF ASSETS

As at 30 June 2026, the Group pledged its investment properties and property, plant and equipment with an aggregate amount of approximately HK$35 million to secure bank borrowings (31 December 2025: approximately HK$38 million).

FOREIGN EXCHANGE EXPOSURE

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

EMPLOYEES

As at 30 June 2026, the Group had approximately 1,900 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.

INTERIM DIVIDEND

The board of Directors resolved not to declare any interim dividend for the six months ended 30 June 2026 (2025: nil).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2026, the interests of the directors and their associates in the shares of the Company or its associated corporations (within the meaning as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Companies (the "Model Code") in the Listing Rules were as follows:

Long positions

(i) Ordinary share of HK$0.01 each and underlying shares under equity derivatives of the Company:

	Number of shares				
Name of Director	**Ordinary shares interests held under personal/ spouse name**	**Ordinary shares interests held by controlled corporation/ trust**	**Underlying shares (under equity derivatives of the Company)**	**Aggregate interest**	**Approximate percentage of the issued share capital**
Director					
Mr. Fu Wai Chung ("Mr. Fu")	35,422,668 (Note 1)	160,193,644 (Note 1)	–	195,616,312	29.02%
Mr. Fu Ear Ly	–	102,319,938 (Note 2)	–	102,319,938	15.18%

Notes:

(1) These 29,431,304 shares are registered in the name of Fu's Family Limited which is held as to 70% by Mr. Fu, 15% by Ms. Ng Wan and the remaining 15% by Ms. Fu Man. 112,418,263 shares are registered in the name of China-net Holding Ltd. which is wholly-owned by Mr. Fu. China-net Holding Ltd. is also interested in 18,344,077 shares through its ownership of Happy Chord Limited which is wholly-owned by China-net Holding Ltd.. 28,024,334 shares are held by himself and 7,398,334 shares held by his spouse, Ms. Ng Wan.

(2) These 78,319,938 shares are registered in the name of Rainbow Cross Limited which is wholly-owned by Mr. Fu Ear Ly. He is the son of Mr. Fu and Ms. Ng Wan, and the nephew of Ms. Fu Man.

24,000,000 shares are registered in the name of Intelligent Youth Limited which is also wholly-owned by Mr. Fu Ear Ly.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Cont'd)

Long positions (Cont'd)

(ii) Ordinary shares of US$1.00 each in Fu's Family Limited

Name of director	Number of shares interested	Percentage of shareholding
Mr. Fu Wai Chung	70	70%
Ms. Ng Wan	15	15%
Ms. Fu Man	15	15%

(iii) Ordinary shares of US$1.00 each in China-net Holding Ltd.

Name of director	Number of shares interested	Percentage of shareholding
Mr. Fu Wai Chung	100	100%

Share Options

On 23 May 2023, the Company adopted a share option scheme (the "Scheme") to replace the share option scheme adopted in year 2014 (the "Old Scheme").

No share options were granted, cancelled, lapsed or exercised during the period. The Company did not have any outstanding share option as at 30 June 2026 and 31 December 2025.

The number of options available for grant under the scheme mandate of the Scheme at the beginning and the end of the financial period ended 30 June 2026 is 67,414,998 and 67,414,998 respectively.

During the period ended 30 June 2026, the total number of shares of the Company (the "Shares") that may be issued in respect of options granted under the Scheme amounting of nil divided by the weighted average number of Shares of the relevant class in issue (excluding treasury shares) amounting of 674,149,989 was approximately nil%.

Save as disclosed above, as at 30 June 2026, none of the Directors and chief executive of the Company had or were deemed to have any interest or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which has been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which has been notified to the Company and the Stock Exchange pursuant to the Model Code of the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At the extraordinary general meeting held on 23 May 2023 ("2023 1st extraordinary general meeting") the Company had adopted the Scheme to replace the Old Scheme. Under the Scheme, the directors of the Company may, at their discretion, invite employees of the Company or any member of the Group, including any executive, non-executive and independent non-executive directors of the Group and the directors and employees of the holding companies, fellow subsidiaries or associated companies of the Company to take up options to subscribe for shares in the Company representing up to a maximum 10% of the shares in issue as at the date of 2023 1st extraordinary general meeting and subject to renewal with shareholders' approval.

Other than the Company's share option scheme as disclosed above, at no time during the period was the Company, or any of its subsidiaries or its fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2026, the interests or short positions of the substantial shareholders in the shares or underlying shares of the Company which have been disclosed to the Company pursuant to Division 2 and 3 of Part XV of the SFO and have been recorded in the register kept by the Company pursuant to section 336 of the SFO:

Long positions

Name of shareholder	Capacity	Number of issued ordinary shares or security interests	Approximate percentage of the issued share capital and/or security interest of the Company
Mr. Fu	Beneficial owner/Held by controlled corporation/Spouse interests (note 1)	195,616,312	29.02%
Concrete Win Limited	Held by controlled corporation (note 2)	169,293,497	25.11%
	Held by controlled corporation (security interest) (note 2)	67,414,999	10.00%
Country Garden Property Services HK Holdings Company Limited	Beneficial owner (note 2)	169,293,497	25.11%
	Person having security interest in shares (note 2)	67,414,999	10.00%
Country Garden Services Holdings Company Limited	Held by controlled corporation (note 2)	169,293,497	25.11%
	Held by controlled corporation (security interest) (note 2)	67,414,999	10.00%
United Gain Group Ltd	Held by controlled corporation (note 2)	169,293,497	25.11%
	Held by controlled corporation (security interest) (note 2)	67,414,999	10.00%
Ms. YANG Huiyan	Held by controlled corporation (note 2)	169,293,497	25.11%
	Held by controlled corporation (security interest) (note 2)	67,414,999	10.00%
Mr. CHEN Chong	Interest of spouse (note 2)	169,293,497	25.11%
	Interest of spouse (security interest) (note 2)	67,414,999	10.00%
China-net Holding Ltd.	Beneficial owner/Held by controlled corporation (note 1)	130,762,340	19.40%
Mr. Fu Ear Ly	Held by controlled corporation (note 3)	102,319,938	15.18%
Rainbow Cross Limited	Beneficial owner (note 3)	78,319,938	11.62%

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY (Cont'd)

Long positions (Cont'd)

Notes:

1. Under the SFO, Mr. Fu is deemed to be interested in the shares held by Fu's Family Limited and China-net Holding Ltd.. Mr. Fu's interests include 29,431,304 shares held through Fu's Family Limited, 28,024,334 shares held by himself and 7,398,334 shares held by his spouse, Ms. Ng Wan. 112,418,263 shares are registered in the name of China-net Holding Ltd. which is wholly-owned by Mr. Fu. China-net Holding Ltd. is also interested in 18,344,077 shares through its ownership of Happy Chord Limited which is wholly-owned by China-net Holding Ltd.. The entire issued share capital of Fu's Family Limited is held as to 70% by Mr. Fu, 15% by Ms. Ng Wan and 15% by Ms. Fu Man, the sister of Mr. Fu. Under the SFO, Mr. Fu is deemed to be interested in all the shares registered in the name of Fu's Family Limited.

2. 169,293,497 shares are registered in the name of Country Garden Property Services HK Holdings Company Limited, a company wholly-owned by United Gain Group Ltd. United Gain Group Ltd is owned as to 100.00% by Country Garden Services Holdings Company Limited ("CG Services"). Ms. Yang Huiyan holds a total of 16.69% shares of CG Services through Concrete Win Limited and Fortune Warrior Global Limited and holds 20.71% of the voting rights of CG Services' shares (the shares are owned by Guoqiang Public Welfare Foundation (Hong Kong) Limited), thus Ms. Yang is deemed to be interested in a total of 37.39% shares in CG Services. Mr. Chen Chong is the husband of Ms. Yang and is deemed to be interested in the shares in which Ms. Yang is interested. There is a charge over 67,414,999 shares of the Company in favour of Country Garden Property Services HK Holdings Company Limited as security for certain indemnification obligations pursuant to an equity transfer agreement dated 9th November, 2022. Therefore, Country Garden Property Services HK Holdings Company Limited is deemed to have a security interest in these shares.

3. These 78,319,938 shares are registered in the name of Rainbow Cross Limited which is wholly-owned by Mr. Fu Ear Ly. 24,000,000 shares are registered in the name of Intelligent Youth Limited which is also wholly-owned by Mr. Fu Ear Ly. He is the son of Mr. Fu and Ms. Ng Wan, and the nephew of Ms. Fu Man.

Save as disclosed above, as at 30 June 2026, the Company had not been notified of any person's interests or short positions in the shares or underlying shares of the Company, which are required to be recorded in the register required to be kept under section 336 of Part XV of the SFO.

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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules")) as at 30 June 2026.

CORPORATE GOVERNANCE

During the six months ended 30 June 2026, the Company has complied with the code provisions set out in Part 2 of the corporate governance code ("CG Code") as stated in Appendix C1 of the Listing Rule except the following deviations (Code Provision C.2.1 and C.6.1):

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.

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.

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 of the Listing Rules. The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code for the period ended 30 June 2026 and they all confirmed that they have fully complied with the required standards as set out in the Model Code.

By Order of the Board of Directors
FU Wai Chung
Chairman

Hong Kong, 28 August 2026

As at the date of this report, 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 Ms. WANG Jie; and the independent non-executive directors Mr. LAM King Pui, Mr. CAO Qimeng and Ms. XU Jing.