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China e-Wallet Payment Group Limited
中國錢包支付集團有限公司*

(a company incorporated in Bermuda with limited liability)

(Stock Code: 802)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2024

The board (the “Board”) of directors (the “Directors”) of China e-Wallet Payment Group Limited (the “Company”) announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2024 together with the comparative figures. This announcement, containing the full text of the 2024 Interim Report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in relation to information to accompany preliminary announcements of interim results. This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hklistco.com/802). The printed version of the Company’s Interim Report will be despatched to the shareholders of the Company and available on above websites in due course.

By Order of the Board
China e-Wallet Payment Group Limited
Lin Chih Chia
Executive Director

Hong Kong, 30 August 2024

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Mr. Poon Chun Yin

Mr. Lin Chih Chia

Independent Non-executive Directors:

Miss Peng Jing Yi

Mr. Tse Tung Leung, Tony

Mr. Wong Sze Lok

* *For purpose of identification only*

UNAUDITED INTERIM RESULTS

The board (the “Board”) of directors (the “Directors”) of China e-Wallet Payment Group Limited (the “Company”) presents the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2024 together with the comparative figures in 2023 as follow:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the six months ended 30 June 2024

	Notes	For the six months ended 30 June	
		2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Revenue	3	12,180	43,280
Cost of sales		(11,454)	(23,258)
Gross profit		726	20,022
Other income	4	374	374
Unrealised loss on financial assets at fair value through profit or loss (“FVTPL”), net		(21,496)	(13,811)
Selling and administrative expenses		(2,664)	(38,845)
Loss from operations		(23,060)	(32,260)
Finance costs		(870)	(750)
Loss before tax	5	(23,930)	(33,010)
Income tax expenses	6	–	310
Loss for the period		(23,930)	(32,700)
Loss for the period attributable to:			
Owners of the Company		(23,958)	(32,609)
Non-controlling interests		28	(91)
		(23,930)	(32,700)
		HK cents	HK cents
Loss per share			
– Basic and diluted	7	(3.97)	(5.40)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the six months ended 30 June 2024

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Loss for the period	(23,930)	(32,700)
Other comprehensive loss for the period:		
<i>Items that may be subsequently reclassified to profit or loss:</i>		
Exchange differences on translating foreign operations	(9)	(343)
Total comprehensive loss for the period	(23,939)	(33,043)
Total comprehensive loss for the period attributable to:		
Owners of the Company	(23,967)	(32,952)
Non-controlling interests	28	(91)
	(23,939)	(33,043)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2024

	Notes	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		445	534
Goodwill		4,686	4,686
		5,131	5,220
Current assets			
Financial assets at fair value through profit or loss		21,329	42,817
Bond receivables		3,228	2,855
Trade receivables	9	49,594	46,119
Deposits, prepayments and other receivables		271,777	271,723
Cash and bank balances		7,286	12,813
		353,214	376,327
Total assets		358,345	381,547
CAPITAL AND RESERVES			
Share capital	10	6,035	6,035
Reserves		301,990	325,957
Equity attributable to owners of the Company		308,025	331,992
Non-controlling interests		911	883
Total equity		308,936	332,875

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2024

	Notes	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
LIABILITIES			
Non-current liability			
Bond payables		–	14,515
Current liabilities			
Trade payables	11	14,810	13,062
Accruals and other payables		9,272	11,620
Bond payable		15,732	–
Other borrowings		3,287	3,167
Income tax payables		6,308	6,308
		49,409	34,157
Total liabilities		49,409	48,672
Total equity and liabilities		358,345	381,547
Net current assets		303,805	342,170
Total assets less current liabilities		308,936	347,390
Net assets		308,936	332,875



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six months ended 30 June 2024

	Attributable to the owners of the Company									Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000 (note (a))	Share-based payment reserve HK\$'000 (note (b))	Capital reserve HK\$'000 (note (c))	Translation reserve HK\$'000 (note (d))	Statutory reserve HK\$'000 (note (e))	Accumulated losses HK\$'000	Sub-total HK\$'000	Non- controlling interests HK\$'000	
As at 1 January 2023 (Audited)	6,035	2,965,692	20,800	(902)	(38,989)	48	(2,588,616)	364,068	(23)	364,045
Loss for the period	-	-	-	-	-	-	(32,609)	(32,609)	(91)	(32,700)
Other comprehensive loss for the period	-	-	-	-	(343)	-	-	(343)	-	(343)
Total comprehensive loss for the period	-	-	-	-	(343)	-	(32,609)	(32,952)	(91)	(33,043)
As at 30 June 2023 (Unaudited)	6,035	2,965,692	20,800	(902)	(39,332)	48	(2,621,225)	331,116	(114)	331,002
As at 1 January 2024 (Audited)	6,035	2,965,692	19,675	(902)	(38,947)	48	(2,619,609)	331,992	883	332,875
Loss for the period	-	-	-	-	-	-	(23,958)	(23,958)	28	(23,930)
Other comprehensive loss for the period	-	-	-	-	(9)	-	-	(9)	-	(9)
Total comprehensive loss for the period	-	-	-	-	(9)	-	(23,958)	(23,967)	28	(23,939)
Lapse of share option	-	-	(19,675)	-	-	-	19,675	-	-	-
As at 30 June 2024 (Unaudited)	6,035	2,965,692	-	(902)	(38,956)	48	(2,623,892)	308,025	911	308,936

Notes:

(a) Share premium

Under the Company's Bye-Laws or the laws of Bermuda, the share premium account of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

(b) Share-based payment reserve

It represents value of employee services in respect of share options granted to Directors, employees and eligible participants of the Group recognised.

(c) Capital reserve

It represents the difference between the paid-in capital/share capital and share premium of the subsidiaries acquired and the nominal value of the Company's shares issued for the acquisition at the time of group reorganisation prior to its listing on the Stock Exchange.

(d) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in Note 4(c) to the consolidated financial statements.

(e) Statutory reserve

In accordance with the PRC Company Law and the Group's PRC subsidiaries' articles of association, the Group's PRC subsidiaries are required to allocate 10% of its profit after tax as determined in accordance with the relevant accounting principles and financial regulations applicable to PRC companies to the statutory reserve until such reserve reaches 50% of the registered capital. The appropriation to the reserve must be made before any distribution of dividends to equity holders. The statutory reserve can be used to offset previous years' losses, if any, and part of the legal reserve can be capitalised as paid-in capital provided that the amount of such reserve remaining after the capitalisation shall not be less than 25% of the paid-in capital of the Group's subsidiaries.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Net cash used in operating activities	(4,353)	(367)
Net cash generated from /(used in) investing activities	1	(3,896)
Net cash used in financing activities	(1,217)	–
Net decrease in cash and cash equivalents	(5,569)	(4,263)
Cash and cash equivalents at 1 January	12,813	6,656
Effect of foreign exchange rate changes	42	–
Cash and cash equivalents as at 30 June	7,286	2,393
Analysis of cash and cash equivalents		
Cash and bank balances	7,286	2,393



NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

1. BASIS OF PREPARATION

Statement of compliance

The unaudited condensed consolidated interim financial statements (the “Interim Financial Statements”) have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and with International Accounting Standard (the “IAS”) 34 “Interim Financial Reporting” issued by the International Accountants Standard Board (the “IASB”).

The Group’s interim unaudited condensed consolidated financial statements should be read in conjunction with its annual audited consolidated financial statements for the year ended 31 December 2023 and have been prepared under the historical cost convention, except for certain financial instruments that are measured at fair values. The principal accounting policies (including the significant judgements made by management in applying the Group’s accounting policies and the key sources of elimination uncertainty) and methods of computation used in the preparation of these unaudited condensed consolidated financial statements are consistent with those used in the annual audited consolidated financial statements for the year ended 31 December 2023 except for the new and revised International Financial Reporting Standards, amendments and interpretations (“new and revised IFRSs”) issued by the International Accounting Standards Board (“IASB”) that are adopted for the first time for the six months ended 30 June 2024.

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

During the period, the Group has adopted all the new and revised IFRSs issued by the IASB that are relevant to its operations and effective for its accounting period beginning on 1 January 2024. International Financial Reporting Standards (“IFRSs”) comprise International Financial Reporting Standards, International Accounting Standards, and Interpretations. The adoption of these new and revised IFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s unaudited condensed consolidated financial statements and amounts reported for the current and prior accounting periods. The Group has not early applied new and revised IFRSs that have been issued but are not yet effective for the financial period beginning on 1 January 2024. The Directors anticipate that the new and revised IFRSs will be adopted in the Group’s unaudited condensed consolidated financial statements when they become effective. The Group is in the process of assessing, where applicable, the potential effect of all the new and revised IFRSs that will be effective in future periods but is not yet in a position to state whether these new and revised IFRSs would have a material impact on its results of operations and financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

3. REVENUE AND SEGMENT INFORMATION

The chief operating decision-maker (the “CODM”) has been identified as the key management. The CODM reviews the Group’s internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

The CODM considers the business from both a business and geographic perspective. From business perspective, CODM determines that the Group has only one operating and reportable segment, being the internet and mobile’s application and related accessories operating segments. No other discrete financial information is provided other than the Group’s result and financial position as a whole.

The Group’s revenue from its major products and services were as follow:

Disaggregation of revenue from contracts with customers

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Revenue from contracts with customers within the scope of IFRS 15:		
Mobile’s application development and settlement application services	525	43,280
Computer and mobile related electronic products and services	11,655	–
	12,180	43,280
Revenue recognition: At a point in time	12,180	43,280



NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

3. REVENUE AND SEGMENT INFORMATION (Continued)

Geographical information

The Group operates in two principal geographical areas – Hong Kong and the People's Republic of China ("PRC") (excluding Hong Kong). The Group's revenue from end customers is divided into following geographical area and the Group's non-current assets by geographical locations:

Revenue and Segment results

	Revenue For the six months ended 30 June		Non-current assets	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Hong Kong	12,180	–	5,219	5,220
The PRC	–	43,280	–	–
	12,180	43,280	5,219	5,220

Information about major customers

For the six months ended 2024 and 2023, no single customer accounted for 10% or more of the Group's total revenue and no information about major customers was presented accordingly.



NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

4. OTHER INCOME

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Bank interest income	1	1
Bond interest income	373	373
	374	374

5. LOSS BEFORE TAX

Loss before tax is arrived at after charging:

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Finance costs		
Interest expense on bond payables	750	750
Interest expense on borrowings	120	–
	870	750
Other items		
Depreciation of property, plant and equipment	97	126
Amortisation of intangible assets	–	3,323
Unrealised loss on financial assets at FVTPL	21,496	13,811



NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

6. INCOME TAX EXPENSES

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Current tax:		
– Hong Kong	–	–
– The PRC	–	521
Deferred tax:		
– Credited during the six months ended	–	–
	–	(310)

Hong Kong

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of assessable profits of qualifying corporations will be taxed at 8.25%, and assessable profits above HK\$2,000,000 will be subject to tax rate of 16.5%. The assessable profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

No provision for Hong Kong Profits Tax had been made as the Group had no assessable profit or had sufficient tax losses brought forward to offset against current period's assessable profit for the six months ended 30 June 2024 and 2023.

The PRC

The PRC Enterprise Income Tax ("PRC EIT") is calculated at the applicable tax rates of 25% (2023: 25%) in accordance with the relevant laws and regulations in the PRC.

7. LOSS PER SHARE

The calculation of basic loss per share for the six months ended 30 June 2024 was based on the Group's loss attributable to owners of the Company of approximately HK\$23,958,000 (2023: HK\$32,609,000) and weighted average number of ordinary shares in issue of 603,545,948 (2023: 603,545,948).

The basic and diluted loss per share are the same for the six months ended 30 June 2024 and 2023 as the effect of the share options does not have any dilutive effect.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

8. INTERIM DIVIDENDS

The Directors did not recommend the payment of an interim dividend in respect of the six months ended 30 June 2024 (2023: HK\$Nil).

9. TRADE RECEIVABLES

An ageing analysis of the trade receivables, arising from contracts with customers within the scope of IFRS 15 as at the end of the reporting period, based on the invoice date is as follows:

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
0–30 days	8,249	5,632
Over 180 days	73,672	72,814
	81,921	78,446
Less: Allowance for expected credit losses	(32,327)	(32,327)
	49,594	46,119

The trade receivables are generally on 30–180 days credit terms. The Directors consider that the carrying amounts of trade receivables approximate to their fair values.



NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

10. SHARE CAPITAL

	Number of shares '000	Share capital HK\$'000
Ordinary shares of HK\$0.01 each		
<i>Authorised:</i>		
As at 1 January 2024 (Audited) and 30 June 2024 (Unaudited)	200,000,000	2,000,000
<i>Issued and fully paid:</i>		
As at 1 January 2024 (Audited) and 30 June 2024 (Unaudited)	603,546	6,035

11. TRADE PAYABLES

The aging analysis of the trade payables as at the end of the reporting period, based on the invoice date is as follows:

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
0–30 days	10,705	10,847
31–60 days	–	–
Over 60 days	4,105	2,215
	14,810	13,062

Trade payables are generally settled on 0–60 days terms. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. The Directors consider that the carrying amounts of trade payables approximate to their fair values.

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

12. FINANCIAL INSTRUMENTS

(a) Fair values of financial assets and liabilities measured at amortised costs

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised costs in condensed consolidated financial statements approximately their fair values.

(b) Financial instruments carried at fair value

Fair value hierarchy

The table below analyses recurring fair value measurements for financial assets and financial liabilities.

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Level 1 Financial assets at fair value through profit or loss: Listed equity securities in Hong Kong	21,329	42,817

There were no transfers between Levels 1 and 2 and 3 for the six months ended 30 June 2024 and for the year ended 31 December 2023.

All of the financial instruments carried at fair value are value using quoted bid prices in an active market.

13. COMMITMENTS

The Group had no capital commitment as at 30 June 2024 and 31 December 2023.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS ENVIRONMENT

The Company operates in a challenging environment that is prone to technology innovations and reengineering cycles, changing consumer preferences and trade flows. We continuously scan our business environment and closely watch trends and developments that may affect our business and the way we operate. Our broad technology deployments and core businesses that move in line with different macro trends help us mitigate the primary effects of the external environment. We consider economic, social, legal, technological and political factors and have structured the Company in ways to allow us to adapt and change quickly to respond to market forces.

During the first half of 2024, the Company had met considerable challenges that were faced by major corporations in the global economy. However, the Company had adapted and continued to improve on its core businesses and delivery, placing innovation in its products and business operations at its fundamental.

BUSINESS REVIEW

“Internet and Mobile’s Application and Related Accessories” is the Group’s main business. The Group specialized in providing programming and advertising solutions in mobile platform with main branch office in Hong Kong and the PRC. The programming teams of the Group have extensive experience on developing mobile application and interactive virtual reality technologies for well-known companies in Hong Kong and overseas. The Group is also engaged in the business of distribution of computer-related and mobile-related electronic products and accessories, and provision of project based system solution services.

FINANCIAL REVIEW

Revenue

The revenue of the Group was mainly attributable to the business of distribution of computer-related and mobile-related electronic products and accessories. For the six months ended 30 June 2024, the Group reported a total revenue of approximately HK\$12.2 million representing a decrease of approximately 71.86% compared to approximately HK\$43.3 million in the same period in 2023.

Gross profit

Gross profit for the six months ended 30 June 2024 was approximately HK\$0.7 million which is a decrease, as compared to a gross profit of approximately HK\$20.0 million in the same period in 2023. The decrease was in line with the decrease in revenue of the Group.

Selling and administrative expenses

Selling and administrative expenses, representing approximately 21.87% of the Group’s revenues for the six months ended 30 June 2024, decreased by approximately HK\$36.18 million from approximately HK\$38.8 million for the six months ended 30 June 2023 to approximately HK\$2.7 million in the same period in 2024. The decrease in selling and administrative expenses was in line with the decrease in revenue of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

Loss for the period

The Group's loss for the six months ended 30 June 2024 is approximately HK\$23.9 million, compared to a loss of approximately HK\$32.7 million in the same period in 2023. The decrease of loss before taxation for the six months ended 30 June 2024 was mainly attributable to the decrease in selling and administration expenses.

Loss attributable to owners of the Company

Loss attributable to owners of the Company decreased from a loss of approximately HK\$32.6 million for the six months ended 30 June 2023 to a loss of approximately HK\$23.9 million in the same period of 2024.

Gearing ratio

As at 30 June 2024, the Group's gearing ratio was approximately 15.9%, as compared to approximately 14.6% as at 31 December 2023. The gearing ratio was calculated as the Group's total liabilities divided by its total capital. The total liabilities and total capital of the Group were approximately HK\$49.4 million and HK\$308.9 million as at 30 June 2024 respectively.

LIQUIDITY AND CAPITAL RESOURCES

The Group has internal budgeting systems in place to ensure that if and when cash is committed to fund major expenditures there is sufficient cash flow to maintain the Group's daily operations and meet all of its contractual obligations. The Group generally funds its operations by internal financial resources. Key drivers in the Group's sources of cash are primarily the Group's sales, and their inflow depends on the Group's ability to collect payments. There have been no material changes in the Group's underlying drivers during the period under review.

The Group did not incur any material capital expenditure during the six months ended 30 June 2024 and 2023.

The Group had cash and cash equivalents of approximately HK\$7.3 million as at 30 June 2024 compared to approximately HK\$12.8 million as at 31 December 2023.

CONTINGENT LIABILITIES

As at 30 June 2024, the Group had no contingent liabilities (31 December 2023: HK\$ Nil).

FOREIGN EXCHANGE RISK MANAGEMENT

Certain of the Group's bank balances are denominated in United States dollars and Renminbi, which exposes it to foreign currency risk. The Group has not used any financial instruments to hedge against this currency risk. However, the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

CHARGES ON GROUP'S ASSETS

As at 30 June 2024, none of the assets of the Group has been pledged to secure any loan granted to the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

SIGNIFICANT INVESTMENTS

As at 30 June 2024, the Group had financial assets at FVTPL with a market value of approximately HK\$21.3 million. Details of the significant investments in the portfolio under financial assets at FVTPL are as follows:

Name of investee	Fair value gain/(loss) HK\$'000 (Unaudited)	Percentage to the Group's total assets		Fair value as at 31 December 2023 HK\$'000 (Audited)
		Fair value as at 30 June 2024 HK\$'000 (Unaudited)	as at 30 June 2024 %	
WLS Holdings Limited ("WLS")	(3,061)	4,491	1.2%	7,552
China Investment and Finance Group Limited ("CIF")	(10,585)	3,935	1.1%	14,520
Asia Grocery Distribution Limited ("AGD")	535	1,891	0.5%	1,356
Milan Station Holdings Limited ("MSH")	(2,233)	2,018	0.6%	4,251
Harbour Digital Asset Capital Limited ("HDA")	(2,398)	2,052	0.6%	4,450
Sub-total	(17,742)	14,387	4.0%	32,129
Other listed equity securities	(3,754)	6,942	1.9%	10,688
Total	(21,496)	21,329	5.9%	42,817

Note:

- WLS is engaged in the provision of scaffolding, fitting out and other auxiliary services for construction and buildings work, money lending business, securities investment business and assets management business. Based on WLS's annual result for the year ended 30 April 2024, turnover and loss of WLS were approximately HK\$82.4 million and HK\$11.1 million respectively.
- CIF is engaged in securities trading and investment holding. Based on CIF's annual result for the year ended 31 March 2024, revenue and loss of CIF were approximately HK\$5.3 million and HK\$37.8 million respectively.
- HDA is engaged in securities trading and investment holding. Based on HDA's annual result for the year ended 31 December 2023, revenue and loss of HDA were approximately HK\$1.4 million and HK\$14.8 million respectively.
- AGD is engaged in trading and distribution of food and beverage grocery products in Hong Kong. Based on AGD's annual result for the year ended 31 March 2024, turnover and profit of AGD were approximately HK\$292.5 million and HK\$1.9 million respectively.
- MSH is engaged in retailing of handbags, fashion accessories and embellishments and spa and wellness products. Based on MSH's annual result for the year ended 31 December 2023, turnover and profit of MSH were approximately HK\$172.5 million and HK\$27.9 million respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

The future performance of the listed securities may be influenced by the Hong Kong stock market. In this regard, the Group will continue to maintain a diversified investment portfolio and closely monitor the performance of its investments and the market trends to adjust its investment strategies.

Except the significant investments disclosed above, as at 30 June 2024, there was no investment held by the Group the value of which was more than 1% of the total assets of the Group.

HUMAN RESOURCES

As at 30 June 2024, in addition to the Directors, there were 19 employees (31 December 2023: 21) of the Group stationed in the Group's offices in Hong Kong and the PRC.

The Group offers training and development courses for its employees to enhance the staff's working capabilities. Remuneration packages are linked to individual performance, the Group's business performance, and taking into consideration industry practices and market conditions, reviewed on an annual basis. Directors' remuneration is determined with reference to his duties and responsibilities with the Company, the Company's standards for emoluments and market conditions. Share options are also granted to eligible employees based on individual's performance as well as the Group's performance.

MANAGEMENT OUTLOOK

The Group had continued the efforts to consolidate and realign its businesses to enable the Group to achieve improvements in its financial position. The Group will utilise its existing technical knowledge and programmers to diversify its income stream and will continue to work towards, attaining a stable platform for sustainability and basis for any potential growth.

By leveraging the knowledge on its interactive virtual reality programming on different business sectors, such as animation and culture, the Group obtained the license from the largest Japanese animation studio to conduct an interactive animation exhibition in Hong Kong in 2019. The Group will continue to explore the potential of this business opportunities and utilize its resource with prudence in the future.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group had no specific plan for material investments or capital assets as at 30 June 2024.

MATERIAL ACQUISITION AND DISPOSAL

The Group had no material acquisition nor disposal during the six months ended 30 June 2024.



OTHER INFORMATION

CORPORATE GOVERNANCE CODE

The Company adopted the code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Listing Rules as its additional code on corporate governance practices. The Company has complied with the CG Code throughout the six months ended 30 June 2024.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company’s listed securities during the six months ended 30 June 2024.

DIRECTORS’ DEALING IN THE COMPANY’S SECURITIES

The Company has adopted the Model Code set out in Appendix C3 of the Listing Rules (the “Model Code”) as its code of conduct for securities transactions by Directors and the relevant employees of the Group.

The Directors have confirmed, following a specific enquiry by the Company, that they fully complied with the required standard as set out in the Model Code throughout the six months ended 30 June 2024.

DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

Save as disclosed below, as at 30 June 2024, none of the Directors or chief executives had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong (the “SFO”)) as recorded in the register required to be kept by the Company under Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Long positions in shares of the Company

Name of Directors	Capacity	No. of shares held	Approximate percentage of the issued share capital of the Company
Poon Chun Yi	Beneficial owner	125,940,000	20.9%

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

Save as disclosed below, as at 30 June 2024, none of the persons or companies (other than the Directors and chief executives) had interest or short positions in the shares and underlying shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO and were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote on all circumstances at general meeting of any other members of the Group.

Long positions in shares of the Company

Name	Capacity	No. of shares held	Approximate percentage of the issued share capital of the Company
Song Qifeng	Beneficial owner	45,318,000	7.5%
Wee Ho	Beneficial owner	31,000,000	5.1%

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 28 June 2013, a share option scheme (the "Share Option Scheme") was adopted. The Share Option Scheme was expired on 27 June 2023. Summary of principal terms of the Share Option Scheme was outlined in the Company's annual report for the year ended 31 December 2023 under the section "Directors' Report".

Movements of the share options granted under the Share Option Scheme during the six months ended 30 June 2024 are as follows:

Date of grant	Outstanding as at 1 January 2024	Granted	Exercised	Lapsed	Cancelled	Outstanding as at 30 June 2024	Vesting period	Exercisable period	Exercise price HK\$
Category 1: Employees									
28.07.2017	4,966,000	-	-	(4,966,000)	-	-	-	28.07.2017 – 27.07.2027	0.995
18.05.2021	36,820,000	-	-	(36,820,000)	-	-	-	18.05.2021 – 17.05.2024	0.565
10.05.2022	60,340,000	-	-	(60,340,000)	-	-	-	10.05.2022 – 09.05.2025	0.33
Sub-total	102,126,000	-	-	(102,126,000)	-	-	-	-	-
Category 2: Directors									
Li Jinglong (removed on 31 January 2024)	18.05.2021	6,000,000	-	-	(6,000,000)	-	-	18.05.2021 – 17.05.2024	0.565
Zhang Ligong (removed on 31 January 2024)	18.05.2021	6,000,000	-	-	(6,000,000)	-	-	18.05.2021 – 17.05.2024	0.565
Sub-total	12,000,000	-	-	(12,000,000)	-	-	-	-	-
Total	114,126,000	-	-	(114,126,000)	-	-	-	-	-

During the six months ended 30 June 2024, no share options were granted, exercised nor cancelled but 114,126,000 outstanding share options were lapsed under the Share Option Scheme.

As at 30 June 2024, there was no share option outstanding under the Share Option Scheme.

AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) comprises three members, namely Mr. Wong Sze Lok as chairman with Miss Peng Jing Yi and Mr. Tse Tung Leung, Tony, the independent non-executive Directors.

The Audit Committee has reviewed with management of the Company the accounting principles and practices adopted by the Group, and discussed auditing, internal control and financial reporting matters including the review of the Company’s unaudited financial statements for the six months ended 30 June 2024.

SUSPENSION OF TRADING

Trading in the shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) has been suspended with 9:00 a.m. on 2 April 2024 pursuant to the rule 13.50A of the Rules Governing the Listing of Securities on the Stock Exchange due to a disclaimer of opinion on the Company’s financial statements.

On 27 June 2024, the Company received a letter from the Stock Exchange referring to the disclaimer of opinion expressed by the Company’s auditor, McMillan Woods (Hong Kong) CPA Limited, expressed a disclaimer of opinion on the Company’s financial statements for the year ended 31 December 2023 as lack of access to complete books and records of certain subsidiaries of the Group (the “Subsidiaries”), the Company’s auditor expressed a disclaimer of opinion on the Company’s annual result for the year ended 31 December 2023 relating to the accuracy and/or completeness of (i) the Group’s transactions, (ii) the income, expenses, assets, and liabilities of the Subsidiaries, (iii) the consolidated statement of cash flows, revenue and segment information included in the consolidated financial statements, and (iv) the Group’s contingent liabilities and a commitments and the letter set out the guidance for the resumption of trading in the shares of the Company (the “Resumption Guidance”).

The Company is taking appropriate steps to comply with the Resumption Guidance and the relevant Listing Rules set out therein and will keep the market informed of the latest developments of the Group by making further announcement(s) as and when appropriate.

EVENTS AFTER THE REPORTING PERIOD

There were no material events after the six months ended 30 June 2024 and up to the date of this report.

BOARD OF DIRECTORS

The Board comprises two executive Directors, namely Mr. Poon Chun Yin and Mr. Lin Chih Chia, and three independent non-executive Directors, namely Miss Peng Jing Yi, Mr. Tse Tung Leung, Tony and Mr. Wong Sze Lok.

OTHER INFORMATION

APPRECIATION

I would like to take this opportunity to express my sincere gratitude to our shareholders, business partners and customers for their continued support, as well as to the Group's management team and staff for their tireless dedication and efforts in developing the long term prospects of the Group.

By Order of the Board
China e-Wallet Payment Group Limited
Lin Chih Chia
Executive Director

Hong Kong, 30 August 2024

