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**Million Hope Industries Holdings Limited**  
**美亨實業控股有限公司**

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

**(Stock Code: 1897)**

**ANNOUNCEMENT OF INTERIM RESULTS**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024**

**INTERIM RESULTS**

For the six months ended 30 September 2024, Million Hope Industries Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) recorded unaudited consolidated revenue of HK\$271.7 million, representing a decrease of 16.4% as compared to the revenue of HK\$325.1 million for the six months ended 30 September 2023. Revenue for the current period was mainly contributed by residential development projects at K.I.L 11264 Ho Man Tin Station, TPTL 244 Pak Shek Kok, TPTL 230 Tai Po Kau and TMTL 483 Tuen Mun Siu Hong. The Group’s gross profit and gross profit margin for the six months ended 30 September 2024 was HK\$20.2 million and 7.4% respectively, compared to that of HK\$31.5 million and 9.7% respectively for the prior period. The gross profit margin in the current period declined as most projects were awarded at a thinner margin due to intense competition within the industry.

The unaudited consolidated profit attributable to owners of the Company for the six months ended 30 September 2024 was HK\$6.8 million, representing an increase of 51.1% as compared to HK\$4.5 million for the last corresponding period. Despite the decrease in revenue by 16.4% and gross profit by 35.9%, the profit for the current period increased as (i) a reversal of impairment loss under expected credit loss model of HK\$0.3 million was made in the current period, compared to an impairment loss under expected credit loss model of HK\$7.9 million recognised in prior period in respect of trade debtors and contract assets; and (ii) no share of loss of a joint venture was recognised in the current period, compared to a share of loss of a joint venture of HK\$6.8 million recognised in the prior period due to the impairment loss recognised on the properties under development in such joint venture in the prior period.

The basic earnings per share and diluted earnings per share for the six months ended 30 September 2024 were HK1.64 cents, representing increases of 50.5% as compared to HK1.09 cents for the corresponding period last year.

## **DIVIDEND**

The board of directors of the Company (the “**Board**”) has resolved to pay a first interim dividend of HK0.5 cents per share for the six months ended 30 September 2024 (for the six months ended 30 September 2023: HK0.8 cents per share) to the shareholders of the Company (the “**Shareholders**”) whose names appear on the register of members of the Company on 2 December 2024. The dividend is expected to be paid to the Shareholders on 13 December 2024.

## **CLOSURE OF REGISTER OF MEMBERS FOR FIRST INTERIM DIVIDEND**

The register of members of the Company will be closed from 28 November 2024 to 2 December 2024, both dates inclusive, for the purpose of determining the identity of members who are entitled to the first interim dividend for the six months ended 30 September 2024. In order to qualify for the first interim dividend for the six months ended 30 September 2024, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. HKT on 27 November 2024.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME**  
*FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024*

		<b>For the six months ended</b>	
		<b>30 September</b>	
	<i>NOTES</i>	<b>2024</b>	<b>2023</b>
		<i>HK\$'000</i>	<i>HK\$'000</i>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	3	<b>271,676</b>	325,086
Cost of sales		<u><b>(251,492)</b></u>	<u>(293,598)</u>
Gross profit		<b>20,184</b>	31,488
Other income		<b>5,143</b>	3,783
Other gains and losses		<b>(631)</b>	853
Reversal of (impairment loss) under expected credit loss model, net		<b>254</b>	(7,919)
Loss on change in fair value of investment properties		<b>(1,000)</b>	–
Administrative expenses		<b>(15,660)</b>	(14,226)
Share of loss of a joint venture		–	(6,822)
Finance costs		<u><b>(1,017)</b></u>	<u>(1,189)</u>
Profit before taxation	4	<b>7,273</b>	5,968
Taxation	5	<u><b>(522)</b></u>	<u>(1,461)</u>
Profit for the period		<b>6,751</b>	4,507
Other comprehensive income (expense):			
Item that may be subsequently reclassified to profit or loss:			
Exchange differences on translation of foreign operations		<u><b>2,017</b></u>	<u>(4,566)</u>
Total comprehensive income (expense) for the period		<u><b>8,768</b></u>	<u>(59)</u>
Earnings per share			
basic (HK cents)	7	<u><b>1.64</b></u>	<u>1.09</u>
diluted (HK cents)	7	<u><b>1.64</b></u>	<u>1.09</u>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 SEPTEMBER 2024

	<i>NOTES</i>	<b>30.9.2024</b> <b>HK\$'000</b> <b>(Unaudited)</b>	31.3.2024 <b>HK\$'000</b> <b>(Audited)</b>
Non-current assets			
Investment properties	8	27,700	28,700
Property, plant and equipment	8	106,669	109,177
Right-of-use assets	8	5,213	4,371
Interest in a joint venture		–	–
Loan to a joint venture		75,195	74,754
Deferred tax assets		2,257	2,229
		<u>217,034</u>	<u>219,231</u>
Current assets			
Inventories		15,489	42,541
Debtors, deposits and prepayments	9	144,460	100,077
Contract assets		86,521	92,822
Tax recoverable		5	11
Cash and cash equivalents		194,002	193,326
		<u>440,477</u>	<u>428,777</u>
Current liabilities			
Trade and other payables	10	56,616	48,281
Provisions		14,844	15,721
Contract liabilities		1,244	622
Tax payable		10,628	10,085
Lease liabilities		655	183
Deferred income		40	57
		<u>84,027</u>	<u>74,949</u>
Net current assets		<u>356,450</u>	<u>353,828</u>
Total assets less current liabilities		<u>573,484</u>	<u>573,059</u>

	<i>NOTE</i>	<b>30.9.2024</b> <b><i>HK\$'000</i></b> <b>(Unaudited)</b>	31.3.2024 <i>HK\$'000</i> (Audited)
Non-current liabilities			
Provisions		<b>45,444</b>	46,530
Lease liabilities		<b>365</b>	23
Deferred income		<b>16</b>	28
		<u><b>45,825</b></u>	<u>46,581</u>
		<u><b>527,659</b></u>	<u>526,478</u>
Capital and reserves			
Share capital	<i>11</i>	<b>41,010</b>	41,161
Reserves		<b>486,649</b>	485,317
		<u><b>527,659</b></u>	<u>526,478</u>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

## 1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

## 2. PRINCIPAL ACCOUNTING POLICIES

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

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“**HKFRS**”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2024 are the same as those presented in the Group’s annual financial statements for the year ended 31 March 2024.

### *Application of amendments to HKFRSs*

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2024 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendment to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

### 3. REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from the provision of design, supply and installation of aluminium windows and curtain walls services by the Group to external customers which is recognised over time as the Group's contract work enhances an asset that the external customers control as the Group performs. The Group's revenue is derived from long-term contracts in relation to provision of design, supply and installation of aluminium windows and curtain walls services in Hong Kong and Mainland China during both periods.

#### *Disaggregation of revenue*

##### *By contract type*

	For the six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Design, supply and installation for curtain walls, aluminium windows, doors and other products for new buildings (notes i and ii)	227,964	275,884
Design, supply and installation for aluminium windows, doors and other products for new buildings (note ii)	35,199	44,612
Repairing, maintenance and others (note iii)	8,513	4,590
Total	<u>271,676</u>	<u>325,086</u>

#### *Notes:*

- (i) The contract type involves aluminium windows, doors and other products in addition to curtain walls. The curtain walls are the principal products for the contract type and the principal revenue from this contract type is also from curtain walls.
- (ii) Other products represent balustrade, louvre, cladding, window wall, canopy and grille.
- (iii) Others mainly represent mock up, window testing and renovation works.

### ***Segment information***

Information reported to the directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment focuses on revenue analysis by contract type. No other discrete financial information is provided other than the Group's results and financial position as a whole. Accordingly, only entity-wide disclosures, major customers and geographic information are presented.

### ***Geographical information***

Information about the Group's revenue from external customers is presented based on the geographical location of the projects:

	<b>For the six months ended 30 September</b>	
	<b>2024</b>	<b>2023</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Hong Kong	<b>260,210</b>	324,559
Mainland China	<b>11,466</b>	527
	<b>271,676</b>	<b>325,086</b>

#### **4. PROFIT BEFORE TAXATION**

	<b>For the six months ended 30 September</b>	
	<b>2024</b>	<b>2023</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Profit before taxation has been arrived at after charging (crediting):		
Depreciation of right-of-use assets	<b>341</b>	207
Depreciation of property, plant and equipment	<b>3,278</b>	3,388
Less: Depreciation expenses included in the cost of inventories	<b>(816)</b>	(867)
	<b>2,803</b>	<b>2,728</b>
Government grants, included in other income	<b>(29)</b>	(28)



## 5. TAXATION

**For the six months ended**  
**30 September**  
**2024**                      2023  
**HK\$'000**                      **HK\$'000**  
**(Unaudited)**                      **(Unaudited)**

The taxation charge (credit) comprises:

Current taxation		
Hong Kong Profits Tax	<b>579</b>	2,545
Deferred taxation	<u><b>(57)</b></u>	<u>(1,084)</u>
	<u><b>522</b></u>	<u>1,461</u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the period, except for the group entity which is a qualifying corporation under the two-tiered profits tax rates regime. For this group entity, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Under the Law of the People's Republic of China (the "PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of EIT Law, the tax rate of the PRC subsidiary was 25%. No provision for PRC Enterprise Income Tax was recognised for the periods ended 30 September 2024 and 2023 as there was no assessable profit for both periods.

## 6. DIVIDENDS

During the six months ended 30 September 2024, a second interim dividend of HK1.7 cents (six months ended 30 September 2023: HK1.7 cents) per share totalling HK\$6,987,000 (six months ended 30 September 2023: HK\$7,071,000) in respect of the year ended 31 March 2024 was paid to shareholders.

Subsequent to the end of the current interim period, the directors of the Company have resolved to declare a first interim dividend of HK0.5 cents per share amounting to HK\$2,049,000 in aggregate (six months ended 30 September 2023: HK0.8 cents per share amounting to HK\$3,300,000 in aggregate) will be paid to shareholders whose names appear in the Register of Members on 2 December 2024.

## 7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company for the period is based on the following data:

	<b>For the six months ended</b>	
	<b>30 September</b>	
	<b>2024</b>	<b>2023</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Earnings:		
Profit for the period attributable to owners of the Company for the purpose of basic and diluted earnings per share	<b><u>6,751</u></b>	<b><u>4,507</u></b>
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<b><u>410,821,346</u></b>	<b><u>414,959,007</u></b>

The weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share has been taken into account the ordinary shares repurchased from the market during the reporting period and subsequently cancelled after the respective reporting date.

The diluted earnings per share for each of the six months ended 30 September 2024 and 30 September 2023 has not included the effect from the Company's share options because the exercise prices of the share options were higher than the average market price of the shares of the Company.

## **8. MOVEMENTS IN INVESTMENT PROPERTIES, PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS**

### ***Investment properties***

The fair values of the Group's investment properties at 30 September 2024 and 31 March 2024 have been arrived at on the basis of a valuation carried out on that date by Colliers International (Hong Kong) Limited, an independent property valuer not connected with the Group. Colliers International (Hong Kong) Limited has appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

As at 30 September 2024, the valuation of properties amounting to HK\$27,700,000 (31 March 2024: HK\$28,700,000) was arrived at by reference to the income capitalisation method which is based on the capitalisation of the net income potential by adopting an appropriate capitalisation rate, which is derived from analysis of sale transactions and interpretation of prevailing investor requirements or expectations.

### ***Property, plant and equipment***

During the six months ended 30 September 2024, the Group acquired property, plant and equipment of HK\$543,000 (six months ended 30 September 2023: HK\$221,000).

### ***Right-of-use assets***

During the six months ended 30 September 2024, the Group entered into new lease agreements for a car parking space and warehouse with lease terms ranging from one to two years (six months ended 30 September 2023: a car parking space with lease term of two years). The Group recognised right-of-use assets of HK\$1,064,000 (six months ended 30 September 2023: HK\$80,000) and lease liabilities of HK\$1,064,000 (six months ended 30 September 2023: HK\$80,000).

## 9. DEBTORS, DEPOSITS AND PREPAYMENTS

The following is an aged analysis of the trade debtors presented based on the right to consideration became unconditional/invoice date at the end of the reporting period:

	<b>30.09.2024</b> <i>HK\$'000</i> (Unaudited)	31.03.2024 <i>HK\$'000</i> (Audited)
Within 30 days	46,847	24,234
31-60 days	58,410	32,921
61-90 days	547	–
Over 90 days	26,291	32,633
	<u>132,095</u>	<u>89,788</u>

## 10. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of each reporting period:

	<b>30.09.2024</b> <i>HK\$'000</i> (Unaudited)	31.03.2024 <i>HK\$'000</i> (Audited)
Within 30 days	2,429	3,310
31-60 days	157	61
61-90 days	291	20
Over 90 days	1,073	707
	<u>3,950</u>	<u>4,098</u>

## 11. SHARE CAPITAL

	Number of shares	Share capital <i>HK\$'000</i>
Ordinary shares of HK\$0.1 each		
Authorised:		
At 1 April 2023, 31 March 2024 and 30 September 2024	<u>5,000,000,000</u>	<u>500,000</u>
Issued and fully paid:		
At 1 April 2023	417,601,630	41,760
Repurchased and cancelled ( <i>Note</i> )	<u>(5,988,000)</u>	<u>(599)</u>
At 31 March 2024	411,613,630	41,161
Repurchased and cancelled ( <i>Note</i> )	<u>(1,516,000)</u>	<u>(151)</u>
At 30 September 2024	<u>410,097,630</u>	<u>41,010</u>

*Note:* During the period ended 30 September 2024, the Company repurchased 1,360,000 shares for an aggregate consideration paid of approximately HK\$594,000, in which 1,276,000 shares were cancelled during the period ended 30 September 2024 and 84,000 shares were cancelled after the reporting date. The Company repurchased 5,024,000 shares on the market during the year ended 31 March 2024 for an aggregated consideration paid of approximately HK\$2,174,000, in which 4,784,000 shares, together with the 1,204,000 shares repurchased before 1 April 2023, were cancelled during the year ended 31 March 2024 and 240,000 shares were cancelled during the period ended 30 September 2024.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **OPERATIONS REVIEW**

#### **Major Project Completed During the Six Months Ended 30 September 2024**

- (1) Residential development at TMTL 483, Siu Hong, Tuen Mun, New Territories – Design, supply and installation of curtain wall system
- (2) Residential development at N.K.I.L. 6579, Lung Cheung Road, Kowloon – Design, supply and installation of curtain wall system, aluminium window/louvre, glass and metal works
- (3) Residential development at TPTL 244, Pak Shek Kok, Tai Po, New Territories – Design, supply and installation of curtain wall system, phase 2 (T1 to T9, T17A & T17B)

#### **Major Projects Undertaken During the Six Months Ended 30 September 2024**

- (1) Residential development at TPTL 230, Tai Po Road, Tai Po Kau, New Territories – Design, supply and installation of curtain wall, canopies, windows, doors, claddings, louvres and glass balustrades
- (2) Residential development at Ho Man Tin Station Package One, K.I.L. 11264, Kowloon – Design, supply and installation of window and louvre
- (3) Residential development at Ho Man Tin Station Package One, K.I.L. 11264, Kowloon – Design, supply and installation of external facade works
- (4) Residential development at TMTL 496, So Kwun Wat, Tuen Mun, New Territories – Design, supply and installation of aluminium windows and curtain wall system
- (5) Rectification of aluminium windows for T2 for Dynasty Court
- (6) Industry re-development at No. 22 Yip Shing Street, Kwai Chung, Kowloon – Facade works (curtain wall) installation
- (7) Residential development at Site F, the Southside Package Six Property Development, Aberdeen Inland Lot No. 467, Hong Kong – Design, supply and installation of curtain wall system, sliding door, bi-folding door, glass wall and skylight
- (8) Renovation works at Branksome Crest, No. 3A Tregunter Path, Hong Kong – Design, supply and installation of facade works

## Major Projects Awarded During the Six Months Ended 30 September 2024

- (1) Subsidized sale flats project at Kai Tak Area 2B1 – Design, supply and installation of aluminium windows, glazed doors and podium glass works
- (2) Industry re-development at No. 18 Lee Chung Street, Chai Wan, Hong Kong – Design, supply and installation of facade works
- (3) Residential development at Lot No. 2413 in DD121, Tong Yan San Tsuen, Yuen Long, New Territories – Design, supply and installation of curtain wall system, glass and metal works
- (4) Public housing development at Pik Wan Road Site B, Yau Tong, Kowloon – Design, supply and installation of aluminium window and louvre

The total amount of contracts on hand of the Group as at 30 September 2024 was HK\$815.2 million.

## OUTLOOK

Hong Kong's economic growth slowed from 3.2% in the second quarter to 1.8% in the third quarter of the year. The slowdown in economic growth was mainly due to the reduction in private consumption expenditure and the increase in service imports. Hong Kong's unemployment rate in the third quarter of the year was 3.0%, which was the same as the unemployment rate in the second quarter of the year. The unemployment rate remained at a low level and the labour market continued to be tight. On the other hand, the U.S. Federal Reserve has started to cut interest rates, ending 11 rate hikes since March 2022. However, the tension in the Middle East continues to escalate and Hong Kong interbank offered rates remain at high levels. All these factors will bring great uncertainty to Hong Kong's economic growth.

The current real estate market in Hong Kong faces significant uncertainty, with fewer projects in the private market and fierce competition in the industry. As property prices have fallen, property developers hold a lot of unsold properties and adopt a cautious approach to land bidding. We remain pessimistic about the future private construction market. Conversely, the public projects market is seeing the government initiatives aimed at increasing public housing availability as soon as possible. The average waiting time for public housing has dropped from a peak of 6.1 years to 5.5 years and is expected to drop to 4.5 years in the year 2026-27, which will bring good development momentum to the public housing construction market. The Group will focus its efforts on the public housing sector. During the period, the Group has won the bids for two subsidized sale flats projects from the Hong Kong Housing Society and one public housing project from the Hong Kong Housing Authority.

As an international financial centre, Hong Kong ranks third in the world and is the largest global offshore Renminbi business and trading hub. Hong Kong is also an indispensable gateway for overseas funds to invest in Mainland China. The 2024 Policy Address highlights the government's effort on the integrated development of education, technology and talents to promote Hong Kong as an international hub for high-calibre talents. The government launched a new talent admission scheme at the end of the year 2022. So far, more than 380,000 applications have been received, and about 160,000 talents have arrived in Hong Kong with their families. The government will continue to strengthen the "compete for talents" policy, and with the future development of the Northern Metropolis University Town, we expect that these policies will attract more people to come to Hong Kong and increase the demand for residential properties, no matter whether they buy or rent flats in Hong Kong. The private property construction market will resume growth in the medium to long term.

In conclusion, Hong Kong's economic growth faces short-term limitations due to several factors: the high-interest rate environment, a decline in private consumption, geopolitical tensions and the significant volume of unsold properties held by developers. These challenges make it difficult for the Group to secure bids for private projects. Despite these operating obstacles, the Group remains committed to providing customers with high-quality products and services while waiting for market recovery. We anticipate that the operating condition will improve in the mid to long term. The Group has established strong cooperative relationships with many property developers and has earned the trust of our customers. We believe these efforts will yield satisfactory returns to our shareholders once the private property market rebounds.

## **FINANCIAL REVIEW**

### **Group Liquidity and Financial Resources**

The Group adopts a prudent approach in managing its cash balance and maintains sound cash flow generating capability. The total cash and bank balances of the Group amounted to HK\$194.0 million as at 30 September 2024 (31 March 2024: HK\$193.3 million), which accounted for 44.0% of the current assets (31 March 2024: 45.1%).

The Group mainly financed its operations through internally generated cash flows and utilised the banking facilities for performance bonds for carrying out its projects during the six months ended 30 September 2024. The Group has access to facilities from banks with an aggregate amount of HK\$450.0 million, of which HK\$128.4 million has been utilised for performance bonds as at 30 September 2024. There was no bank loans drawn down by the Group as at 30 September 2024. The performance bonds under these banking facilities bear charges at prevailing market condition.



As at 30 September 2024, the Group was in a net cash position as there was no bank loans outstanding and the gearing ratio was not applicable. As at 30 September 2024, the Group's net current assets was HK\$356.5 million (31 March 2024: HK\$353.8 million) and the current ratio (current assets divided by current liabilities) was 5.2 times (31 March 2024: 5.7 times).

With its sufficient cash balances and banking facilities available, the Group's liquidity position will remain healthy, ensuring adequate financial resources to meet its obligations, operational needs and future development requirements.

### **Treasury Policy**

The Group's treasury policy is designed to minimise its exposure to fluctuations in the exchange rate and avoid engaging in highly leveraged or speculative derivative products. Foreign currency exposures of the Group arise mainly from the purchase of raw materials using Renminbi in the Mainland China. The Group currently does not have any hedging arrangements to control the risks related to fluctuations in exchange rates, and will determine if any hedging is required, depending upon the size and nature of the exposure, and the prevailing market circumstances.

The Group does not have significant exposure to gains or losses arising from the movement of foreign currency exchange rate against the Hong Kong dollar as most of the income, expenses, assets and liabilities of the Group are denominated in Hong Kong dollar.

### **Capital Structure**

The capital structure of the Group consists of equity, comprising share capital and reserves. The Group had no bank loans as at 30 September 2024 (31 March 2024: nil).

### **Investment in a Joint Venture**

The Group's investment in a joint venture as at 30 September 2024 represented its 50% interest in the redevelopment project at No. 55 Nga Tsin Wai Road, Kowloon, Hong Kong, comprised loan to a joint venture of HK\$75.2 million (31 March 2024: HK\$74.8 million). During the six months ended 30 September 2024, no share of loss of the joint venture was recognised (for the six months ended 30 September 2023: HK\$6.8 million).

### **Material Acquisitions and Disposals**

There was no material acquisitions and disposals that should be notified to the Shareholders during the six months ended 30 September 2024.

## Details of Charges on Assets

As at 30 September 2024, the Group did not pledge any assets to banks or other financial institutions (31 March 2024: nil).

## Performance Bonds and Contingent Liabilities

As at 30 September 2024, the Group had outstanding performance bonds in respect of construction contracts amounting to HK\$128.4 million (31 March 2024: HK\$117.7 million).

A subsidiary of the Company provided a corporate guarantee of proportionate share to a bank for securing a banking facility granted to a joint venture to finance the redevelopment project in No. 55 Nga Tsin Wai Road, Kowloon, Hong Kong. As at 30 September 2024, 50% proportionate share of the bank loan balance was HK\$38.2 million (31 March 2024: HK\$38.2 million).

Save as disclosed above, the Group did not have significant contingent liabilities as at 30 September 2024 (31 March 2024: nil).

## Commitment

The Group's share of the commitment made jointly with a joint venturer relating to a joint venture, but not recognised at the end of the reporting period is as follows:

	<b>30.9.2024</b>	31.3.2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Commitment to provide loan	<b><u>86,755</u></b>	<u>86,755</u>

The Group will finance its portion of commitment from its internal resources and available banking facilities.

Save as disclosed above, the Group had no material commitment as at 30 September 2024 (31 March 2024: nil).

## **CORPORATE GOVERNANCE**

The corporate governance principles of the Company emphasise a quality Board and transparency and accountability to all Shareholders.

Throughout the six months ended 30 September 2024, the Company has complied with all the Code Provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Listing Rules, except for the following deviation:

- Code Provision C.1.6 of the CG Code stipulates that independent non-executive directors and other non-executive directors shall attend general meetings and develop a balanced understanding of the views of the Shareholders. Mr. Poon Kan Young, the independent non-executive director of the Company, was unable to attend the Company’s 2024 annual general meeting and extraordinary general meeting due to other important engagement. However, there were sufficient directors, including executive directors, non-executive directors and other independent non-executive directors of the Company, present to enable the Board to develop a balanced understanding of the views of the Shareholders.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors’ securities transactions.

Having made specific enquiry to all directors of the Company (except for Professor Hao Gang who was appointed after 30 September 2024), they confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 September 2024.

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

During the six months ended 30 September 2024, the Company repurchased 1,360,000 shares of the Company on the market, of which 1,276,000 shares and 84,000 shares were repurchased pursuant to the general mandate granted by the then Shareholders at the annual general meetings held on 22 August 2023 and 20 August 2024 respectively. The aggregate consideration paid (excluding transaction costs) for this repurchase was approximately HK\$594,000. 1,276,000 shares of these repurchased shares were cancelled during the period and the remaining 84,000 shares were subsequently cancelled in October 2024.

Month of repurchase	Number of ordinary shares repurchased	Purchase price paid per share		Aggregate consideration paid (excluding transaction costs) <i>HK\$'000</i>
		Highest <i>HK\$</i>	Lowest <i>HK\$</i>	
April 2024	146,000	0.450	0.450	66
July 2024	780,000	0.450	0.380	336
August 2024	350,000	0.450	0.450	157
September 2024	<u>84,000</u>	0.435	0.410	<u>35</u>
	<u><u>1,360,000</u></u>			<u><u>594</u></u>

Save as disclosed above, during the six months ended 30 September 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2024, the Group had 241 full time employees (of which 101 employees were in Mainland China). The Group offers competitive remuneration packages, including discretionary bonus, share options and depending on the position, cash allowances, to its employees. The Group also provides retirement schemes, medical benefits, on-the-job training to its employees and sponsors its employees to attend various external training courses.

## REVIEW OF INTERIM RESULTS

The Company has engaged Messrs. Deloitte Touche Tohmatsu, the Group's auditor, to assist the audit committee of the Company (the "Audit Committee") to review the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2024. The unaudited condensed consolidated financial statements for the six months ended 30 September 2024 has been reviewed by the Audit Committee.

By order of the Board  
**Million Hope Industries Holdings Limited**  
**Wong Sue Toa, Stewart**  
*Chairman*

Hong Kong, 12 November 2024

*As at the date of this announcement, the Board comprises:*

***Non-executive Chairman***

Mr. Wong Sue Toa, Stewart

***Non-executive Directors***

Mr. Cha Mou Daid, Johnson  
Mr. Chuk Kin Lun  
Mr. Chung Sam Tin Abraham  
Mr. Tai Sai Ho

***Executive Directors***

Mr. Lee Cheuk Hung (*Managing Director*)  
Mr. Wong Kin

***Independent Non-executive Directors***

Mr. Chau On Ta Yuen  
Professor Hao Gang  
Professor Ho Richard Yan Ki  
Mr. Poon Kan Young  
Mr. Yip Kai Yung

*In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.*