

To: Business Editors

JTF's 2019 PROFIT INCREASED BY 37.6% DRIVEN BY REVENUE INCREASE

13 March 2020 -- JTF International Holdings Limited (“JTF” or the “Company”, stock code: 8479; together with its subsidiaries, the “Group”), a Guangdong-based wholesaler of oil and other petrochemical products, reported a year-on-year increase of 12.2 per cent in its audited revenue for the year ended 31 December 2019 (“the Year”) of RMB2,141,533,000 (2018: RMB1,907,885,000). Profit for the year increased by 37.6 per cent to RMB39,867,000 (2018: RMB28,967,000). During the Year, basic earnings per share were RMB 7.4 cents (2018: RMB 7.0 cents).

The directors of JTF do not recommend the payment of any final dividend for the year ended 31 December 2019 (2018: nil).

The Group's outstanding performance for the year under review was much attributable to a substantial increase in the sales volume of refined oil, which led to a 15.9 per cent year-on-year increase in total sales volume. To boost sales volume, the Group, on the one hand, capitalised on the net proceeds of the rights issue exercise conducted in June 2019 to enhance its trading capability; on the other hand, the Group continued to expand its business in the refined oil market, which had a broader end-customer base. As a result, the Group's refined oil business reported an approximately 79.1 per cent increase in sales volume and an increase of RMB563,090,000 or approximately 45.9 per cent in revenue.

The Group's revenue mainly includes sales and service income from refined oil, fuel oil and other petrochemical products, accounting for 83.8 per cent, 12.1 per cent and 4.1 per cent of the revenue respectively.

According to the 13th Five-Year Plan gasoline retail market development of Guangzhou City, the cities of Guangzhou, Dongguan and Huizhou, which are close to the Group's oil depot at Zengcheng City, Guangzhou, Guangdong Province, the PRC, will provide a combined market of refined oil consumption estimated at approximately 11,151,300 tonnes, through a network of 1,525 gas stations by 2020. The Group believes that with its experience in the refined oil market and network of established customers including the three largest state-owned oil companies in the PRC, the strategically advantageous location of Zengcheng oil depot would enable the Group to attract gas station operators to purchase refined oil from such depot.

Mr Xu Ziming, the Chairman of JTF, noted: “Due to the decentralization of the state's approval authority for the retail licenses of refined oil products, the number of participants in the refined oil wholesale and storage markets, including the Group's suppliers and customers, is expected to continue to increase, which will result in more fierce market competition. At the

Press Release

same time, the easing of regulations will stimulate market circulation. As such, the Group is expected to play a bigger role in the local supply chain and will be able to capture a bigger market share in the future.”

Mr Xu said: “The outbreak of new coronavirus disease has notable effects on the economic activities and transportation in China in the first half of 2020. Although the Group’s operations continue as usual, the disease has caused decrease in sales orders after the Chinese New Year. It is expected that the Group’s profits for the first quarter of 2020 would be lower than that for the same period in the previous year.”

About JTF International Holdings Limited

The Group is a wholesaler of oil and other petrochemical products based in Guangdong Province, the PRC. The oil products of the Group can be broadly categorised into (i) refined oil; (ii) fuel oil; and (iii) other petrochemical products. 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.

Currently, the Group’s wholesale business operations are primarily conducted through three oil depots in Zengcheng and Panyu in Guangzhou and Gaolan Port Economic Zone in Zhuhai within the Pearl River Delta region of Guangdong Province, the PRC. All of the Group’s products are sold in the PRC with primary focus in Guangdong Province. The Company’s shares have been listed on GEM of The Stock Exchange of Hong Kong Limited since January 2018.

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(Attached is JTF’s audited consolidated statement of comprehensive income for the year ended 31 December 2019)

Press Release

JTF International Holdings Limited
(Stock code: 8479)
Audited Consolidated Statement of Comprehensive Income
For the Year ended 31 December 2019

	2019	2018
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	2,141,533	1,907,885
Cost of sales	<u>(2,045,726)</u>	<u>(1,818,354)</u>
Gross profit	95,807	89,531
Other losses – net	(825)	(3,380)
Distribution expenses	(25,175)	(22,554)
Administrative expenses	<u>(9,150)</u>	<u>(16,042)</u>
Operating profit	60,657	47,555
Finance income	376	571
Finance costs	<u>(260)</u>	<u>–</u>
Finance income – net	<u>116</u>	<u>571</u>
Profit before income tax	60,773	48,126
Income tax expense	<u>(20,906)</u>	<u>(19,159)</u>
Profit for the year	<u>39,867</u>	<u>28,967</u>
Other comprehensive income	<u>–</u>	<u>–</u>
Total comprehensive income for the year	<u>39,867</u>	<u>28,967</u>
Earnings per share		
-Basic and diluted (RMB)	<u>7.4 cents</u>	<u>7.0 cents</u>