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## 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 2019

The board of directors (the “Board”) 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 2019 (the “Period”).

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

For the six months ended 30 September 2019

		Unaudited six months ended 30 September	
	Notes	2019 HK\$'000	2018 HK\$'000
Gross proceeds from disposal of securities		24,027	25,682
<b>Revenue</b>	3	599	37
Net realised loss on disposal of equity instruments at fair value through profit or loss		(11,533)	(22,120)
Net unrealised (loss)/gain on equity instruments at fair value through profit or loss		(38,646)	44,601
Other income		–	6
Administrative expenses		(3,161)	(3,438)
<b>(Loss)/Profit from operations</b>	5	(52,741)	19,086
Finance costs		(168)	(332)
<b>(Loss)/Profit before tax</b>		(52,909)	18,754
Income tax expense	6	–	(118)
<b>(Loss)/Profit for the period attributable to shareholders of the Company</b>		(52,909)	18,636
<b>Other comprehensive income for the period, net of tax</b>		–	–
<b>Total comprehensive (expense)/income for the period attributable to shareholders of the Company</b>		(52,909)	18,636
<b>(Loss)/Earnings per share</b>			
– Basic and diluted, HK cents	8	(2.34)	0.83

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 30 September 2019*

		Unaudited 30 September 2019 <i>HK\$'000</i>	Audited 31 March 2019 <i>HK\$'000</i>
	<i>Notes</i>		
<b>Non-current assets</b>			
Equity investments at fair value through profit or loss	<i>9</i>	<b>62,035</b>	62,035
Held-to-maturity investments	<i>10</i>	<b>15,000</b>	–
		<u>77,035</u>	<u>62,035</u>
<b>Current assets</b>			
Equity investments at fair value through profit or loss	<i>9</i>	<b>128,550</b>	171,176
Prepayments, deposits and other receivables	<i>11</i>	<b>54,971</b>	70,070
Cash and cash equivalents		<b>4,484</b>	12,722
		<u>188,005</u>	<u>253,968</u>
<b>Current liabilities</b>			
Margin payables	<i>12</i>	<b>5,842</b>	3,884
Accruals		<b>2,353</b>	2,684
Current tax liabilities		<b>732</b>	413
		<u>8,927</u>	<u>6,981</u>
<b>Net current assets</b>		<u>179,078</u>	246,987
<b>Net assets</b>		<u>256,113</u>	<u>309,022</u>
<b>Capital and reserves</b>			
Share capital	<i>13</i>	<b>112,883</b>	112,883
Reserves		<b>143,230</b>	196,139
<b>Total equity</b>		<u>256,113</u>	<u>309,022</u>
<b>Net asset value per share (in HK\$)</b>	<i>14</i>	<u>0.11</u>	<u>0.14</u>

## **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 September 2019*

### **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 2019. 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 2019.

#### **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 2019. 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:

	<b>Unaudited six months ended 30 September</b>	
	<b>2019</b>	<b>2018</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
Dividend income from equity investment at FVPL	<b>235</b>	36
Bond interest income	<b>364</b>	–
Interest income from bank and brokers' accounts	<b>–</b>	1
	<hr/>	<hr/>
	<b>599</b>	37
	<hr/>	<hr/>

### 4. SEGMENT INFORMATION

For the six months ended 30 September 2019 and 2018, 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 2019 and 2018, 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)/PROFIT FROM OPERATIONS

	Unaudited six months ended 30 September	
	2019	2018
	HK\$'000	HK\$'000
(Loss)/profit from operations has been arrived at after charging:		
Directors' remunerations		
– Fees	570	570
– Other remunerations	126	126
	<hr/>	<hr/>
Total directors' remunerations	696	696
	<hr/>	<hr/>
Staff costs		
– Salaries	581	672
– Retirement Scheme contributions	27	23
	<hr/>	<hr/>
Total staff costs (excluding directors' remunerations)	608	695
	<hr/>	<hr/>
Investment manager's fee	480	480
Operating lease payments in respect of office premise	45	45
	<hr/> <hr/>	<hr/> <hr/>

## 6. INCOME TAX EXPENSE

	Unaudited six months ended 30 September	
	2019	2018
	HK\$'000	HK\$'000
Current tax – Hong Kong Profits Tax ( <i>Note</i> )	–	(118)
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### *Note:*

The amount of approximately HK\$118,000 represented under-provision for Hong Kong Profits Tax for prior years. Save as this under-provision, no Hong Kong profits tax had been provided for each of the six months ended 30 September 2019 and 2018 as the Group has no estimated assessable profits.

## 7. DIVIDEND

The directors do not recommend the payment of a dividend for the six months ended 30 September 2019 (2018: Nil).

## 8. (LOSS)/EARNINGS PER SHARE

The calculations of basic and diluted (loss)/earnings per share are based on the loss attributable to shareholders of the Company of approximately HK\$52,909,000 (2018: profit of approximately HK\$18,636,000) and the weighted average number of 2,257,666,000 (2018: 2,257,666,000) ordinary shares in issue during the period.

The computation of the diluted earnings per share for the six months ended 30 September 2019 does not assume the exercise of share options as the exercise price of existing share options was higher than the average market price for shares. As exercise of share options of the Company would result in a decrease in loss per share, diluted loss per share is the same as basic loss per share in the six months ended 30 September 2018.

## 9. EQUITY INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<b>Unaudited 30 September 2019 HK\$'000</b>	Audited 31 March 2019 HK\$'000
<b>Non-current</b>		
Unlisted equity investments outside Hong Kong	<b>62,035</b>	62,035
<b>Current</b>		
Listed equity investments in Hong Kong	<b>128,550</b>	171,176
	<b>190,585</b>	233,211

Details of the principal investments in equity instruments as at 30 September 2019 were as follows:

	Notes	Stock code	Percentage of effective interest held	As at 30 September 2019			For the six months ended 30 September 2019		
				Fair/Market value HK\$000	Approximate percentage of the Group's investment portfolio	Approximate percentage of the Group's total assets	Unrealised loss HK\$000	Realised loss HK\$000	Dividend received HK\$000
Peak Zone Group Limited	a	N/A	25%	35,575	17.30%	13.42%	-	-	-
Wingate Holdings Limited	b	N/A	30%	18,900	9.20%	7.13%	-	-	-
China e-Wallet Payment Group Limited	c	802	4.63%	15,362	7.47%	5.80%	11,479	177	-

Notes:

### (a) Peak Zone Group Limited ("Peak Zone")

Peak Zone principally engages in the electronic commerce industry specializing on the provision of integrated application, which can be deployed by its customers on a modular or selective basis, offering flexibility in budget and choice. For the twelve months ended 31 March 2019, the unaudited consolidated net profit attributable to equity holders of Peak Zone was approximately HK\$2.4 million. Peak Zone is beginning to develop its business in Eastern China area and continuing the development of related and advanced systems to provide more comprehensive services to increase its revenue. The Company will closely monitor the business growth of Peak Zone.

(b) Wingate Holdings Limited (“Wingate”)

Wingate is principally engaged in provision of money lending business. For the financial year ended 31 December 2018, the unaudited consolidated net profit attributable to equity holders of Wingate was approximately HK\$4 million. Wingate believes that fund raising market and the financial activities in Hong Kong will remain stable in long-term and the money lending business will be able to leverage its financial resources. The Company expects that Wingate will bring us a constant positive return.

(c) China e-Wallet Payment Group Limited (“China e-Wallet”)

China e-Wallet is a company listed on the Stock Exchange and principally engaged in the provision of biometric and RFID products and solution services. The audited consolidated loss attributable to shareholders of China e-Wallet for the year ended 31 December 2018 was approximately HK\$46,754,000. As at 30 June 2019, the unaudited consolidated net assets of China e-Wallet was approximately HK\$523,201,000. China e-Wallet continues to realign its business strategies and increased its efforts to innovate its core products and services to better face the increasing needs of its market. The management of the Company will closely monitor the business development of China e-Wallet.

## 10. HELD-TO-MATURITY INVESTMENTS

Details of the held-to-maturity investments as at 30 September 2019 were as follows:

Bonds issuer	Note	Face value HK\$000	Approximate percentage of the Group’s investment portfolio	Approximate percentage of the Group’s total assets	Terms	Coupon rate p.a.
Hao Wen Holdings Limited	a	15,000	7.30%	5.66%	From 12 July 2019 to 11 July 2022	11%

*Note:*

- (a) 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, manufacturing of biomass fuel product and trading of electronic parts. It is listed on GEM of the Stock Exchange (stock code: 8019).

Based on Hao Wen’s interim report for the six months ended 30 June 2019, its net asset value was approximately RMB372.2 million, its current assets were approximately RMB314.1 million and total liabilities were approximately RMB41.7 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 the Group.

During the Period, the Group acquired these bonds at consideration of HK\$15,000,000, and did not make any disposal.

## 11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	<b>Unaudited 30 September 2019 HK\$'000</b>	Audited 31 March 2019 HK\$'000
Other receivables*	54,745	70,031
Deposits paid	<u>22</u>	<u>21</u>
Financial assets	54,767	70,052
Prepayments	<u>204</u>	<u>18</u>
	<b><u>54,971</u></b>	<b><u>70,070</u></b>

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

## 12. MARGIN PAYABLES

Margin payables represents margin loans arising from the trading of listed investments which are repayable on demand. No ageing analysis is disclosed in respect of margin payables. In opinion of the Directors, an ageing analysis does not give additional value in view of the Group's business nature.

## 13. SHARE CAPITAL

	<b>Number of ordinary shares of HK\$0.05 each '000</b>	<b>Nominal Value HK\$'000</b>
Authorised: At 30 September 2019 and 31 March 2019	<u>24,000,000</u>	<u>1,200,000</u>
Issued and fully paid: At 30 September 2019 and 31 March 2019	<u>2,257,666</u>	<u>112,883</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\$256,113,000 (31 March 2019: approximately HK\$309,022,000) by the number of shares in issue at 30 September 2019, being 2,257,666,000 (31 March 2019: 2,257,666,000).



## 15. RELATED PARTY TRANSACTION

During the six months ended 30 September 2019 and 2018, 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	
	2019	2018
	HK\$'000	HK\$'000
Investment manager's fee paid to: China Everbright Securities (HK) Limited ( <i>Note</i> )	480	480
	<u>480</u>	<u>480</u>

*Note:*

The Company has entered into an investment management agreement with China Everbright Securities (HK) Limited ("EBSHK") on 6 November 2012, pursuant to which EBSHK agreed to provide investment management services to the Company for a period of three years from 6 November 2012, and further extended to 5 November 2021.

EBSHK shall be deemed as a connected person of the Company pursuant to Rule 14A.08 of the Listing Rules upon the Existing Agreement becoming effective. The maximum aggregate investment management fee to be payable by the Company to EBSHK shall not exceed HK\$960,000 per annum.

## 16. COMPARATIVE FIGURES

Certain comparative figures have been restated to conform with current period's presentation.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL RESULTS

For the six months ended 30 September 2019, the Group recorded gross proceeds from disposal of securities of approximately HK\$24.0 million for the Period (2018: approximately HK\$25.7 million). The Group also recorded an increase in revenue from approximately HK\$37,000 for the six months ended 30 September 2018 to approximately HK\$0.6 million for the Period, representing an increase of approximately 15 times. The financial result attributable to the owners of the Company for the Period changed from profit of approximately HK\$18.6 million for the six months ended 30 September 2018 to loss of approximately HK\$52.9 million for the Period. The change to loss for the interim period ended 30 September 2019, as compared to the profit for the corresponding period in 2018, was primarily attributable to the changes in fair value of investment in equity instruments, to loss of approximately HK\$50.2 million for the Period from approximately HK\$22.5 million for the corresponding period of last year. During the six months ended 30 September 2018, Amuse Group Holding Limited (“Amuse”), which was one of the Group’s investee companies, was successfully listed on GEM (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in May 2018. The Group converted its investment in Amuse to 112.5 million listed shares of Amuse and recorded unrealised gain of approximately HK\$44.6 million in the six months ended 30 September 2018. The unaudited consolidated net assets of the Group as at 30 September 2019 amounted to approximately HK\$256.1 million (31 March 2019: approximately HK\$309.0 million). The decrease in the Group’s net asset value over the Period is due to the loss on listed investments of approximately HK\$50.2 million for the Period as mentioned above.

The net asset value per share of the Group was amounted to approximately HK\$0.11 (31 March 2019: approximately HK\$0.14).

### INVESTMENT REVIEW

As at 30 September 2019, the Group’s investments were as follows:

<b>Investments</b>	<b>Description</b>
Listed equity securities	HK\$128.6 million of a portfolio of listed shares in 35 companies
Unlisted debt securities	Bonds with face value of HK\$15.0 million issued by one listed company
Unlisted equity securities	HK\$62.0 million in three direct investments in equity securities
<b>Total</b>	<b>HK\$205.6 million</b>

The investment portfolio of the Group mainly comprises of unlisted equity securities, unlisted debt securities bonds and listed equity securities in Hong Kong and China during the Period. The value of investment portfolio of the Company is approximately HK\$205.6 million. Further details of the Group's investments are stated in notes 9 and 10 to the condensed consolidated financial statements.

The details of the Group's realised and unrealised losses for the Period are as follows:

#### **Net realised loss on disposal of equity instruments at fair value through profit or loss**

The net realised loss on disposal of equity instruments at fair value through profit or loss of approximately HK\$11.5 million represented the realised gain of approximately HK\$1.6 million net of realised loss of approximately HK\$13.1 million.

The realised loss principally represented:

<b>Company name</b>	<b>Stock code</b>	<b>Investment costs</b> <i>HK\$'million</i>	<b>Disposal consideration</b> <i>HK\$'million</i>	<b>Realised loss</b> <i>HK\$'million</i>
Asia Grocery Distribution Limited	8413	11.0	3.5	7.5

#### **Net unrealised loss on equity instruments at fair value through profit or loss**

The net unrealised loss of approximately HK\$38.6 million represents the unrealised gain of approximately HK\$20.3 million net of unrealised loss of approximately HK\$58.9 million.

The unrealised gain principally represented:

<b>Company name</b>	<b>Stock code</b>	<b>Unrealised gain</b> <i>HK\$'million</i>
Asia Grocery Distribution Limited	8413	15.5***

The unrealised loss principally represented:

<b>Company name</b>	<b>Stock code</b>	<b>Unrealised loss</b> <i>HK\$'million</i>
WLS Holdings Limited	8021	12.1
China e-Wallet Payment Group Limited	802	11.5
Amuse Group Holding Limited	8545	6.4
Grandshores Technology Group Limited	1647	5.0
China 33 Media Group Limited	8087	4.5

\* The shares of all the companies mentioned under Net realised loss on disposal of equity instruments at fair value through profit or loss and Net unrealised loss on equity instruments at fair value through profit or loss above were listed on either main board or GEM of the Stock Exchange during the Period.

\*\* In addition to China e-Wallet Payment Group Limited, the other investments mentioned under Net realised loss on disposal of equity instruments at fair value through profit or loss and Net unrealised loss on equity instruments at fair value through profit or loss are not major investments held by the Group as detailed in notes 9 and 10 to the condensed consolidated financial statements for the Period.

\*\*\* Recognition of the unrealised gain was partially resulted from disposal of this listed stock during the Period.

As a whole, the portfolio was carefully managed and being fully diversified to minimise commercial risk resulting from over concentration of the investment of the Group in any single industry.

## **PROSPECTS**

We expect the global market will continue to face greater challenges and full of uncertainty, developed economies are beginning to have signs of recovery, but the developing economies also have trends of adjustment. Meanwhile, China is also facing uncertainty in economic growth, economic structure has undergone significant changes during the transition from medium to long term, crisis and opportunities coexist.

The Directors 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 2019 and up to the date of this announcement approved, 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 2019 (2018: Nil).

## **CAPITAL STRUCTURE**

The Company did not run any capital exercise during the Period. During the six months ended 30 September 2019, the share capital of the Company remained unchanged and comprised of 2,257,666,000 issued shares with par value of HK\$0.05. The Group had margin payables of approximately HK\$5.8 million as at 30 September 2019 which bear interest rates ranged from 8.0% to 15.375% (2018: 8.0% to 15.375%) per annum. The margin payables are in Hong Kong Dollars, and secured by listed investments of the Group, repayable on demand and are guaranteed by the Company on behalf of subsidiaries. In view of such immaterial amount of the margin payables in Hong Kong Dollars as compared to the Group's listed stocks of approximately HK\$128.6 million, the Company considers the currency and interest rate risks exposure of its debt and obligation are manageable.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 30 September 2019, the Group had margin payables of approximately HK\$5.8 million (31 March 2019: approximately HK\$3.9 million). The Group had cash and cash equivalents of approximately HK\$4.5 million (31 March 2019: approximately HK\$12.7 million), which was mainly placed in bank and other financial institution as deposits. Together with listed securities of highly liquid in nature, the Board considers the liquidity position of the Company is healthy as at 30 September 2019.

## **SIGNIFICANT ACQUISITION AND DISPOSAL OF SUBSIDIARIES**

During the six months ended 30 September 2019, the Company does not have any significant acquisition and disposal of subsidiaries.

## **SIGNIFICANT INVESTMENTS**

Significant investments of the Group are the principal investments included in equity investments and debt investments as detailed in notes 9 and 10 to the condensed consolidated financial statements.

Save for those principal investments, the Group has not held any investment, the value of which was over 5% of the value of the Group's total assets as at 30 September 2019.

## **GEARING RATIO**

As at 30 September 2019, the Group's gearing ratio (defined as total interest-bearing liabilities/total equity) is 2.3% (31 March 2019: 1.3%), 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 2019, the Group had no outstanding foreign currency hedge contracts (31 March 2019: Nil).

## **CHARGES ON ASSETS AND CONTINGENT LIABILITIES**

Throughout the six months ended 30 September 2019, assets of the Group were free from any form of legal charge, except for listed securities of approximately HK\$31.4 million pledged for margin payables (31 March 2019: approximately HK\$14.5 million). In addition, the Group did not have any significant contingent liabilities as at 30 September 2019 and 31 March 2019.

## **PURCHASE, SALE AND REDEMPTION OF SHARES**

For the six months ended 30 September 2019, 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 14 of the Rules Governing the Listing of Securities on the Stock Exchange ("Code") throughout the six months ended 30 September 2019, with deviations from Provisions A.2.1 and A.4.1 of the Code.

### **(A) Chairman and Chief Executive Officer**

Pursuant to Provision A.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 Chief Executive Officer of the Company as soon as practicable.

### **(B) Appointment and re-election of Directors**

Pursuant to Provision A.4.1 of the Code, non-executive directors should be appointed for a specific term, subject to re-election.

None of the non-executive directors of the Company were appointed for a specific term. Since all the directors of the Company are subject to retirement by rotation according to the provisions under article 88 of the Articles of Association of the Company, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Group has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code for securities transactions by directors of the Group. 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 2019, 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.

## **PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT**

This results announcement is published on the Stock Exchange's website (<http://www.hkexnews.hk>) and the Company's website (<http://www.chnif.com.hk>). The 2019/20 interim report will be dispatched to the shareholders and will be available on websites of the Stock Exchange and the Company in due course.

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

Hong Kong, 29 November 2019

*As at the date of this announcement, the Board comprises Mr. Chan Cheong Yee as executive Director, Mr. Liao Jintian, 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.*