

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: 8479

THIRD QUARTERLY REPORT 2020



CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report. This report, for which the directors (the “Directors”) of JTF International Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive; there are no other matters the omission of which would make any statement herein or this report misleading.

The board of directors of the Company is pleased to announce the unaudited condensed consolidated financial results of the Company and its subsidiaries (the “**Group**” or “our **Group**”) for the three months and nine months ended 30 September 2020 together with comparative figures for the corresponding periods in 2019 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	For the three months ended 30 September		For the nine months ended 30 September	
		2020	2019	2020	2019
		RMB'000	RMB'000	RMB'000	RMB'000
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	3	335,478	571,452	819,124	1,449,087
Cost of sales		(306,303)	(542,089)	(766,818)	(1,381,024)
Gross profit		29,175	29,363	52,306	68,063
Other gains — net		35	—	47	—
Distribution expenses		(5,375)	(7,093)	(15,118)	(16,480)
Administrative and other expenses		(2,656)	(2,973)	(16,683)	(8,764)
Net (impairment losses)/ reversal of impairment losses on financial assets		(8)	—	(152)	3,410
Operating profit		21,171	19,297	20,400	46,229
Finance expenses — net		(149)	(320)	(493)	(204)
Profit before income tax		21,022	18,977	19,907	46,025
Income tax expense	4	(7,180)	(6,622)	(10,372)	(14,970)
Profit for the period attributable to owners of the Company		13,842	12,355	9,535	31,055
Other comprehensive income		—	—	—	—
Total comprehensive income for the period attributable to owners of the Company		13,842	12,355	9,535	31,055
Earnings per share	5				
— Basic and diluted (RMB)		1.5 cents	2.0 cents	1.0 cent	6.1 cents

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2020

	Other reserves						Retained earnings	Total
	Share capital	Recapitalisation reserves	Share premium	Capital reserves	Statutory reserves	Safety reserves		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000 (Note a)	RMB'000 (Note b)	RMB'000	RMB'000
Balance at 1 January 2019 (Audited)	3,456	56,125	62,308	300	10,564	15,683	34,508	182,944
Profit and total comprehensive income for the period	-	-	-	-	-	-	31,055	31,055
Appropriation to safety reserves	-	-	-	-	-	4,854	(4,854)	-
Issuance of shares by rights issue	1,845	-	55,374	-	-	-	-	57,219
Transaction costs for rights issue	-	-	(1,064)	-	-	-	-	(1,064)
Balance at 30 September 2019 (Unaudited)	5,301	56,125	116,618	300	10,564	20,537	60,709	270,154
Balance at 1 January 2020 (Audited)	5,301	56,125	116,618	300	14,958	22,531	63,133	278,966
Profit and total comprehensive income for the period	-	-	-	-	-	-	9,535	9,535
Appropriation to safety reserves	-	-	-	-	-	6,053	(6,053)	-
Issuance of shares	2,679	-	53,853	-	-	-	-	56,532
Share issuance costs	-	-	(1,150)	-	-	-	-	(1,150)
Balance at 30 September 2020 (Unaudited)	7,980	56,125	169,321	300	14,958	28,584	66,615	343,883

Notes:

(a) Statutory reserves

In accordance with the Company Law of the People's Republic of China ("PRC") and its articles of association, the Group's PRC subsidiary is required to appropriate 10% of its profits after tax, as determined in accordance with relevant accounting principles generally accepted in the PRC and other applicable regulations, to the statutory reserve until such reserve reaches 50% of its registered capital. The appropriation to the reserve must be made before any distribution of dividends to equity holders of the PRC subsidiary. The statutory reserve can be used to offset previous years' losses, if any, and part of the statutory reserve can be capitalised as the PRC subsidiary's capital provided that the amount of such reserve remaining after the capitalisation shall not be less than 25% of its capital.

(b) Safety reserves

Pursuant to certain regulations issued by the Ministry of Finance and the State Administration of Work Safety of the PRC, the Group's PRC subsidiary is required to set aside an amount to safety reserve at progressive rates from 0.2% to 4% of the total revenue from the sales of hazardous chemical from 14 February 2012. The reserve can be utilised for spending on improvements and maintenances of work safety in respect of the Group's daily operations, which are considered expenses in nature and charged to the profit and loss as incurred.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together, the "**Group**") are principally engaged in the blending and sale of fuel oil, sale of refined oil and other petrochemicals in the PRC.

The Company's shares were listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 17 January 2018.

The ultimate holding company of the Company is Thrive Shine Limited ("**Thrive Shine**"), 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 unaudited condensed consolidated financial statements for the nine months ended 30 September 2020 are presented in Renminbi ("**RMB**"), unless otherwise stated, and have been approved for issue by the Company's board of directors on 13 November 2020.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements of the Group for the nine months ended 30 September 2020 have been prepared in accordance with the disclosure requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange. The unaudited condensed consolidated financial statements have been prepared under the historical cost convention.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

The accounting policies adopted in preparing the unaudited consolidated results for the nine months ended 30 September 2020 are consistent with those adopted in the financial statements of the Group for the year ended 31 December 2019, except that the Hong Kong Institute of Certified Public Accountants has issued a number of new standards and amendments to Hong Kong Financial Reporting Standards which are effective for the current accounting period of the Group. None of those developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. REVENUE

The Group principally engages in the blending and sale of fuel oil, sale of refined oil and other petrochemicals in the PRC.

The major operating entity of the Group is domiciled in Mainland China, and the Group's revenue for the nine months ended 30 September 2020 and 2019 respectively was derived in Mainland China.

Analysis of revenue is as follows:

	For the three months ended 30 September		For the nine months ended 30 September	
	2020 RMB'000 (Unaudited)	2019 RMB'000 (Unaudited)	2020 RMB'000 (Unaudited)	2019 RMB'000 (Unaudited)
Sales of goods:				
— Refined oil	118,697	482,102	498,523	1,153,292
— Fuel oil	39,475	59,229	115,725	204,300
— Other petrochemical products	161,954	25,396	184,510	86,770
	320,126	566,727	798,758	1,444,362
Service income	15,352	4,725	20,366	4,725
	335,478	571,452	819,124	1,449,087

4. INCOME TAX 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 provided as the Group did not have assessable profit in Hong Kong for the nine months ended 30 September 2020 (nine months ended 30 September 2019: same). 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 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 period.

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 entity was 25% for the nine months ended 30 September 2020 (nine months ended 30 September 2019: 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 applicable withholding income tax rates of the group company in Hong Kong was 10% for the nine months ended 30 September 2020 (nine months ended 30 September 2019: 10%).

5. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares in issue during the periods ended 30 September 2020 and 2019.

	For the three months ended 30 September		For the nine months ended 30 September	
	2020 (Unaudited)	2019 (Unaudited)	2020 (Unaudited)	2019 (Unaudited)
Profit for the period (RMB'000)	13,842	12,355	9,535	31,055
Weighted average number of ordinary shares in issue	930,000,000	630,000,000	920,145,985	506,153,846
Basic earnings per share (RMB)	1.5 cents	2.0 cents	1.0 cent	6.1 cents

Diluted earnings per share is equal to basic earnings per share as there was no potential diluted shares outstanding for the reporting periods.

6. DIVIDENDS

The board does not recommend the payment of an interim dividend for the nine months ended 30 September 2020.

7. COMPARATIVE FIGURES

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

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

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 marine vessels, transportation vehicles, 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, our wholesale business operations are primarily based in 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, where our oil depots store and trade different types of oil products. All of our Group's products are sold in the PRC with primary focus in Guangdong Province.

The outbreak of COVID-19 Pandemic since January 2020 has adversely affected economic activities and transportations in China. In an attempt to control the outbreak of the disease, the PRC government imposed lockdown measures on various PRC cities since January 2020 and ordered nationwide postponement of business operations following the Chinese New Year holidays until early February 2020. As our Group's major operating entity is domiciled in China and the revenue is solely derived from the market in China, the COVID-19 Pandemic has direct impact on the Group's revenue and financial performance. As economic activities were almost brought to a halt in China from January 2020 to March 2020, the number of sales contracts that we entered into dropped significantly during such period. However, as economic activities started to resume generally in late March to early April, the Group gradually entered into relatively more sales contracts since then. In particular, the Group's revenue is mainly derived from customers in Guangdong Province where economic activities have largely resumed by the second quarter of 2020, and thus our revenue generated during the second and third quarters of 2020 amounted to approximately RMB682,495,000, representing approximately 83.3% of our total revenue for the nine months ended 30 September 2020.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

BUSINESS REVIEW (Continued)

In addition, drastic fall in international crude oil prices during the period also adversely affected the profitability of the Group. Although the Group adopts a cost plus pricing policy, we are still exposed to the risk of oil price fluctuation. In early 2020, the prices of oil dropped drastically and the general market conditions worsened due to the outbreak of the COVID-19 Pandemic. Under such volatile market conditions, the customers were very sensitive to the prices of the oil products; therefore the Group's ability to increase the selling prices as compared to purchase costs was limited. As a result, the Group's gross profit ratio (excluding service income) dropped from approximately 4.4% for the nine months ended 30 September 2019 to approximately 4.0% for the current interim period.

To mitigate the effects of the abovementioned adverse economic environment, during the current interim period, the Group shifted to engage in more outport trades, for which we do not have to maintain inventory, with contribution of approximately RMB20,366,000 to our gross profit.

RESULTS OF OPERATIONS

Revenue

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

For the nine months ended 30 September 2020, the Group's total revenue amounted to approximately RMB819,124,000, representing a decreased of approximately 43.5% over the corresponding period in 2019. The decrease was mainly attributable to the reasons stated in the subsection headed "Business Review" above.

Income tax expense

Income tax expense decreased by approximately RMB4,598,000 to approximately RMB10,372,000 for the nine months ended 30 September 2020 from approximately RMB14,970,000 for the nine months ended 30 September 2019, mainly due to the decrease in taxable profit from the Group's operation in the PRC.

RESULTS OF OPERATIONS (Continued)

Profit for the period

The Group's profit for the nine months ended 30 September 2020 decreased by approximately RMB21,520,000 to approximately RMB9,535,000 from approximately RMB31,055,000 for the nine months ended 30 September 2019 primarily due to the decrease in gross profits and incurring additional professional fee for the preparation of transfer of listing from GEM to Main Board of the Stock Exchange.

Borrowings

Our Group did not have any borrowings during the nine months ended 30 September 2020 (31 December 2019: Nil).

Pledged assets

Our Group did not have any assets pledged for security during the nine months ended 30 September 2020 (31 December 2019: Nil).

Contingent liabilities

The Group did not have any material contingent liabilities as at 30 September 2020 (31 December 2019: Nil).

FUTURE PLANS AND PROSPECT

According to 13th Five year plan gasoline retail market development of Guangzhou City, Dongguan City and Huizhou City (2016–2020) (廣州市成品油零售體系「十三五」發展規劃 (2016–2020)), (東莞市成品油零售體系「十三五」發展規劃 (2016–2020)) and (惠州市成品油零售體系「十三五」發展規劃 (2016–2020)), the cities of Guangzhou, Dongguan and Huizhou, which are close to our oil depot at Zengcheng City, Guangzhou, Guangdong Province, the PRC (“**Zengcheng Oil Depot**”), 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 directors believe that with our 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 us to attract gas station operators to purchase refined oil from such depot.

FUTURE PLANS AND PROSPECT (Continued)

In August 2019, the State Council issued the “Opinions of the General Office of the State Council on Accelerating the Development of Circulation to Promote Commercial Consumption” which promulgated a series of measures aiming to strengthen the development and transformation of traditional trading enterprises, effectiveness in provision of domestic products and services, and optimizing consumption environment to stimulate domestic consumptions in cities and rural areas. Included in such measures was the abolishment of special licenses required for petroleum wholesale and storage business, and the right to approve petroleum retail licenses was granted to local government at the city-level. The government bureaus of Guangdong province had ceased the requirements of licenses applications of petroleum wholesale and storage business since then, and from 15 February 2020 granted city-level government offices the authority to carry on annual review and approval of the petroleum business. The effects of the above measures will start to affect the Group in 2020: there will be more participants in the refined oil wholesale and storage markets, which will result in more fierce market competition. At the same time, the easing of regulations will stimulate market circulation, and the Group is expected to play a bigger role in the local supply chain and be able to capture a bigger market share in the future.

On 10 July 2020, the Company submitted a formal application for the proposed transfer of listing of the shares of the Company from GEM to the Main Board of the Stock Exchange (“**Transfer of Listing**”).

The definitive timetable for the Transfer of Listing has not yet been finalized, and it is subject to, among others, the conditions of the Transfer of Listing to be fulfilled as set out in the Company’s announcement dated 10 July 2020. There is no assurance that the approval will be obtained from the Stock Exchange for the Transfer of Listing. Accordingly, the Transfer of Listing may or may not proceed. Further announcement(s) will be made by the Company to keep the shareholders and potential investors of the Company informed of the progress of the Transfer of Listing as and when appropriate.

USE OF NET PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

The Company's shares were listed on GEM on 17 January 2018 (the "Listing Date"). The Company intends that the net proceeds of the Company's placing and public offering of a total of 105,000,000 shares (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 30 September 2020 is set out below:

Business strategies as stated in the Prospectus

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

Implementation plan

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.

Implementation progress as at 30 September 2020

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 are mostly completed. The Group originally expected to receive government approval and to commence construction works in first half of 2020 and completion in second half of 2020, however, due to the outbreak of the new coronavirus disease, it is expected that such schedule may be further delayed. Tentatively the Group expects to receive government approved and commence construction works in first half of 2021.

USE OF NET PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING (Continued)

Business strategies as stated in the Prospectus	Implementation plan	Implementation progress as at 30 September 2020
(2) Refurbishment of oil tanks, pipelines and other oil depot facilities at Zengcheng Oil Depot	<p data-bbox="423 331 654 587">Conducting project planning and filing registration documents with relevant government authorities, including construction approval, environmental impact assessment, safety pre-evaluation and construction planning permit.</p> <p data-bbox="423 627 654 707">Modification/installation works for tanks storage and other oil depot facilities.</p>	Refurbishment works for storage tanks, pipelines, oil depot facilities and equipment have been completed.

The remaining unutilised net proceeds of the Share Offer as at 30 September 2020 were placed in bank accounts with licensed banks maintained by the Group in Hong Kong and in the PRC as working capital.

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.

USE OF NET PROCEEDS OF PLACING

On 10 January 2020, the Company issued and allotted 225,000,000 ordinary shares to Thrive Shine Limited and 75,000,000 ordinary shares to Thrive Era Investments Limited at HK\$0.211 per share pursuant to the subscription agreement dated 26 November 2019 (the “**Placing**”). Details of such subscription were set out in the Company’s announcements dated 26 November 2019, 6 January 2020 and 10 January 2020, and circular dated 12 December 2019.

The Company has applied 90% of the net proceeds from the Placing after deducting related expenses of approximately RMB55,382,000 to support and finance the ongoing working capital requirements for developing and enhancing the trading capacity of the Group’s blending and sale of fuel oil, and sale of refined oil and other petrochemicals business in the PRC, and the remaining 10% as general working capital of the Group, as mentioned in the circular dated 12 December 2019.

INTERIM DIVIDEND

The directors do not recommend the payment of any interim dividend for the nine months ended 30 September 2020.

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

As at 30 September 2020, the interests of the directors and chief executive of the Company in the share capital of the Company as recorded in the register required to be kept under section 352 of the Securities and Futures Ordinance (the “**SFO**”) or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors (the “**Model Code**”) were as follows:

Name	Nature of interest	Number of shares	Percentage of shareholding
Thrive Shine Limited	Beneficial owner	480,150,000	51.63%
Mr. Xu Ziming (Note 1)	Interest in a controlled corporation	480,150,000	51.63%
Ms. Huang Sizhen (Note 1)	Interest of spouse	480,150,000	51.63%
Thrive Era Investments Limited	Beneficial owner	160,040,000	17.21%
Mr. Choi Sio Peng (Note 2)	Interest in a controlled corporation	160,040,000	17.21%

Notes:

1. These shares are held by Thrive Shine Limited, a company owned by Mr. Xu Ziming and Ms. Huang Sizhen as to 80% and 20% respectively. Mr. Xu Ziming and Ms. Huang Sizhen are spouses.
2. These shares are held by Thrive Era Investments Limited, a company wholly owned by Mr. Choi Siu Peng.

Save as disclosed herein, as at 30 September 2020, none of the directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS

As at 30 September 2020, no person (other than a director or chief executive of the Company) had interests in the share capital of the Company recorded in the register required to be kept by the Company under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities during the nine months ended 30 September 2020.

COMPETING INTERESTS

None of the controlling shareholders, namely Thrive Shine Limited, Mr. Xu Ziming and Ms. Huang Sizhen, the directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by the Group which competes or is likely to compete, directly or indirectly, with the Group's business.

INTERESTS OF THE COMPLIANCE ADVISER

Save for the compliance adviser agreement between the Company and Kingsway Capital Limited, none of Kingsway Capital Limited, its directors, employees or close associates has any interest in relation to the Group as notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules during the nine months ended 30 September 2020 and up to the date of this quarterly report.

AUDIT COMMITTEE

The Audit Committee of the Company 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 unaudited condensed consolidated financial statements for the nine months ended 30 September 2020 and this report.

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

Hong Kong, 13 November 2020

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