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## **JTF International Holdings Limited**

### **金泰豐國際控股有限公司**

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

**(Stock Code: 9689)**

## **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024**

### **ANNUAL RESULTS**

The board (the “**Board**”) of directors (the “**Directors**”) of JTF International Holdings Limited (the “**Company**”) announces the consolidated financial results of the Company and its subsidiaries (the “**Group**” or “**our Group**”) for the year ended 31 December 2024 together with the comparative figures for the preceding year as follows:

### **FINANCIAL RESULTS**

#### **Consolidated Statement of Comprehensive Income**

		<b>Year ended 31 December</b>	
		<b>2024</b>	<b>2023</b>
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	3	<b>1,119,646</b>	1,239,515
Cost of sales	4	<b>(1,106,868)</b>	(1,181,619)
<b>Gross profit</b>		<b>12,778</b>	57,896
Other gains/(losses) — net	5	<b>80</b>	(13,243)
Distribution expenses	4	<b>(11,022)</b>	(16,200)
Administrative expenses	4	<b>(13,667)</b>	(23,615)
<b>Operating (loss)/profit</b>		<b>(11,831)</b>	4,838
Finance income		<b>1,406</b>	1,080
Finance costs		<b>(175)</b>	(184)
Finance income — net	6	<b>1,231</b>	896
<b>(Loss)/Profit before income tax</b>		<b>(10,600)</b>	5,734
Income tax credit/(expense)	7	<b>1,758</b>	(7,243)
<b>Loss and total comprehensive expense for the year</b>		<b>(8,842)</b>	(1,509)
<b>Loss per share</b>	8		
— Basic and diluted (RMB)		<b>(1.0) cents</b>	(0.2) cents

## Consolidated Statement of Financial Position

		<b>31 December 2024</b>	31 December 2023
	<i>Notes</i>	<b>RMB'000</b>	<i>RMB'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>14,008</b>	14,948
Right-of-use assets		<b>3,310</b>	3,156
Deferred income tax assets		<b>3,593</b>	2,181
Prepayments		<b>4,194</b>	4,194
		<u><b>25,105</b></u>	<u>24,479</u>
<b>Current assets</b>			
Inventories		<b>205,530</b>	58,298
Prepayments		<b>132,758</b>	144,934
Amount due from related parties		–	14,624
Trade and other receivables	<i>10</i>	<b>66,255</b>	64,706
Cash and cash equivalents		<b>33,410</b>	189,706
		<u><b>437,953</b></u>	<u>472,268</u>
<b>Total assets</b>		<u><b>463,058</b></u>	<u>496,747</u>
<b>EQUITY</b>			
Share capital		<b>7,980</b>	7,980
Other reserves		<b>306,913</b>	306,924
Retained earnings		<b>107,764</b>	116,595
<b>Total equity</b>		<u><b>422,657</b></u>	<u>431,499</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		<b>3,418</b>	3,295
Deferred income tax liabilities		<b>20,411</b>	20,757
		<u><b>23,829</b></u>	<u>24,052</u>
<b>Current liabilities</b>			
Trade and other payables	<i>11</i>	<b>14,730</b>	31,345
Contract liabilities	<i>12</i>	<b>88</b>	7,600
Lease liabilities		<b>279</b>	193
Current income tax liabilities		<b>1,475</b>	2,058
		<u><b>16,572</b></u>	<u>41,196</u>
<b>Total liabilities</b>		<u><b>40,401</b></u>	<u>65,248</u>
<b>Total equity and liabilities</b>		<u><b>463,058</b></u>	<u>496,747</u>

## Notes

### 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 23 October 2014 as an exempted company with limited liability under the Companies Law (Cap. 22) of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The Group is principally engaged in the sale of refined oil, other petrochemical products, and the blending and sale of fuel oil in the People's Republic of China (the "PRC").

The Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong (the "Stock Exchange").

The ultimate holding company of the Company is Thrive Shine Limited, a company incorporated in the British Virgin Islands, which is owned as to 80% and 20% by Mr. Xu Ziming ("Mr. Xu") and Ms. Huang Sizhen ("Ms. Huang"), respectively. The ultimate controlling party of the Group is Mr. Xu and Ms. Huang (collectively, the "Controlling Shareholders").

The financial statements are presented in Renminbi ("RMB"), unless otherwise stated, and have been approved for issue by the Board on 28 March 2025.

### 2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of Hong Kong Companies Ordinance. The consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

#### Adoption of amendments and interpretations to standards

The Group has applied, for the first time, the following amendments to HKFRSs:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HK Interpretation 5	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

## Future changes in HKFRSs

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new and amendments to HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

Amendments to HKAS 21	Lack of Exchangeability <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>
Annual Improvements to HKFRSs	Volume 11 <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>2</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>
HKFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>4</sup> The effective date to be determined

The directors do not anticipate that the adoption of the new and amendments HKFRSs in future periods will have any material impact on the results of the Group.

### 3. REVENUE AND SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker (“CODM”), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company that makes strategic decisions.

Management has determined the operating segments based on the reports reviewed by CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Company.

The Group principally engages in the sale of refined oil, other petrochemical products, and the blending and sale of fuel oil in the PRC. Management reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. The CODM considers that there is only one operating segment which is used to make strategic decisions.

The major operating entity of the Group is domiciled in the PRC, and the Group’s revenue for the years ended 31 December 2024 and 2023 were attributable to the market in the PRC.

As at 31 December 2024 and 2023, the Group’s non-current assets were mainly located in the PRC.

Revenue of the Group recognised during the year comprised the following:

	<b>Year ended 31 December</b>	
	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Sales of goods:		
— Refined oil	<b>1,013,353</b>	894,128
— Other petrochemical products	<b>80,465</b>	284,413
— Fuel oil	—	14,798
	<u><b>1,093,818</b></u>	<u>1,193,339</u>
Service income	<u><b>25,828</b></u>	<u>46,176</u>
	<u><b>1,119,646</b></u>	<u>1,239,515</u>
Timing of revenue recognition		
— At point in time	<u><b>1,119,646</b></u>	<u>1,239,515</u>

Revenue from transactions with external customers amounting to approximately 10% or more of the Group's revenue are as follows:

	<b>Year ended 31 December</b>	
	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Customer A	<b>964,279</b>	610,360
Customer B	—	163,049
	<u>—</u>	<u>163,049</u>

- (a) As permitted under HKFRS 15, the aggregate amount of transaction price allocated to these unsatisfied contracts is not disclosed as all contracts with customers are for periods of less than one year.

#### 4. EXPENSES BY NATURE

	Year ended 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Fuel oil, refined oil and other petrochemical products purchased	<b>1,238,657</b>	1,099,607
Changes in inventories	<b>(142,049)</b>	60,713
Transportation expenses	<b>17,799</b>	16,898
Listing expenses	–	10,840
Expenses relating to short term leases	<b>7,982</b>	9,804
(Reversal of)/Provision for write-down of inventories	<b>(5,129)</b>	5,129
Staff costs (including directors' emoluments)	<b>6,166</b>	4,958
Taxes and surcharges	<b>2,372</b>	2,666
Handling charges	<b>238</b>	2,418
Depreciation	<b>1,216</b>	1,440
Auditor's remuneration	<b>800</b>	1,350
Other expenses	<b>3,505</b>	5,611
	<hr/>	<hr/>
Total cost of sales, distribution expenses and administrative expenses	<b><u>1,131,557</u></b>	<b><u>1,221,434</u></b>

#### 5. OTHER GAINS/(LOSSES) — NET

	Year ended 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Litigation loss	–	(13,267)
Subsidy income	<b>80</b>	—
Others	–	24
	<hr/>	<hr/>
Other gains/(losses) — net	<b><u>80</u></b>	<b><u>(13,243)</u></b>

## 6. FINANCE INCOME — NET

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Finance income		
— Interest income on bank deposits	1,180	929
— Net foreign exchange gains on cash and cash equivalents	226	151
	<u>1,406</u>	<u>1,080</u>
Finance costs		
— Interest expenses on lease liabilities	(175)	(184)
	<u>(175)</u>	<u>(184)</u>
Finance income — net	<u>1,231</u>	<u>896</u>

## 7. INCOME TAX (CREDIT)/EXPENSE

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and accordingly, is exempted from the Cayman Islands income tax.

No provision for Hong Kong profits tax was made as the Group did not have assessable profit in Hong Kong for the year ended 31 December 2024 (2023: Nil). The profit of the group company in Hong Kong is mainly derived from dividend income from its subsidiary, which is not subject to Hong Kong profits tax. The Group's unused tax losses were incurred by the group company in Hong Kong that is not probable to generate taxable income in the foreseeable future. They can be carried forward indefinitely.

No provision for PRC enterprise income tax was made as the Group did not have assessable profit in Mainland China for the year ended 31 December 2024. The income tax provision of the Group in respect of its operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profit for the year ended 31 December 2023.

Pursuant to the Enterprise Income Tax Law of the PRC (the "EIT Law") and the Implementation Rules of the EIT Law, the EIT is unified at 25% for all types of entities, effective from 1 January 2008. The standard tax rate of the Group's PRC entities was 25% for the year ended 31 December 2024 (2023: 25%).

According to the EIT Law and the Implementation Rules, starting from 1 January 2008, a withholding income tax of 10% is levied on the immediate holding company outside the PRC when its PRC subsidiary declares dividends out of profits earned after 1 January 2008. A lower 5% withholding income tax rate may be applied when the immediate holding company of the PRC subsidiary is established in Hong Kong and fulfils requirements under the tax treaty arrangements between the relevant authorities of Mainland China and Hong Kong. The Group has accrued withholding tax provision at 10% withholding income tax rate for the year ended 31 December 2024 (2023: 10%).

	<b>Year ended 31 December</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Current income tax:		
— PRC enterprise income tax	—	7,326
	<u>          </u>	<u>          </u>
Deferred income tax:		
— PRC enterprise income tax	(1,412)	(1,368)
— PRC withholding income tax	(346)	1,285
	<u>          </u>	<u>          </u>
	<b>(1,758)</b>	<b>(83)</b>
	<u>          </u>	<u>          </u>
	<b>(1,758)</b>	<b>7,243</b>
	<u>          </u>	<u>          </u>

## 8. LOSS PER SHARE

The calculation of the basic loss per share is based on loss attributable to the equity holders of the Company and the weighted average number of ordinary shares in issue during the year as follows:

	<b>Year ended 31 December</b>	
	<b>2024</b>	<b>2023</b>
Loss for the year attributable to equity shareholders of the Company ( <i>RMB'000</i> )	(8,842)	(1,509)
Weighted average number of ordinary shares in issue	<b>930,000,000</b>	930,000,000
Basic loss per share ( <i>RMB</i> )	<b>(1.0) cents</b>	(0.2) cents
	<u>          </u>	<u>          </u>

For the years ended 31 December 2024 and 2023, no diluted earnings per share was presented because there were no potential dilutive ordinary shares in existence during both years.

## 9. DIVIDENDS

There were no dividends paid or payable by the Company in respect of the year ended 31 December 2024 (2023: Nil).



## 10. TRADE AND OTHER RECEIVABLES

	<b>31 December 2024 RMB'000</b>	31 December 2023 RMB'000
Trade receivables	20,542	51,017
Less: loss allowance	<u>(1,443)</u>	<u>(1,443)</u>
Trade receivables — net	19,099	49,574
VAT recoverable	34,440	7,561
Deposits and others	<u>12,716</u>	<u>7,571</u>
Trade and other receivables	<u><u>66,255</u></u>	<u><u>64,706</u></u>

As at 31 December 2024, ageing analysis of trade receivables (net of provision of RMB1,443,000) (2023: RMB1,443,000) based on the dates when the trade receivables are recognised is as follows:

	<b>31 December 2024 RMB'000</b>	31 December 2023 RMB'000
Less than 30 days	19,099	49,573
31 days to 180 days	—	—
Over 180 days	<u>—</u>	<u>1</u>
	<u><u>19,099</u></u>	<u><u>49,574</u></u>

The Group's sales are usually made on credit terms of 0 to 30 days counted from the dates when the trade receivables are recognised.

## 11. TRADE AND OTHER PAYABLES

	<b>31 December 2024 RMB'000</b>	31 December 2023 RMB'000
Trade payables ( <i>Note (a)</i> )	1,091	4,610
Payable for legal claim	—	13,139
Other payables	7,045	7,758
Accruals for staff costs and allowances	5,775	3,023
Other tax payables	272	1,912
Amounts due to a related party	87	—
Accruals for short term lease expenses	381	516
Accruals for construction projects	—	251
Accruals for handling charges	<u>79</u>	<u>136</u>
Trade and other payables	<u><u>14,730</u></u>	<u><u>31,345</u></u>

(a) The ageing analysis of trade payables based on the date when the trade payables being recognised is as follows:

	<b>31 December 2024 RMB'000</b>	31 December 2023 RMB'000
Less than 30 days	<u><b>1,091</b></u>	<u>4,610</u>

## 12. CONTRACT LIABILITIES

Contract liabilities represent cash received from customers in advance for which the goods are yet to be delivered.

## 13. CAPITAL COMMITMENTS

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities was as follows:

	<b>31 December 2024 RMB'000</b>	31 December 2023 RMB'000
Property, plant and equipment	<u><b>8,483</b></u>	<u>8,483</u>

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

The Group is a wholesaler of oil and other petrochemical products based in Guangdong Province, the People's Republic of China (the "PRC"). The oil products of the Group can be broadly categorised into (i) refined oil; (ii) other petrochemical products; and (iii) fuel oil. Oil and petrochemical products of the Group are primarily used as fuel in transportation vehicles, marine vessels, and machinery equipment, for retail sale at gas stations and as raw materials in refining process for oil refineries. The Group also sells blended fuel oil according to customers' specifications in order to meet their different needs and application requirements.

During the year ended 31 December 2024, the Group's gross profit decreased by approximately RMB45,118,000 or by 77.9% compared with 2023. In view of the electric vehicles have been more popular after the COVID-19 pandemic, since the second half of 2023, the Group has been exploring its trading of naphtha, which is a type of refined oil used as a raw material for chemical industry. In order to secure stable supply and meet potential market demand, the Group maintained certain level of inventories of naphtha which has been subject to the risk of price volatility and has been affected by the unexpected periodic fluctuation in its market price during the second half of 2023 and during the year ended 31 December 2024. As a result, the Group recorded a gross loss from its sales of refined oil of approximately RMB16,213,000 for the year ended 31 December 2024 as the Group occasionally opted to sell its inventory of naphtha below its purchase cost in order to maintain its market position and to reduce further price risk due to the uncertainty of market trend. The Group also mitigated its risk through engaged in outport trade which was recognised as service income, which amounted to approximately RMB25,828,000 for the year ended 31 December 2024.

### **RESULTS OF OPERATIONS**

#### **Revenue**

The Group derived its revenue from sales of (i) refined oil, (ii) other petrochemical products and (iii) fuel oil. Revenue principally represents the net value of goods sold after deduction of value-added tax of the PRC.

For the year ended 31 December 2024, the Group's total revenue amounted to approximately RMB1,119,646,000, representing a decrease of approximately 9.7% over the year ended 31 December 2023. The decrease was mainly attributable to the decrease of sales of other petrochemical products.

The following table sets forth the breakdown of the Group's revenue by products in total revenue, volume and average price for the two years ended 31 December 2024 and 2023:

	2024			2023		
	Total revenue <i>RMB'000</i>	Total volume <i>Tonnes</i>	Average price <i>(Note)</i> <i>RMB</i>	Total revenue <i>RMB'000</i>	Total volume <i>Tonnes</i>	Average price <i>(Note)</i> <i>RMB</i>
<b>1. Sales of goods</b>						
Refined oil	1,013,353	145,587	6,960	894,128	130,591	6,847
Other petrochemical products	80,465	12,518	6,428	284,413	42,770	6,650
Fuel oil	-	-	-	14,798	2,191	6,754
Subtotal — sales of goods	<u>1,093,818</u>	<u>158,105</u>		<u>1,193,339</u>	<u>175,552</u>	
<b>2. Service income</b>						
Refined oil	25,828	203,351	127	15,988	91,248	175
Other petrochemical products	-	-	-	26,648	58,483	456
Fuel oil	-	-	-	3,540	38,817	91
Subtotal — service income	<u>25,828</u>	<u>203,351</u>		<u>46,176</u>	<u>188,548</u>	
Total	<u>1,119,646</u>	<u>361,456</u>		<u>1,239,515</u>	<u>364,100</u>	

*Note:* Average price is arrived at by dividing the total revenue by the total volume for the relevant years.

### Cost of sales

Our Group's cost of sales mainly includes the cost of refined oil, other petrochemical products and fuel oil, which is measured on a moving weighted average basis. Our cost of sales for the years ended 31 December 2024 and 2023 were approximately RMB1,106,868,000 and RMB1,181,619,000, respectively. The purchase cost for our trading products is subject to the purchase prices offered by our suppliers, which are influenced by, among other things, the relative oil prices quoted in the market. The decrease of our cost of sales for the year ended 31 December 2024 was in line with our decrease in revenue for such year.

The following table sets forth the components of our cost of sales by product type for the two years ended 31 December 2024 and 2023:

	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Refined oil	<b>1,029,566</b>	886,722
Other petrochemical products	<b>77,302</b>	279,849
Fuel oil	<b>—</b>	15,048
	<hr/>	<hr/>
Total	<b><u>1,106,868</u></b>	<u>1,181,619</u>

### **Gross profit and gross margin**

The following table sets forth a breakdown of our gross profit and gross margin by product type for the two years ended 31 December 2024 and 2023:

	<b>2024</b>		2023	
	<b>Gross</b>	<b>Gross</b>	Gross	Gross
	<b>profit/(loss)</b>	<b>margin</b>	profit/(loss)	margin
	<b><i>RMB'000</i></b>		<i>RMB'000</i>	
1. Sales of goods				
Refined oil	<b>(16,213)</b>	<b>(1.6%)</b>	7,406	0.8%
Other petrochemical products	<b>3,163</b>	<b>3.9%</b>	4,564	1.6%
Fuel oil	<b>—</b>	<b>—</b>	(250)	(1.7%)
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal — sales of goods	<b><u>(13,050)</u></b>	<b><u>(1.2%)</u></b>	<u>11,720</u>	<u>1.0%</u>
2. Service income	<b><u>25,828</u></b>	<b><u>N/A</u></b>	<u>46,176</u>	<u>N/A</u>
Total	<b><u>12,778</u></b>	<b><u>1.1%</u></b>	<u>57,896</u>	<u>4.7%</u>

The Group's gross margin (excluding service income) decreased from approximately 1.0% for the year ended 31 December 2023 to approximately negative 1.2% for the year ended 31 December 2024. The decrease was mainly due to the reasons as stated in the sub-section headed "Business Review" above.

### **Other gains/(losses) — net**

Other losses — net for the year ended 31 December 2023 was due to the loss provision provided for the litigation. No such loss provision was provided for the year ended 31 December 2024.

### **Distribution expenses**

Distribution expenses decreased by approximately RMB5,178,000 or 32.0% to approximately RMB11,022,000 for the year ended 31 December 2024 from approximately RMB16,200,000 for the year ended 31 December 2023. This was primarily due to the decrease in operating short term lease expenses for oil storage facilities and handling charges in current year.

### **Administrative expenses**

Administrative expenses decreased by approximately RMB9,948,000 or 42.1% to approximately RMB13,667,000 for the year ended 31 December 2024 from approximately RMB23,615,000 for the year ended 31 December 2023. This was mainly attributable to the absence of recognition of professional fees and other expenses associated with the application of transfer of listing from GEM to the Main Board of the Stock Exchange in current year.

### **Finance income — net**

Finance income — net increased from approximately RMB896,000 for the year ended 31 December 2023 to approximately RMB1,231,000 for the year ended 31 December 2024 which was mainly due to the increase in interest income from bank deposits compared with the previous year.

### **(Loss)/profit before income tax**

The Group's (loss)/profit before income tax turnaround from a profit of approximately RMB5,734,000 for the year ended 31 December 2023 to a loss of approximately RMB10,600,000 for the year ended 31 December 2024 primarily due to the decrease in gross profit, partially offset by the absence of recognition of loss provision provided for the litigation and professional fees and other expenses associated with the application of transfer of listing from GEM to Main Board of the Stock Exchange in current year.

### **Income tax credit/(expense)**

Income tax credit for the year ended 31 December 2024 was mainly due to the recognition of deferred income tax assets on tax losses in the PRC.

### **Loss for the year**

The Group's loss for the year increased by approximately RMB7,333,000 to approximately RMB8,842,000 for the year ended 31 December 2024 from approximately RMB1,509,000 for the year ended 31 December 2023 primarily due to the decrease in gross profit, partially offset by the absence of recognition of loss provision provided for the litigation and professional fees and other expenses associated with the application of transfer of listing from GEM to Main Board of the Stock Exchange in current year.

## LIQUIDITY AND FINANCIAL RESOURCES

The following table summarises the Group's consolidated statement of cash flows:

	For the year ended 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Net cash (used in)/generated from operating activities	(172,017)	82,541
Net cash generated from investing activities	1,180	929
Net cash generated from/(used in) financing activities	14,315	(360)
Net (decrease)/increase in cash and cash equivalents	<u>(156,522)</u>	<u>83,110</u>

For the year ended 31 December 2024, the Group had net cash used in operating activities of approximately RMB172,017,000, which was mainly attributable to the increase in net working capital (excluding cash and cash equivalents) used in the business.

For the year ended 31 December 2024, the Group had net cash generated from investing activities of approximately RMB1,180,000, which consisted mainly of interest income from bank deposits.

For the year ended 31 December 2024, the Group had net cash generated from financing activities of approximately RMB14,315,000, which was mainly attributable to the settlement of indemnity by the Controlling Shareholders for a litigation loss.

As at 31 December 2024 and 31 December 2023, the Group had cash and cash equivalents of approximately RMB33,410,000 and RMB189,706,000, respectively.

### Net current assets

As at 31 December 2024, the Group's net current assets amounted to approximately RMB421,381,000, representing a decrease of approximately RMB9,691,000 as compared to approximately RMB431,072,000 as at 31 December 2023. The decrease was primarily due to changes in working capital, which year end balance represented a snapshot of our working capital position as at 31 December 2024.

### Borrowings and gearing ratio

The Group did not have any borrowings as at 31 December 2024 (31 December 2023: Nil).

No gearing ratio is presented as there is no bank borrowing held by the Group as at 31 December 2024 (31 December 2023: Nil).

## **Capital commitment**

The Group did not incur any capital expenditure for the year ended 31 December 2024.

As at 31 December 2024, the Group had capital commitments amounted to approximately RMB8,483,000 (31 December 2023: RMB8,483,000).

## **Significant investment, material acquisition and disposal of subsidiaries and associated companies**

The Group did not hold any significant investment nor make any material acquisition or disposal of subsidiaries and associated companies for the year ended 31 December 2024.

## **Capital structure**

As at 31 December 2024, the capital structure of the Company comprised of its issued share capital and reserves.

## **Pledged assets**

The Group did not have any assets pledged for security as at 31 December 2024 (31 December 2023: Nil).

## **Contingent liabilities**

In January 2024, the creditor (“**Creditor**”) of the loan entered in May 2003 by Zengcheng City Jintaifeng Fuel Co., Ltd. (“**JTF (PRC)**”) filed a lawsuit to Yuexiu District People’s Court of Guangzhou City (廣州市越秀區人民法院) (the “**Court of Yuexiu District**”) against JTF (PRC) (Defendant 1), the previous shareholders of JTF (PRC) in 2003 (Defendant 2), and the Notary Office of Guangzhou City, Guangdong Province (Defendant 3). The Creditor has sought compensation from the three defendants for losses totalling RMB12,545,000 due to delays in performance and bearing extra litigation and preservation fees. JTF (PRC)’s bank balances amount to RMB12,545,000 were under custody of the Court of Yuexiu District.

In March 2024, the Court of Yuexiu District ruled that the Creditor’s claims were based on the same facts and claims that had already been adjudicated in a previous case. Therefore, the court dismissed the Creditor’s case as a duplicate lawsuit.



In April 2024, the Creditor further appealed to the Guangzhou City Intermediate People’s Court of Guangdong Province (廣東省廣州市中級人民法院) (the “**Court of Guangzhou City**”). In May 2024, the Court of Guangzhou City issued a civil ruling on the grounds that the case did not constitute repeated litigation and returned the case to the Court of Yuexiu District. In June 2024, the Court of Yuexiu District issued a Writ of Summons for this case.

In August 2024, the first instance of this case was heard in court. The Group has not yet received the judgement for this hearing up to the date of this announcement. At the end of the reporting period and up to the date of this announcement, based on the information available and the advice from external legal advisors, the Group’s management assessed that whether any present obligation exists is still subject to high uncertainty. Accordingly, the Group has not made any provisions for any claim arising from the litigation, other than the related legal and other costs incurred.

Except as disclosed above, the Group did not have any other material contingent liabilities as at 31 December 2024 (31 December 2023: Nil).

## **FOREIGN EXCHANGE RISK**

The Group operates in the PRC with most transactions being settled in Renminbi (“**RMB**”), except for certain transactions which are settled in foreign currencies.

At 31 December 2024, the Group’s major non-RMB denominated assets and liabilities included trade and other receivables, cash and cash equivalents and trade and other payables, which were denominated in Hong Kong dollars. Fluctuation of the exchange rate of RMB against Hong Kong dollars could affect the Group’s results of operations.

The Group currently does not have a foreign currency hedging policy, and manages our foreign currency risk by closely monitoring the movement of the relevant foreign currency rates.

The Directors do not consider the foreign exchange rate risks as material to the Group and therefore, did not carry out any financial instruments such as forward currency exchange contracts to hedge the risks.

## **COMPLIANCE WITH LAWS AND REGULATIONS**

To the best of the Directors’ knowledge, information and belief, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has material impact on the business and operation of the Group.

## **HUMAN RESOURCE**

As at 31 December 2024, the Group had 20 full time employees who were directly employed by our Group in the PRC. For the year ended 31 December 2024, our total staff costs (including the directors' remuneration) were approximately RMB6,166,000 (2023: RMB4,958,000).

Our Group considers employees valuable assets and are vital to our success. We recruit employees mainly based on our business strategies, operational requirements, expected staff turnover, and corporate structure and management. Employees' remunerations are determined on the basis of their qualifications, positions and seniority. We review the performance of the employees annually and award salary increment, bonuses and promotions based on their performance.

The Group has established various welfare plans including the provision of basic medical insurance, unemployment insurance and other relevant insurance for employees in the PRC pursuant to the PRC rules and regulations and the existing policy requirements of the local government. The Group makes contributions to statutory mandatory provident fund scheme for employees in Hong Kong.

## **FUTURE PLANS AND PROSPECT**

In 2023, The Energy Bureau of Guangdong Province (廣東省能源局) issued the Implementation Plan for Promoting High-Quality Energy Development for Guangdong Province (廣東省推進能源高質量發展實施方案). According to which, energy security and safety would be the primary task of the strategic direction in the PRC's energy development. Therefore, despite the importance of developing new energy and environmental protection, it must be complemented by diversifying of energy sources and maintaining sufficient energy reserves. During the course, resources allocation would be decisively market oriented. It is expected that, with our Group's experience in the refined oil market and network of established customers including the three largest state-owned oil companies in the PRC, the Group is expected to play a more important role in the local supply chain.

The Group did not have specific plans for material investments or capital assets in the coming year as at 31 December 2024.

## USE OF NET PROCEEDS FROM THE COMPANY’S INITIAL PUBLIC OFFERING

The Company’s shares were listed on GEM of the Stock Exchange on 17 January 2018 and its listing was successfully transferred to the Main Board of the Stock Exchange on 17 May 2023. The Company intends that the net proceeds of the Company’s placing and public offering of a total of 105,000,000 shares from the GEM Listing (the “**Share Offer**”) (after deducting related underwriting fees and listing expenses) of approximately RMB20,803,000 be applied according to the percentage allocation described under the section headed “Future Plans and Use of Proceeds” of the prospectus of the Company dated 29 December 2017 (the “**Prospectus**”). An analysis of the progress of the implementation plans up to 31 December 2024 is set out below:

### **Business strategies as stated in the Prospectus**

### **Implementation plan**

### **Implementation progress as at 31 December 2024**

- (1) Upgrading of the wharf berth capability at Zengcheng Oil Depot

Conducting project planning and filing registration documents with relevant government authorities, including construction approval, environmental impact assessment, safety pre-evaluation and construction planning permit.

Conducting project design, including construction survey and construction drawing design.

The Group is negotiating with relevant government authorities in relation to the specific requirements in relation to the upgrading of wharf berth capability.

In 2018, the Group engaged a contractor to perform works on refurbishment of certain wharf infrastructures. However, the Group incurred additional time to identify a suitable contractor for the works relating to upgrading of berth capacity. Currently, a lead contractor has been engaged. Survey and design works are in progress, and were mostly completed in December 2019. Due to the outbreak COVID-19 Pandemic since 2020, the schedule of works and government approval processes were delayed. Tentatively the Group expects all construction works will be completed in the second half of 2025.

**Business strategies  
as stated  
in the Prospectus**

**Implementation plan**

**Implementation progress as at  
31 December 2024**

(2) Refurbishment and enhancement of oil tanks, pipelines and other oil depot facilities at Zengcheng Oil Depot	Conducting project planning and filing registration documents with relevant government authorities, including construction approval, environmental impact assessment, safety pre-evaluation and construction planning permit.  Modification/installation works for tanks storage and other oil depot facilities.	Refurbishment works for storage tanks, pipelines, oil depot facilities and equipment have been completed.
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Use of the net proceeds of the Share Offer up to 31 December 2024 was as follows:

	<b>Net proceeds to be applied in the percentage allocation stated in the Prospectus <i>RMB'000</i></b>	<b>Amount of net proceeds used as at 31 December 2024 <i>RMB'000</i></b>	<b>Unutilised net proceeds as at 31 December 2024 <i>RMB'000</i></b>
(1) Upgrading of the wharf berth capability at Zengcheng Oil Depot	11,038	7,564	3,474
(2) Refurbishment of oil tanks, pipelines and other oil depot facilities at Zengcheng Oil Depot	9,765	9,765	–
Total	20,803	17,329	3,474

The remaining unutilised net proceeds of the Share Offer as at 31 December 2024 were placed in bank accounts with licensed banks maintained by the Group in Hong Kong and in the PRC and are currently intended to be applied in the manner consistent with the proposed allocations as set out in the Prospectus. The remaining unutilised net proceeds are expected to be utilised by 31 December 2025.

The directors will regularly evaluate the Group's business objectives and may change or modify our plans in view of the changing market condition to attain sustainable business growth of the Group.

## **EVENT AFTER THE YEAR END DATE**

Save as disclosed elsewhere in this announcement, there were no other material subsequent events took place after 31 December 2024 and up to the date of this announcement.

## **FINAL DIVIDEND**

The Directors do not recommend the payment of any final dividend for the year ended 31 December 2024 (2023: Nil).

## **CLOSURE OF REGISTER OF MEMBERS**

For determining the entitlement to attend and vote at the forthcoming annual general meeting of the Company to be held on Wednesday, 28 May 2025 (“**2025 AGM**”), the register of members of the Company will be closed from Friday, 23 May 2025 to Wednesday, 28 May 2025, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the 2025 AGM, all transfer of shares accompanied by the relevant shares certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Thursday, 22 May 2025.

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

During the year ended 31 December 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities.

## **CORPORATE GOVERNANCE PRACTICES**

During the year ended 31 December 2024, the Company had complied with the requirements set out in the Corporate Governance Code contained in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities of the Stock Exchange (the “**Listing Rules**”).

## **COMPLIANCE WITH THE MODEL CODE BY DIRECTORS**

During the year ended 31 December 2024, the Company has adopted Appendix C3 of the Listing Rules as the code of conduct regarding Directors’ securities transactions (the “**Model Code**”). Having made specific enquiries with all Directors, all of them have confirmed that they had complied with the Model Code during the year ended 31 December 2024.

## **INTERESTS OF THE COMPLIANCE ADVISER**

In accordance with rule 3A.19 of the Listing Rules, the Company has appointed Honestum International Limited as its compliance adviser (the “**Compliance Adviser**”). Except for the compliance adviser agreement entered into between the Company and the Compliance Adviser, neither the Compliance Adviser nor its directors, employees or close associates had any interests in relation to the Company which is required to be notified to the Company.

## **AUDIT COMMITTEE**

The primary duties of the Audit Committee of the Company are to review and supervise the Group’s financial report process and internal control and risk management systems, and to formulate or review policies relating to anti-bribery compliances by ensuring regular management review of relevant corporate governance measures and its implementation and to communicate with external auditor on the audit procedures and accounting issues.

The Audit Committee has reviewed with the management of the Group the accounting principles and practices adopted by the Group, its internal controls and financial reporting matters including the review of the consolidated financial statements and above annual results.

## **SCOPE OF WORK ON THE ANNUAL RESULTS ANNOUNCEMENT BY AUDITOR**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group’s auditor, Forvis Mazars CPA Limited (“**Forvis Mazars**”), to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Forvis Mazars in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Forvis Mazars on the preliminary announcement.

## **PUBLICATION OF ANNUAL REPORT**

The annual report of the Company for the year ended 31 December 2024 containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course in accordance with the Listing Rules.

On behalf of the Board  
**JTF International Holdings Limited**  
**Xu Ziming**  
*Chairman and Executive Director*

Hong Kong, 28 March 2025

*As at the date of this announcement, the executive directors of the Company are Mr. Xu Ziming, Ms. Huang Sizhen, Mr. Choi Sio Peng and Ms. Xu Yayi; and the independent non-executive directors are Mr. Tsui Hing Shan, Mr. Kan Siu Chung and Ms. E Hongda.*