

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.



CHINA INVESTMENT AND FINANCE GROUP LIMITED

中國投融資集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1226)

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

The board (the “Board”) of directors (the “Directors”) of China Investment and Finance Group Limited (the “Company”) and its subsidiaries (collectively, the “Group”) is pleased to announce the unaudited consolidated results of the Group for the six months ended 30 September 2024 (the “Period”).

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2024

		Unaudited six months ended 30 September	
	Notes	2024 HK\$'000	2023 HK\$'000
Gross proceeds from disposal of securities		10,951	15,922
Revenue	3	3,318	2,668
Net realised loss on disposal of equity instruments at fair value through profit or loss		(675)	(4,958)
Net unrealised loss on equity instruments at fair value through profit or loss		(6,036)	(21,938)
Administrative expenses		(3,335)	(3,265)
Loss from operations	5	(6,728)	(27,493)
Finance costs		(238)	(202)
Loss before tax		(6,966)	(27,695)
Income tax expense	6	–	–
Loss for the period attributable to shareholders of the Company		(6,966)	(27,695)
Other comprehensive income for the period, net of tax		–	–
Total comprehensive expenses for the period attributable to shareholders of the Company		(6,966)	(27,695)
Loss per share	8		
– Basic (HK cents)		(1.69)	(6.71)
– Diluted (HK cents)		(1.69)	(6.71)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

		Unaudited 30 September 2024 HK\$'000	Audited 31 March 2024 HK\$'000
	Notes		
Non-current assets			
Equity investments at fair value through profit or loss	9	6,276	6,276
Debt investments measured at amortised cost	10	33,613	32,845
		<u>39,889</u>	<u>39,121</u>
Current assets			
Equity and debt investments at fair value through profit or loss	9	111,938	104,196
Debt investments measured at amortised cost	10	–	11,972
Other receivables, prepayments and deposits	11	6,292	5,886
Cash and cash equivalents		1,049	7,112
		<u>119,279</u>	<u>129,166</u>
Current liabilities			
Amount due to brokers	12	6,805	6,218
Accruals		467	3,207
		<u>7,272</u>	<u>9,425</u>
Net current assets		<u>112,007</u>	<u>119,741</u>
Net assets		<u>151,896</u>	<u>158,862</u>
Capital and reserves			
Share capital	13	413	413
Reserves		151,483	158,449
Total equity		<u>151,896</u>	<u>158,862</u>
Net asset value per share (in HK\$)	14	<u>0.37</u>	<u>0.39</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 26 April 2002. The Company's shares have been listed on the Stock Exchange with effect from 19 September 2002. Its registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its principal office in Hong Kong is located at Room 1104, Crawford House, 70 Queen's Road Central, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of subsidiaries are securities trading and investment holding.

The condensed consolidated financial statements are prepared in Hong Kong dollars, which is the same as the functional currency of the Company.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules (the "Listing Rules") Governing the Listing of Securities on the Stock Exchange and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The unaudited condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2024. The accounting policies and methods of computation used in the preparation of the unaudited condensed financial statements included in this announcement are consistent with those used in the annual financial statements for the year ended 31 March 2024.

Significant accounting policies

The Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 April 2024. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); HKAS; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current period and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Company has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

3. REVENUE

An analysis of Group's revenue is as follows:

	Unaudited six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Dividend income from equity investment at fair value through profit or loss	363	220
Interest income from debt investments at amortised cost	2,568	1,626
Interest income from other receivables	386	822
Interest income from brokers	1	–
	<u>3,318</u>	<u>2,668</u>

4. SEGMENT INFORMATION

For the six months ended 30 September 2024 and 2023, the Group's turnover and results were mainly derived from the interest income and dividend income from investment holding. The Directors consider that these activities constitute one and the only business segment since these transactions are subject to common risks and returns. The management monitors the operating results of its business for the purpose of making decision about resource allocation and performance assessment. Given the nature of the Group's operation is investment holding, it is not considered meaningful to provide a business segment analysis of operating losses.

Geographical information

During the six months ended 30 September 2024 and 2023, all activities of the Group are based in Hong Kong and all of the Group's revenue was derived from Hong Kong. Accordingly, no analysis by geographical segment is presented.

Given that the nature of the Group's operation is investment holding, there was no information regarding major customers as determined by the Group.

5. LOSS FROM OPERATIONS

	Unaudited six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Loss from operations has been arrived at after charging:		
Directors' remunerations		
– Fees	510	510
– Other remunerations	–	–
– Equity-settled share-based payments	–	–
Total directors' remunerations	<u>510</u>	<u>510</u>
Staff costs		
– Salaries	200	465
– Retirement Scheme contributions	8	11
– Equity-settled share-based payments	–	–
Total staff costs (excluding directors' remunerations)	<u>208</u>	<u>476</u>
Investment manager's fee	360	360
Expenses related to short-term lease	<u>45</u>	<u>45</u>

6. INCOME TAX EXPENSE

No Hong Kong Profits Tax had been provided for each of the six months ended 30 September 2024 and 2023 as the Group had no estimated assessable profits during these periods.

As at 30 September 2024, the Group has unused tax losses of approximately HK\$520,319,000 available for offset against future profits. The unrecognised tax losses may be carried forward indefinitely.

7. DIVIDEND

The Directors do not recommend the payment of a dividend for the six months ended 30 September 2024 (2023: Nil).

8. LOSS PER SHARE

The calculations of basic loss per share are based on the loss attributable to shareholders of the Company of approximately HK\$6,966,000 (2023: loss of approximately HK\$27,695,000).

The above basic loss per share are based on the weighted average number of 412,596,600 (2023: 412,596,600) ordinary shares in issue for the six months ended 30 September 2024.

The calculation of diluted loss per share for the six months ended 30 September 2023 and 2024 does not assume the exercise of the Company's share options since their assumed exercise would result in a decrease in loss per share for the six months ended 30 September 2023 and 2024.

9. EQUITY AND DEBT INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Unaudited 30 September 2024 <i>HK\$'000</i>	Audited 31 March 2024 <i>HK\$'000</i>
Non-current		
Unlisted equity investments outside Hong Kong	6,276	6,276
Current		
Listed equity investments in Hong Kong	98,667	104,196
Unlisted debt investment outside Hong Kong	13,271	–
	<u>111,938</u>	<u>104,196</u>
	<u>118,214</u>	<u>110,472</u>

Details of the significant equity investments at fair value through profit or loss as at 30 September 2024 were as follows:

Investee company	Stock code	As at 30 September 2024			For the six months ended 30 September 2024			
		Percentage of effective interest held	Fair/Market value <i>HK\$'000</i>	Percentage of fair/market value of significant investments to the Group's investment portfolio	Percentage of fair/market value of significant investments to the Group's total assets	Unrealised Gain/(loss) <i>HK\$'000</i>	Realised Gain/(loss) <i>HK\$'000</i>	Dividend received <i>HK\$'000</i>
WLS Holdings Limited	8021	3.8%	14,290	9.4%	9.0%	1,099	–	–
Minerva Group Holding Limited	397	4.8%	15,361	10.1%	9.7%	(240)	–	–
Hao Wen Holdings Limited	8019	4.3%	12,490	8.2%	7.8%	9,139	–	–

Details of the debt investment at fair value through profit or loss as at 30 September 2024 were as follows:

Bond Issuer	Face Value <i>HK\$'000</i>	Cost <i>HK\$'000</i>	Interest receivable <i>HK\$'000</i>	Allowance for credit losses <i>HK\$'000</i>	Net book value <i>HK\$'000</i>	Percentage of net book value of significant investments to the Group's investment portfolio	Percentage of net book value of significant investments to the Group's total assets	Terms	Coupon rate p.a.
China 33 Media Group Limited	15,500	15,500	349	2,578	13,271	8.7%	8.3%	From 23 July 2024 to 22 July 2025	12.0%

10. DEBT INVESTMENTS MEASURED AT AMORTISED COST

Details of the debt investments measured at amortised cost as at 30 September 2024 were as follows:

Bonds issuer	Face value <i>HK\$'000</i>	Cost <i>HK\$'000</i>	Interest receivables <i>HK\$'000</i>	Allowance for credit losses <i>HK\$'000</i>	Net book value <i>HK\$'000</i>	Percentage of net book value of significant investments to the Group's investment portfolio	Percentage of net book value of significant investments to the Group's total assets	Terms	Coupon rate p.a.
Hao Wen Holdings Limited	20,000	20,000	921	3,698	17,223	11.3%	10.8%	From 15 June 2022 to 14 June 2027	5.5%
Gold Medal Hong Kong Limited	18,000	18,000	1,765	3,375	16,390	10.8%	10.3%	From 10 July 2023 to 9 July 2025	8.0%

11. OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	Unaudited 30 September 2024 <i>HK\$'000</i>	Audited 31 March 2024 <i>HK\$'000</i>
Other receivables*	6,215	5,829
Deposits paid	25	25
Financial assets	6,240	5,854
Prepayments	52	32
	<u>6,292</u>	<u>5,886</u>

* Other receivables represent the consideration receivable arising from the disposal of unlisted equity investments.

12. AMOUNT DUE TO BROKERS

As at 30 September 2024, the Group has margin payables of HK\$5,362,000 (31 March 2024: approximately HK\$5,308,000) represents margin loans arising from the trading of listed investments which are repayable on demand and pledged with listed investment, the remaining balance represent amount due to a broker which repayable on demand and unsecured. No ageing analysis is disclosed in respect of amount due to brokers. In opinion of the Directors, an ageing analysis does not give additional value in view of the Group's business nature.

13. SHARE CAPITAL

	Number of ordinary shares of HK\$0.001 each '000	<i>HK\$'000</i>
<i>Authorised:</i>		
As at 1 April 2023, 31 March 2024, 1 April 2024 and 30 September 2024	<u>1,200,000,000</u>	<u>1,200,000</u>
<i>Issued and fully paid:</i>		
As at 1 April 2023, 31 March 2024, 1 April 2024 and 30 September 2024	<u>412,597</u>	<u>413</u>

14. NET ASSET VALUE PER SHARE

Net asset value per share is calculated by dividing the net assets included in the consolidated statement of financial position of approximately HK\$151,896,000 (31 March 2024: approximately HK\$158,862,000) by the number of shares in issue at 30 September 2024, being 412,596,600 shares (31 March 2024: 412,596,600 shares).

15. RELATED PARTY TRANSACTIONS

During the six months ended 30 September 2024 and 2023, the Group had the following significant related party transaction which, in the opinion of the Directors, was carried out on normal commercial terms and in the ordinary course of the Group's business:

	Unaudited six months ended 30 September	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Investment manager's fee paid to:		
Evergrande Securities (Hong Kong) Limited	<u>360</u>	<u>360</u>
	<u>360</u>	<u>360</u>

The Company entered into an investment management agreement with Evergrande Securities (Hong Kong) Limited (the "Investment Manager") effective on 8 December 2020. The Investment Manager is entitled to a monthly management fee of HK\$60,000 and payable monthly in advance.

The Investment Manager shall be deemed as a connected person of the Company pursuant to Rule 21.13 of the Listing Rules upon the agreement becoming effective. The transactions are considered a de minimis transactions under Rule 14A.76 of the Listing Rules.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

For the six months ended 30 September 2024, the Group recorded gross proceeds from disposal of securities of approximately HK\$11.0 million for the Period (six months ended 30 September 2023: approximately HK\$15.9 million). The Group also recorded an increase in revenue from approximately HK\$2.7 million for the six months ended 30 September 2023 to approximately HK\$3.3 million for the Period, representing an increase of approximately 24.4%. The loss attributable to the owners decreased from approximately HK\$27.7 million for the six months ended 30 September 2023 to loss of approximately HK\$7.0 million for the Period. The unaudited consolidated net assets of the Group as at 30 September 2024 amounted to approximately HK\$151.9 million (31 March 2024: approximately HK\$158.9 million). The decrease in the Group's net asset value over the Period is resulted from the net loss of approximately HK\$7.0 million for the Period.

The net asset value per share of the Group was amounted to approximately HK\$0.37 (31 March 2024: approximately HK\$0.39).

INVESTMENT REVIEW

As at 30 September 2024, the Group's investments were as follows:

Investments	Description
Listed equities	HK\$98.6 million of a portfolio of listed shares in forty-seven companies
Debt investment	HK\$46.9 million in bonds issued by two listed companies and one unlisted company
Direct investment in unlisted equities	HK\$6.3 million in two direct investments in unlisted equity securities
Total	HK\$151.8 million

The investment portfolio of the Group maintained during the Period mainly comprises of unlisted equity securities, unlisted debt securities and listed equity securities in Hong Kong and China. The value of investment portfolio of the Company is approximately HK\$151.8 million. Further details of the Group's significant investments, which are defined as any of the Group's investments with fair value over 5% of the Group's total assets as at 30 September 2024, are stated in notes 9 and 10 to the condensed consolidated financial statements and elsewhere in Statement from the Management.

Significant Investments	Notes	Fair value/ Carrying value of significant investments as at 30 September 2024	Percentage of fair value of significant investments to the Company's total assets as at 30 September 2024	Realised gain/ (loss) recognised during the six months ended 30 September 2024	Unrealised gain/ (loss) recognised during the six months ended 30 September 2024	Bond coupons received during the six months ended 30 September 2024
		HK\$' million		HK\$' million	HK\$' million	HK\$' million
Equity investment in Minerva Group Holding Limited	<i>a</i>	15.4	9.7%	–	(0.2)	N/A
Equity investment in WLS Holdings Limited	<i>b</i>	14.3	9.0%	–	1.1	N/A
Equity investment in Hao Wen Holdings Limited	<i>c</i>	12.5	7.8%	–	9.1	N/A
Bonds investment in Hao Wen Holdings Limited	<i>c</i>	17.2	10.8%	–	–	0.5
Bonds investment in Gold Medal Hong Kong Limited	<i>d</i>	16.4	10.3%	–	–	–
Bonds investment in China 33 Media Group Limited	<i>e</i>	13.3	8.3%	–	–	–

Notes:

- (a) Minerva Group Holding Limited (“Minerva Group”, stock code: 397)

Minerva Group is principally engaged in business of financial services, assets investment and money lending. For the financial year ended 31 December 2023, the audited consolidated loss attributable to shareholders of Minerva Group was approximately HK\$104.1 million.

As stated in Minerva Group’s 2024 interim report, the Hong Kong economy is still facing high interest rates and a slowdown in the growth of the economic market performance and GDP. This situation could have significant implications for the financial industry in Hong Kong. It is expected that market volatility will continue to persist amid rising interest rates and inflation pressures. Furthermore, the Hong Kong Government has forecasted a real GDP growth rate of 2.5% to 3.5% for 2024, which is similar to the actual result of real GDP in 2023. It is anticipated that there may not be a significant improvement in the economic market performance in the second half of 2024.

In an effort to optimise this market momentum, Minerva Group will continue to source additional revenues and broaden the customer base for its margin financing business through the broad social networks of Minerva Group’s experienced staff and new hires in order to build more in-depth as well as new business relationships, which will bring sustainable and steady growth to the segment.

As for its money lending business, Minerva Group will continue to expand into corporate and individual loans through E Cash Fintech Limited and E Finance Limited, which are wholly-owned subsidiaries of Minerva Group and with money lenders licenses issued under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). Under today's challenging and unpredictable economic environment, Minerva Group expects to face lending risks which may affect loan demands from borrowers. Minerva Group will continue to carefully evaluate its risk management strategies and ensure a proper balance between risks and returns and over the long run. To help ensure a sound loan portfolio, Minerva Group will continue to adopt prudent and cautious approaches throughout the credit assessment and approval processes. Minerva Group will also keep a close eye on the repayment performance of its loan portfolio while evaluating the repayment ability of borrowers.

Minerva Group will continue to cautiously monitor the general business environment and market conditions to mitigate the potential impact to its operations and investments while also seeking potential investment and business opportunities for further development of its various business segments, expanding the business scope and creating a new dynamic for revenue growth.

While the impact of high interest rate and Hong Kong economic slowdown, Minerva Group will continue to fulfill its financial intermediary role and respond to client needs for funding support while proactively adjusting financial management strategies toward a forward-looking perspective in order to maximise value for its shareholders.

Considering the ongoing growth of the healthcare industry, driven by a growing population and increased health consciousness, Minerva Group remains focused on exploring investment opportunities in the healthcare sector. With the intention of generating sustainable returns for Minerva Group, Minerva Group recognises the potential in this sector and will actively pursue investments that align with their strategic objectives. By capitalising on the expanding healthcare market, Minerva Group aims to create long-term value for their shareholder.

The management of the Company believes Minerva Group will be able to spur its revenue growth and create more value. Return on investment in Minerva Group is expected to be generated in coming years, but we will still continue to monitor the performance of Minerva Group and adjust our strategy of investment in Minerva Group, if necessary.

(b) WLS Holdings Limited ("WLS", stock code: 8021)

As stated in WLS annual report 2024, looking ahead, the external environment is rather complicated in 2024. The geopolitical tensions and the lagged effects of the sharp monetary tightening earlier will continue to affect Hong Kong economic growth. Some major central banks are expected to cut interest rates later in the year, thereby lending support to economic confidence and activities around the world, though the exact timing and magnitude of the cuts remain uncertain. WLS Group will continue to focus on scaffolding, fitting out and other auxiliary services for construction and buildings work; money lending and securities investment business.

In the past decade, the scaffolding industry has become increasingly competitive. Furthermore, the costs have become higher together with rising labour costs and the productivity has suffered decline as well. In the face of a phenomenon of ageing workers, young generation is unwilling to join the industry due to hard labour work and higher requirement of technological qualifications, which has affected recruitment of talents in the industry, and with heavier government regulations, without favourable factors such as labour imports, the carrying capacity of the industry may be challenged. These reflect a lack of confidence in the prospect of the scaffolding industry.

On the other hand, in response to demand from market development, many contractors have adopted the use of iron scaffolds instead of bamboo scaffolds nowadays. The general higher durability of iron scaffolds and the possibility of calculating load bearing capacity have shortened the time for training of workers. Hence, bamboo scaffolds may be eliminated in Hong Kong in the future. According to recent trend, modern iron scaffolds have been adopted by the industry, especially for high-end shopping malls which are aware of exterior appearance. Therefore, the future direction of the scaffolding business will be led by the adoption of mixed scaffolds and iron scaffolds.

WLS Group has been actively seeking profitable projects over the past several years in order to diversify its business portfolio and eventually mitigate risks from the competitive construction market.

After a few years of serious efforts to develop its money lending operations, the money lending business has generated stable income for the fiscal year 2024. Despite difficulties in repayment by customers during the fiscal year 2024, WLS Group will continue putting efforts in the collection procedure of loans receivable. WLS Group's Guidelines and Procedure Manual for the money lending business were issued with an aim to comply with the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and other relevant laws and the licensing conditions and guidelines and other publications as issued by the Companies Registry from time to time. WLS Group will continue to update the Guidelines and Procedure Manual to ensure stricter compliance with the aforementioned.

Looking ahead to 2024/2025, in view of present economic uncertainty and difficulties, WLS Group is reviewing its existing assets structure and business strategies and may make adjustment to its existing assets structure, with the aim to consolidate its resources, so as to be flexibly prepared for uncertainties in the future. Meanwhile, in order to enhance its competitiveness, WLS Group will look for opportunities to revitalise the scaffolding business to keep up with the recent development and trend in the industry, in particular the declining use of bamboo scaffolds. At the same time, WLS Group will continue focusing on those business segments that generate higher profit margins and show ample growth potential such as money lending operations. WLS Group will strictly adhere to its cost control policy, and swiftly adjust business strategies of its scaffolding business in response to ever-changing market dynamics in order to generate better financial returns for its shareholders.

Finally, WLS will actively explore all suitable investment opportunities to diversify its group's business horizons and will work hard to strengthen overall business development. WLS Group's business strategy is in line with the general direction of the government's overall strategic development plans for property construction, infrastructure investment and financial market development.

The management of the Company shares the same viewpoints of WLS and believes its business in construction and infrastructure sectors are in line with the development plan of Hong Kong Government and will bring positive return to the Company in long run, but we will still continue to monitor the performance of WLS and adjust our strategy of investment in WLS, if necessary.

- (c) Hao Wen Holdings Limited ("Hao Wen") is a company incorporated in Cayman Islands with limited liability. Hao Wen and its subsidiaries are principally engaged in money lending, and trading of electronic parts. It is listed on GEM of the Stock Exchange (stock code: 8019).

Based on Hao Wen's annual report 2023, its audited net loss for the year ended 31 December 2023 is approximately RMB9.4 million. Based on Hao Wen's interim report for the six months ended 30 June 2024, its net asset value was approximately RMB287.1 million, its current assets were approximately RMB238.9 million and total liabilities were approximately RMB93.1 million. In view of Hao Wen's strong liquid assets and limited liabilities, the Company considers that Hao Wen has sufficient financial resources to meet its ongoing operation, there is no signal of default of bonds issued by Hao Wen to our Group.

As stated in Hao Wen's interim report for the six months ended 30 June 2024, the decrease of revenue was mainly due to the decrease in demand in the People's Republic of China ("PRC"), the revenue from processing and trading of electronic parts business decreased by approximately RMB1,960,000 or 21.8% to approximately RMB7,048,000 (2023: RMB9,008,000). The demand in the loan market remained stable, the revenue from money lending business slightly increased by approximately RMB27,000 or 0.2% as compared with the corresponding period in 2023. Hao Wen has derived interest income from its loan portfolio of approximately RMB15,269,000 for the first half of Year 2024 (2023: RMB15,242,000).

Looking forward, Hao Wen will continue to dedicate efforts on the processing and trading of electronic parts business with the view to achieving product upgrade and takes various cost-savings and quality improvement measures for the business. Hao Wen is confident that it will be well positioned in facing the upcoming challenges and preserving long-term profitability growth for its shareholders. Hao Wen would also explore other potential investment opportunities in order to broaden its income sources.

The Company believes Hao Wen will continue to explore the potential of its business opportunities and utilize its resource with prudence in the future, and Hao Wen will bring positive return to its shareholders in long run.

- (d) Gold Medal Hong Kong Limited (“Gold Medal”) is a company incorporated in Hong Kong with limited liability. Gold Medal is a licensed money lender in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and which is operated by an indirect wholly-owned subsidiary of WLS. The bonds issued by Gold Medal is guaranteed by WLS.

Based on WLS’ annual report for the year ended 30 April 2024, its net asset value was approximately HK\$383.9 million, its current assets were approximately HK\$333.9 million and total liabilities were approximately HK\$198.2 million. In view of the guarantor, WLS’ strong liquid assets and limited liabilities, the Company considers that Gold Medal has sufficient financial resources to meet its ongoing operation, there is no signal of default of bonds issued by Gold Medal to the Group.

- (e) China 33 Media Group Limited (“China 33”) is a company incorporated in Cayman Islands with limited liability. China 33 and its subsidiaries are principally engaged in outdoor and digital advertising, film and entertainment investment, and transaction services for prepaid cards. It is listed on GEM of the Stock Exchange (stock code: 8087).

Based on China 33’s interim report for the six months ended 30 June 2024, its net asset value was approximately RMB26.6 million, its current assets were approximately RMB316.2 million and total liabilities were approximately RMB300.4 million. In view of China 33’s strong liquid assets and limited liabilities, the Company considers that China 33 has sufficient financial resources to meet its ongoing operation, there is no signal of default of bonds issued by China 33 to the Group.

Performance of the Group’s Listed Equity Investment

The loss on listed investments of approximately HK\$6.3 million for the Period represented net realised loss on disposal of listed securities of approximately HK\$0.7 million and net unrealised loss of listed securities of approximately HK\$6.0 million, net of dividend received of approximately HK\$0.4 million. Set out below are further information of these net realised loss and net unrealised loss:

Net Realised Loss on Disposal of Listed Securities

The net realised loss on disposal of listed securities of approximately HK\$0.7 million represented the realised gain of approximately HK\$0.5 million net of realised loss of approximately HK\$1.2 million. There was no stock which brought realised gain or loss over HK\$1.0 million to the Group during the Period.

Net Unrealised Loss of Listed Securities

The net unrealised loss of approximately HK\$6.0 million represented the unrealised gain of approximately HK\$12.7 million net of unrealised loss of approximately HK\$18.7 million.

The unrealised gain of approximately HK\$12.7 million principally represented:

Company name	Stock code	Unrealised gain <i>HK\$ million</i>
Hao Wen Holdings Limited	8019	9.1
WLS Holdings Limited	8021	1.1

In addition to the above 2 stocks, there was no other stocks which brought unrealised gain over HK\$1.0 million to the Group during the Period.

The unrealised loss of approximately HK\$18.7 million principally represented:

Company name	Stock code	Unrealised loss <i>HK\$ million</i>
AMCO United Holding Limited	630	2.5
China Jicheng Holdings Limited	1027	2.5
CBK Holdings Limited	8428	1.8
Milan Station Holdings Limited	1150	1.6
Suncorp Technologies Limited	1063	1.3
Tibet Water Resources Ltd.	1115	1.2

In addition to above 6 stocks, there was no other stocks which brought unrealised loss over HK\$1.0 million to the Group during the Period.

Note: The shares of all the companies mentioned under Performance of the Group's Listed Securities were listed on either Main Board or GEM of the Stock Exchange.

Performance of the Group's Unlisted Equity Investments

The Group did not dispose of any of its unlisted equity investment, and no realised gain/loss was recorded during the Period.

Performance of the Group's Unlisted Debt Investments

The Group did not acquire or dispose of any debt investments, and bond interest income of approximately HK\$2.6 million was recognised during the Period.

PROSPECTS

We expect the global market will continue to face greater challenges and full of uncertainty, especially in the period of high geopolitical risks. Russo-Ukraine War has happened in a couple of years ago and has not yet ended. In the meantime, Israel-Hamas war happened in 2023. High geopolitical risks cause significant uncertainty to the investment market. When the world is facing such great uncertainty, we believe, crisis and opportunities coexist.

We will continue to take a prudent approach in managing the Group's investment portfolio and develop the investment strategies. Given the increasing influence of China against the global economy, the Group will still be based mainly on Chinese economy. The Group will continue to look for investment opportunities which offer outstanding returns under the acceptable risk in the portfolio of the Group.

The Company would consider investing in certain unlisted securities and listed securities with high potential in order to diversify further market risk.

As at 30 September 2024 and up to the date of this announcement, the Company does not have any concrete plan for material investments or capital assets.

DIVIDEND

The Board has resolved not to recommend a payment of an interim dividend for the six months ended 30 September 2024 (2023: Nil).

CAPITAL STRUCTURE

The unaudited consolidated net asset value per share of the Company as at 30 September 2024 was HK\$0.37 (As at 31 March 2024: audited HK\$0.39). The consolidated net asset value per share is calculated based on the net assets of the Group as at 30 September 2024 of approximately HK\$151.9 million (As at 31 March 2024: approximately HK\$158.9 million) and the total number of 412,596,600 shares ordinary shares of the Company at par value of HK\$0.001 each (As at 31 March 2024: 412,596,600 ordinary shares of the Company at par value of HK\$0.001 each).

The Group did not have run any capital exercise during the Period.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2024, the Group had amounts due to brokers (including margin payables to financial institutions) of approximately HK\$6.8 million (31 March 2024: approximately HK\$6.2 million). The Group had cash and cash equivalents of approximately HK\$1.0 million (31 March 2024: approximately HK\$7.1 million), which was mainly placed in bank and other financial institution as deposits. Together with listed securities of approximately HK\$98.6 million, which are highly liquid in nature, the Board considers the liquidity position of the Company is healthy as at 30 September 2024.

SIGNIFICANT ACQUISITION AND DISPOSAL OF SUBSIDIARIES

During the six months ended 30 September 2024, the Company does not have any significant acquisition and disposal of subsidiaries.

GEARING RATIO

As at 30 September 2024, the Group's gearing ratio (defined as total interest-bearing liabilities/total equity) is 4.5% (31 March 2024: 3.9%), which is considered by the Board maintained at a healthy level.

FOREIGN CURRENCY FLUCTUATION

The Group's exposures to foreign currencies mainly arises from its investments in companies located in the PRC, which are financed internally. In order to mitigate the potential impact of currency fluctuations, the Group closely monitors its foreign currency exposures and will use suitable hedging instruments against significant foreign currency exposures, where necessary. No foreign currency hedge contract was entered into by the Group during the Period. As at 30 September 2024, the Group had no outstanding foreign currency hedge contracts (31 March 2024: Nil).

CHARGES ON ASSETS AND CONTINGENT LIABILITIES

Throughout the six months ended 30 September 2024, assets of the Group were free from any form of legal charge, except for listed securities of approximately HK\$10.6 million (31 March 2024: approximately HK\$9.1 million) pledged for margin payables. In addition, the Group did not have any significant contingent liabilities as at 30 September 2024 and 31 March 2024.

PURCHASE, SALE AND REDEMPTION OF SHARES

For the six months ended 30 September 2024, neither the Group nor its subsidiaries had purchased, sold or redeemed any of the Group's shares.

CORPORATE GOVERNANCE

The Company has complied with the Code on Corporate Governance Practices as set out in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange ("Code") throughout the six months ended 30 September 2024, with deviations from Provision C.2.1 of the Code.

Pursuant to Provision C.2.1 of the Code, the roles of the Chairman and the Chief Executive Officer should be separated and should not be performed by the same individual. The division of responsibilities between the Chairman and the Chief Executive Officer should be clearly established and set out in writing. The Board is in the process of locating an appropriate person to fill the vacancy of the Chairman and the Chief Executive Officer of the Company as soon as practicable.

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code for securities transactions by Directors. Having made specific enquiry of all Directors, the Group confirmed that all Directors have complied with the required standard set out in the Model Code throughout the Period.

AUDIT COMMITTEE

The Audit Committee of the Company had reviewed the unaudited consolidated results of the Group for the six months ended 30 September 2024, including the accounting principles and accounting practices adopted by the Company, and discussed matters relating to auditing, internal controls, risk management, financial reporting, the adequacy of resources, qualification and experience of staff.

By order of the Board
China Investment and Finance Group Limited
CHAN Cheong Yee
Executive Director

Hong Kong, 28 November 2024

As at the date of this announcement, the Board comprises Mr. CHAN Cheong Yee as executive Director, Mr. WU Qi and Mr. FONG On Shek as non-executive Directors, and Mr. LUK Simon, Ms. LIU Xiaoyin and Mr. HON Leung as independent non-executive Directors.