裕丰昌控股
YUFENGCHANGHOLDINGS

裕豐昌控股有限公司
# YUFENGCHANG HOLDINGS LIMITED

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

**(Stock Code: 8631)**

# ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2025

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*This announcement, for which the directors (the "**Directors**") of Yufengchang 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 (the "**GEM Listing Rules**") of the Stock Exchange for the purpose of giving information with regard to the Company and its subsidiaries (together the "**Group**"). The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement 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 announcement misleading.*

## HIGHLIGHTS

- The Group has recorded a revenue of approximately HK$55.5 million for the year ended 31 March 2025, representing a decrease of approximately HK$13.5 million or 19.6% as compared to the Group's revenue of approximately HK$69.0 million for the year ended 31 March 2024.

- The Group's gross profit margin decreased from 7.9% for the year ended 31 March 2024 to 0.2% for the year ended 31 March 2025 due to a reduction in sales volume while maintaining fixed operating costs.

- The Group recorded a loss attributable to the owners of the Company of approximately HK$38.6 million for the year ended 31 March 2025 representing an increase of net losses by approximately HK$27.9 million from a loss of approximately HK$10.7 million for the year ended 31 March 2024.

- The Board does not recommend the payment of any dividend for the year ended 31 March 2025.

## ANNUAL RESULTS

The board of Directors (the "**Board**") of the Company is pleased to announce the draft consolidated results of the Group for the year ended 31 March 2025 (the "**Reporting Period**") together with the comparative audited figures for the year ended 31 March 2024, as follows:

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

*For the year ended 31 March 2025*

| | Notes | 2025<br>HK$'000 | 2024<br>HK$'000 |
|---|---|---|---|
| **Revenue** | 4 | **55,498** | 69,032 |
| Cost of sales | | **(55,391)** | (63,578) |
| **Gross profit** | | **107** | 5,454 |
| Other income | 5 | **574** | 260 |
| Selling expenses | | **(136)** | – |
| Administrative and other operating expenses | | **(9,163)** | (7,569) |
| Impairment loss recognised, net | | **(29,531)** | (8,173) |
| Finance costs | 6 | **(424)** | (634) |
| **Loss before tax** | 8 | **(38,573)** | (10,662) |
| Income tax expense | 7 | **–** | – |
| **Loss for the year** | | **(38,573)** | (10,662) |
| Other comprehensive income for the year, net of income tax: | | | |
| *Item that may be reclassified subsequently to profit or loss:* | | | |
| Exchange differences arising on translation of foreign operations | | **(1)** | – |
| **Total comprehensive expense for the year** | | **(38,574)** | (10,662) |
| | | ***HK cents*** | *HK cents* |
| **Loss per share** | | | |
| – Basic | 9 | **(96.43)** | (26.66) |
| – Diluted | | **N/A** | N/A |

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*At 31 March 2025*

| | Notes | 2025 HK$'000 | 2024 HK$'000 |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | | **477** | 2,262 |
| Intangible assets | | **–** | 5,204 |
| Interests in associates | | **–** | – |
| Financial assets at fair value through profit or loss ("**FVTPL**") | | **–** | 1,844 |
| | | **477** | 9,310 |
| **Current assets** | | | |
| Inventories | | **2,744** | – |
| Trade receivables | *11* | **30,454** | 37,926 |
| Other receivables | | **1,353** | 2,953 |
| Cash and cash equivalents | | **2,021** | 46 |
| | | **36,572** | 40,925 |
| **Current liabilities** | | | |
| Bank overdrafts | | **–** | 4,585 |
| Trade payables | *12* | **19,152** | 1,686 |
| Other payables | | **3,356** | 7,129 |
| Amounts due to directors | | **16,735** | – |
| Bank borrowings | | **7,084** | 7,539 |
| | | **46,327** | 20,939 |
| **Net current (liabilities) assets** | | **(9,755)** | 19,986 |
| **Net (liabilities) assets** | | **(9,278)** | 29,296 |
| **Capital and reserves** | | | |
| Share capital | | **4,000** | 4,000 |
| Reserves | | **(13,278)** | 25,296 |
| **Total (deficits) equity** | | **(9,278)** | 29,296 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 March 2025*

## 1. GENERAL INFORMATION

Yufengchang Holdings Limited (Formerly known as Sun Kong Holdings Limited) (the "**Company**") was incorporated as an exempted company with limited liability in the Cayman Islands on 31 October 2017 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company are situated at Section C of Lot No. 1345 in D.D121, Yuen Long, New Territories, Hong Kong and Room 2301, Block A, Huaxia Century Square, Changle East Road, Baqiao District, Xi'an City, Shaanxi Province.

The Company's share are listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 8 January 2019.

The Company is an investment holding company. The Company and its subsidiaries (the "**Group**") are principally engaged in sales of diesel oil and related products and ancillary transportation service in Hong Kong and People's Republic of China (the "**PRC**"). During the year ended 31 March 2025, the Group commenced the business engaging in the e-commerce business in the PRC.

As at 31 March 2024, the immediate and ultimate holding company was Fully Fort Group Limited, which was incorporated in the British Virgin Islands (the "**BVI**"). The ultimate controlling party was Mr. Law Ming Yik.

On 4 September 2024, the sale and purchase agreement was entered into between Hong Kong Yufengchang Co., Limited ("**Hong Kong Yufengchang**"), which is incorporated in Hong Kong, indirect wholly and beneficially owned by Mr. Wang Xinlong (the "**Offeror**") as the purchaser, Fully Fort Group Limited (the "**Vendor**"), and Mr. Law (the "**Warrantor**"), in relation to the acquisition of a total of 23,115,000 sale shares by the Offeror from the Vendor. The sale shares represent approximately 57.79% of the total issued share capital of the Company. The acquisition was completed on 13 September 2024. Details of the joint announcement have been disclosed in the Company's announcement dated 16 September 2024.

Immediately upon the close of the offer and as at the date of the announcement on 21 November 2024, taking into account (i) the 23,115,000 shares already held by the Offeror and parties acting in concert with it before the commencement of the offer period; and (ii) valid acceptances in respect of a total of 2,448,000 offer shares (the "**Acceptance Shares**"), representing approximately 6.12% of the entire issued share capital of the Company, the Offeror and parties acting in concert with it are interested in an aggregate of 25,563,000 shares, representing approximately 63.91% of the entire issued share capital of the Company.

In the opinion of the directors of the Company (the "**Directors**"), with effect from 13 September 2024, Yufengchang International Holdings Co., Limited, which was incorporated in the Cayman Islands was the ultimate holding company and Hong Kong Yufengchang was the immediate holding company of the Company. Mr. Wang Xinlong became the ultimate controlling party of the Company.

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is also the functional currency of the Company.

## 2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

**Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time, which are mandatorily effective for the annual periods beginning on 1 April 2024 for the preparation of the consolidated financial statements:

| | |
|---|---|
| Amendments to HKFRS 16 | *Lease Liability in a Sale and Leaseback* |
| Amendments to Hong Kong Accounting Standards ("**HKAS**") 1 | *Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)* |
| Amendments to HKAS 1 | *Non-current Liabilities with Covenants* |
| Amendments to HKAS 7 and HKFRS 7 | *Supplier Finance Arrangements* |

Except as described below, the application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

***Impacts on application of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the "2020 Amendments") and Amendments to HKAS 1 Non-current Liabilities with Covenants (the "2022 Amendments")***

The Group has applied the amendments for the first time in the current year.

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the classification should not be affected by management intentions or expectations to settle the liability within 12 months.

- clarify that the settlement of a liability can be a transfer of cash, goods or services, or the entity's own equity instruments to the counterparty. If a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 *Financial Instruments: Presentation*.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the 2022 Amendments specifically clarify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date, even if compliance with the covenant is assessed only after the reporting date. The 2022 Amendments also specify that covenants with which an entity must comply after the reporting date (i.e. future covenants) do not affect the classification of a liability as current or non-current at the reporting date. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants, the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

In accordance with the transition provision, the Group has applied the new accounting policy to the classification of liability as current or non-current retrospectively. The application of the amendments in the current year had no material impact on the consolidated financial statements.

**New and amendments to HKFRS Accounting Standards in issue but not yet effective**

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

| | |
|---|---|
| Amendments to HKFRS 9 and HKFRS 7 | *Amendments to the Classification and Measurement of Financial Instruments*[3] |
| Amendments to HKFRS 9 and HKFRS 7 | *Contracts Referencing Nature dependent Electricity*[3] |
| Amendments to HKFRS 1 | *First-time Adoption of Hong Kong Financial Reporting Standards*[2] |
| Amendments to HKFRS 10 and HKAS 28 | *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[1] |
| Amendments to HKFRS Accounting Standards | *Annual Improvements to HKFRS Accounting Standards – Volume 11*[3] |
| Amendments to HKAS 21 | *Lack of Exchangeability*[2] |
| HKFRS 18 | *Presentation and Disclosure in Financial Statements*[4] |

1 Effective for annual periods beginning on or after a date to be determined.

2 Effective for annual periods beginning on or after 1 January 2025.

3 Effective for annual periods beginning on or after 1 January 2026.

4 Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRS Accounting Standards mentioned in the consolidated financial statements, the Directors anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") and by the Hong Kong Companies Ordinance ("**CO**").

The Directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

As stated in the consolidated financial statements, the Group recorded a net loss of approximately HK$38,573,000 and had net cash used in operating activities of approximately HK$10,744,000 for the year ended 31 March 2025 and, as of that date, the Group's current liabilities exceeded its current assets by HK$9,755,000 and the Group had net liabilities of HK$9,278,000. These events and conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern, and thus, the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern after taking into consideration the followings:

(i) the Group has implemented measures to speed up the collection of outstanding trade receivables;

(ii) the Group will actively negotiate with various financial institutions and potential lenders to secure new financing arrangement to meet the Group's working capital and financial requirements in the near future;

(iii) Subsequent to the end of the reporting period, Mr. Law Ming Yik, the director of the Company ("**Mr. Law**") has provided a loan of HK$3,800,000 to the Company, the loan is unsecured, interest free and repayable on 23 May 2026. In addition, Mr. Law has granted a loan facilities amounting to HK$8,000,000 in favour of the Group to provide continuing financial support to the Group;

(iv) Subsequent to the reporting period, the Company has obtained the undertakings from Mr. Law and Mr. Wang Xinlong, the director of the Company ("**Mr. Wang**"), not to demand for repayment of debts of HK$15,115,000 and HK$1,620,000 (equivalent to RMB1,510,000), respectively as at 31 March 2025 before 30 June 2026.

The Directors have reviewed the Group's cash flow projections prepared by the management which cover a period of not less than twelve months from 31 March 2025 on the basis that the Group's aforementioned plans and measures will be successful, the Directors believe that the Group will have sufficient cash resources to satisfy its future working capital and other financial obligations as and when they fall due in the next twelve months from 31 March 2025. Accordingly, the Directors believe that the Group will continue as a going concern and therefore consider it is appropriate to adopt the going concern basis in preparing its consolidated financial statements.

The consolidated financial statements do not include any adjustments that would result from the failure of the Group to obtain sufficient future funding. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the carrying values of the assets of the Group to their recoverable amounts, to provide for any further liabilities that might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively.

## 4. REVENUE

**Disaggregation of revenue from contracts with customers**

**For the year ended 31 March 2025**

| | **Sales of diesel oil and related products** | | | | **E-commerce business** | |
|---|---|---|---|---|---|---|
| | **Sales of diesel oil** | **Sales of diesel exhaust fluid** | **Ancillary transportation service** | **Sales of petroleum derivatives** | **E-commerce service** | **Total** |
| | ***HK$'000*** | ***HK$'000*** | ***HK$'000*** | ***HK$'000*** | ***HK$'000*** | ***HK$'000*** |
| **Geographical markets** | | | | | | |
| Hong Kong | **41,230** | **945** | **403** | **–** | **–** | **42,578** |
| The PRC | **–** | **–** | **–** | **10,931** | **1,989** | **12,920** |
| **Total** | **41,230** | **945** | **403** | **10,931** | **1,989** | **55,498** |

For the year ended 31 March 2024

| | Sales of diesel oil | Sales of diesel exhaust fluid | Ancillary transportation service | Total |
|---|---|---|---|---|
| | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* |
| Geographical markets | | | | |
| Hong Kong | 67,619 | 1,131 | 282 | 69,032 |

## 5. OTHER INCOME

| | **2025** | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Fair value gain on financial assets at FVTPL | **–** | 107 |
| Gain on disposal of property, plant and equipment, net | **393** | 50 |
| Government grants | **180** | 103 |
| Bank interest income | **1** | – |
| | **574** | 260 |

## 6. FINANCE COSTS

| | **2025** | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Interest on bank overdrafts | **173** | 361 |
| Interest on bank borrowings | **251** | 273 |
| | **424** | 634 |

## 7. INCOME TAX EXPENSE

For the years ended 31 March 2025 and 31 March 2024, the Group's entities established in the Cayman Islands and the British Virgin Islands ("**BVI**") are exempted from income tax.

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years. No provision for taxation in Hong Kong has been made as the Group did not generate any assessable profit arising in Hong Kong for the years ended 31 March 2025 and 31 March 2024.

Under the Law of the PRC on EIT (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the year ended 31 March 2025.

## 8. LOSS BEFORE TAX

| | **2025** | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Loss before tax has been arrived at after charging: | | |
| **Staff costs** | | |
| Directors' and chief executive's emoluments | **1,660** | 1,702 |
| Other staff cost | **3,347** | 2,702 |
| Contributions to retirement benefits scheme for other staff | **157** | 117 |
| | **5,164** | 4,521 |
| Auditor's remuneration | | |
| Audit services | **440** | 450 |
| Non-audit services | **180** | 385 |
| Cost of inventories | **52,368** | 59,765 |
| Depreciation of property, plant and equipment: | | |
| – Cost of sales | **1,583** | 2,456 |
| – Selling expenses | **3** | – |
| – Administrative and other operating expenses | **4** | 3 |
| | **1,590** | 2,459 |
| Amortisation of intangible assets: | | |
| – Administrative and other operating expenses | **1,059** | 88 |
| Expenses relating to short-term leases | **484** | 427 |

## 9. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following data:

| | **2025** | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **Loss** | | |
| Loss for the year for the purpose of basic and diluted loss per share | **(38,573)** | (10,662) |

| | **2025** | 2024 |
|---|---|---|
| **Number of shares** | | |
| Weighted average number of ordinary shares for the purpose of basic and diluted loss per share | **40,000,000** | 40,000,000 |

No diluted loss per share for both years ended 31 March 2025 and 31 March 2024 were presented as there were no potential ordinary shares in issue for both 2025 and 2024.

## 10. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended 31 March 2025, nor has any dividend been proposed since the end of the reporting period (2024: Nil).

## 11. TRADE RECEIVABLES

| | **2025** | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Trade receivables – contracts with customers | **72,728** | 56,709 |
| Less: Allowance for credit losses | **(42,274)** | (18,783) |
| Trade receivables, net | **30,454** | 37,926 |

The Group allows a credit period of ranged from 0-120 days (2024: 0-120 days) to its trade customers.

The Group does not hold any collateral over trade receivables as at 31 March 2025 and 31 March 2024.

The following is an aged analysis of gross trade receivables, presented based on the invoice date, at the end of the reporting periods:

| | **2025** | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Within 30 days | **8,886** | 1,778 |
| 31 to 60 days | **5,357** | 1,209 |
| 61 to 90 days | **396** | 831 |
| 91 to 365 days | **7,368** | 38,982 |
| More than one year | **50,721** | 13,909 |
| | **72,728** | 56,709 |

## 12. TRADE PAYABLES

| | **2025** | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Trade payables | **19,152** | 1,686 |

The credit period on services provided by suppliers is generally from 1 to 180 days (2024: 1 to 30 days).

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period.

| | **2025** | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Within 30 days | **9,371** | 360 |
| 31 to 60 days | **10** | 895 |
| 61 to 90 days | **4,592** | 431 |
| 91 to 180 days | **4,520** | – |
| Over 180 days | **659** | – |
| | **19,152** | 1,686 |

## EXTRACT OF THE INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report on the Group's consolidated financial statements for the year ended 31 March 2025.

## OPINION

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 3.1 to the consolidated financial statements, the Group recorded a net loss of approximately HK$38,573,000 and had net cash used in operating activities of approximately HK$10,744,000 for the year ended 31 March 2025 and, as of that date, the Group's current liabilities exceeded its current assets by HK$9,755,000 and the Group had net liabilities of HK$9,278,000. These events and conditions, along with other matters as set forth in Note 3.1 to the consolidated financial statements, indicate that the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The aforesaid "Note 3.1 to the consolidated financial statements" in the extract of the independent auditor's report is disclosed in Note 3 to this announcement.

## SCOPE OF WORK OF MESSRS. ASIAN ALLIANCE (HK) CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position as at 31 March 2025, the consolidated statement of profit or loss and other comprehensive income and related notes thereto for the year ended 31 March 2025 as set out in this preliminary announcement have been agreed by the Group's auditors, Asian Alliance (HK) CPA Limited ("**Asian Alliance**"), to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 March 2025. The work performed by Asian Alliance in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Asian Alliance on the preliminary announcement.

## MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

The Group's operations are presently composed of two major strategic segments: the sale and transportation of diesel oil and Petroleum Derivatives, and the e-commerce business in the Mainland China market. The two major segments develop synergistically, jointly promoting business transformation and upgrading of the Group. Among which, the e-commerce business, as an innovative extension of sales channels, effectively broadened the market coverage of Petroleum Derivatives sales and further strengthened the Group's competitive advantage in the energy product supply chain.

In the Hong Kong market, the Group continues to deeply cultivate the business of procurement, sales and transportation of diesel oil and diesel exhaust fluid products, primarily serving customers in the logistics and construction industries. Supported by a fleet of six diesel tank wagons, this business generated revenue of HK$42.6 million for the year, this represents a significant contraction of 38% compared to the prior year (2024: HK$69.0 million), mainly affected by fluctuations in local market demand in Hong Kong.

In order to enhance the value chain of energy products, the Group has strategically expanded its sales and transportation business of Petroleum Derivatives into the Mainland China market, with a focus on developing a polypropylene product supply chain system. This includes the sales and transportation of various polypropylene ("**PP**") grades (such as homopolymers, copolymers and modified specialties), primarily serving industries such as packaging, consumer goods and food services. In its inaugural reporting period, this venture contributed HK$10.9 million in revenue, demonstrating strong growth potential.

In order to innovate sales channels and enhance market competitiveness, the Group launched its e-commerce operations in January 2025 to penetrate the domestic consumer market in Mainland China. By integrating high-quality trade resources, the Group has established a diversified product portfolio encompassing PP-based food-grade packaging, daily necessities, food and beverages, and alcoholic beverages (including baijiu and wine), and distributes these products through both traditional and live-streaming e-commerce channels across multiple provinces. Benefiting from the Group's resource advantages in the petroleum derivatives supply chain sector and its well-established sales network, this nascent business recorded revenue of HK$2.0 million in its first quarter of operation (January to March 2025).

For the year ended 31 March 2025, the Group's diesel oil and Petroleum Derivatives sales and transportation business contributed a total of HK$53.5 million in revenue, accounting for 96.4% of total revenue. Of which, the traditional diesel business, despite its decline, constituted the majority of total revenue at 76.7% (HK$42.6 million). The Petroleum Derivatives ("**PD**") sales business which expanded into the Mainland China market emerged as a significant new contributor, accounting for 19.7% (HK$10.9 million), while the initial results from E-commerce represented 3.6% (HK$2.0 million). Collectively, these segments yielded a total revenue of HK$55.5 million for the year. This performance underscores a pivotal transition while traditional diesel operations dominate, nearly a quarter (23.3%) of the Group's revenue now stems from its proactive constructed diversified energy product supply chain system and consumer-focused e-commerce, positioning the company for broader market engagement and future growth avenues.

The Group recorded a loss attributable to the owners of the Company of approximately HK$38.6 million for the year ended 31 March 2025 (2024: HK$10.7 million) resulted primarily from a tripling of impairment losses to HK$29.5 million (2024: HK$8.2 million).

## FUTURE PROSPECTS

The Group's future prospects will be shaped by its strategic response to evolving market dynamics, balancing challenges in its traditional core business with opportunities emerging from deliberate diversification. While the traditional diesel segment faces sustained headwinds evidenced by a 38% revenue decline year-on-year, the management will continue to optimize the operational efficiency of its traditional diesel oil business, actively seize market recovery opportunities, and further expand the scale of its Petroleum Derivatives business at the same time, deepen its industrial chain layout, and continuously improve the construction of e-commerce channels to enhance terminal sales capabilities, provides critical pathways for growth and risk mitigation.

## FINANCIAL REVIEW

### Revenue

The Group revenue declined substantially by HK$13.5 million (19.6%), falling from HK$69.0 million for the year ended 31 March 2024 ("**FY2024**") to HK$55.5 million for the year ended 31 March 2025 ("**FY2025**"). This contraction highlights a challenging year for the Group's core operations while simultaneously revealing a strategic diversification effort.

The Company's revenue composition shifted significantly away from its near-total reliance on traditional fuel products observed in FY2024, to which diesel oil sales dominated, accounting for HK$67.6 million (98.0%), supplemented by diesel exhaust fluid (HK$1.1 million; 1.6%) and ancillary transportation services (HK$0.3 million; 0.4%). By FY2025, however, the revenue stream had become more diversified. While diesel oil sales remained the largest segment at HK$41.2 million (74.3%) to which contribution declined substantially to the total. Revenue from diesel exhaust fluid also decreased to HK$0.9 million (1.7%), with ancillary transportation services contributing HK$0.4 million (0.7%).

Critically, the Group successfully expanded its Petroleum Derivatives sales business into the Mainland Chinese market. Sales of Petroleum Derivatives, including polypropylene (PP), PET chips, and PP toughening cold-resistant agents, emerged as a major contributor, generating HK$10.9 million (19.7%) of FY2025 revenue. Additionally, revenue from the new business e-commerce sales amounted to HK$2.0 million (3.6%). Collectively, business developed in the market of Mainland China represented 23.3% of the Group's total revenue, marking a substantial strategic pivot.

### Sales quantity

Sales volume of diesel oil decreased by approximately 33.3%, from 11.7 million litres for the year ended 31 March 2024 to 7.8 million litres for the year ended 31 March 2025. This reflects lower demand from the Group's logistics customers during FY2025.

Sales volume of diesel exhaust fluid decreased by approximately 12.2%, from 360.8 thousand litres for the year ended 31 March 2024 to 316.8 thousand litres for the year ended 31 March 2025.

For the year ended 31 March 2025, sales volumes of polypropylene, PET chips, and PP toughening cold-resistant agents were approximately 1,436 tonnes, 34.1 tonnes, and 10.0 tonnes respectively.

**Selling price**

The average selling price of the Group's diesel oil decreased by 9.3% year-on-year, from HK$5.79 per litre (FY 2024) to HK$5.25 per litre (FY2025). This decline aligned with the downward trend in prevailing market prices.

Separately, the average selling price of the Group's diesel exhaust fluid fell by 4.8%, from an average of HK$3.13 per litre (FY 2024) to an average of HK$2.98 per litre (FY 2025).

The average selling price (excluding VAT tax) of polypropylene, PET chips, and PP toughening cold-resistant agents were approximately RMB6,813 per ton, RMB6,027 per ton and RMB14,823 per ton, respectively.

**Cost of sales**

The Group's cost of sales is fundamentally driven by expenditures related to core operational inputs: diesel oil, diesel exhaust fluid, direct labour, and depreciation. The pricing of diesel oil and diesel exhaust fluid is intrinsically linked to domestic supplier offers, which themselves are benchmarked against international indices such as the Europe Brent spot crude oil price.

A pronounced decrease in the overall cost of sales was observed for FY2025, which amounted to approximately HK$55.4 million. This represents a reduction of 12.9%, or HK$8.2 million, compared to the HK$63.6 million recorded in FY2024. This decline was predominantly attributable to changes within the largest cost component.

Diesel oil consistently constituted the most significant element of the cost structure. However, its dominance diminished considerably year-on-year. In FY2024, diesel oil costs reached HK$58.5 million, representing a substantial 92.0% of the total cost of sales. By FY2025, this figure had decreased significantly to HK$38.8 million, accounting for 70.1% of the total. This reduction stemmed primarily from (i) a drop in sale volume of diesel oil and (ii) a 1.4% decrease in the average unit purchase cost, which fell from an average of HK$5.01 per litre in FY2024 to an average of HK$4.94 per litre in FY2025. This downward movement in diesel oil pricing aligned with prevailing market trends during FY2025.

Conversely, costs associated with diesel exhaust fluid decreased, fell from HK$0.9 million (1.55% of cost of sales) in FY2024 to HK$0.4 million (0.76% of cost of sales) in FY2025. A notable development in FY2025 was the emergence of material costs as a significant new component. Expenditures for polypropylene ("**PP**"), PET chips, and PP toughening cold-resistant agents amounted to HK$10.7 million, representing 19.3% of the year's total cost of sales.

Direct labour costs, encompassing wages, bonuses, retirement benefits, and allowances for drivers and logistics assistants involved in product transportation, saw an increase. Costs rose from HK$0.8 million in FY2024 to HK$1.0 million in FY2025. This labour force consisted of seven full-time drivers operating the Group's diesel tank wagons as of 31 March 2025. Depreciation charges, primarily related to the diesel tank wagons, decreased year-on-year, amounting to HK$2.5 million in FY2024 and falling to HK$1.6 million in FY2025.

**Gross profit and gross profit margin**

Gross profit represents the Group's revenue less cost of sales. The Group recorded a decrease in gross profit of approximately HK$5.4 million, or approximately 98.1%, from approximately HK$5.5 million for the year ended 31 March 2024 to approximately HK$0.1 million for the year ended 31 March 2025. The Group's gross profit margin decreased from 7.9% to 0.2% over the same period primarily due to a reduction in sales volume while maintaining fixed operating costs.

**Administrative and other operating expenses**

Administrative and other operating expenses mainly include administrative staff costs, professional service fees, rent and rate and others. The Group's administrative and other operating expenses were approximately HK$7.6 million and HK$9.2 million for the years ended 31 March 2024 and 31 March 2025 respectively.

**Income tax expense**

The Group did not incur income tax for the year ended 31 March 2025 and 2024 in a group as a whole.

**Loss for the year**

As a result of the foregoing, the Group's net loss increased by approximately HK$27.9 million from approximately HK$10.7 million for the year ended 31 March 2024 to approximately HK$38.6 million for the year ended 31 March 2025, resulted primarily from an increase of impairment losses on trade receivables, intangible assets and property, plant and equipment to HK$29.6 million (2024: HK$8.2 million).

## LIQUIDITY AND CAPITAL RESOURCES

**Financial Resources and Liquidity**

The Group finances its operations through cash generated from operating activities and banking facilities. The Group recorded net current liabilities of approximately HK$9.8 million as at 31 March 2025.

As at 31 March 2025, the Group's current assets amounted to approximately HK$36.6 million and the Group's current liabilities amounted to approximately HK$46.3 million. Current ratio was approximately 0.79 as at 31 March 2025 (2024: 2.0). Current ratio is calculated by current assets over current liabilities at the end of the year.

As at 31 March 2025, bank and cash balances were mainly denominated in Hong Kong dollar. The Group considers that any reasonable changes in foreign exchange rates of currencies against major functional currencies would not result in a significant change in the Group's results, as the net carrying amounts of financial assets and liabilities denominated in a currency other than the respective subsidiaries' functional currencies are considered to be not significant.

As at 31 March 2025, the Group's total debts comprised trade and other payables, amounts due to directors and bank borrowings.

The Group's bank borrowings carry variable interest rates of 2.5% per annum below Hong Kong dollar prime rate (2024: 2.5%).

As at 31 March 2025, The banking facilities available to the Group was approximately HK$9 million and approximately HK$7 million of the banking facilities was utilised.

## GOING CONCERN AND MITIGATION MEASURES

In order to meet the Group's financial obligations as and when they fall due within the next twelve months, the directors of the Company have been undertaking a number of measures to improve the Group's liquidity and financial position, which included:

In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern after taking into consideration the followings:

(i) the Group has implemented measures to speed up the collection of outstanding trade receivables;

(ii) the Group will actively negotiate with various financial institutions and potential lenders to secure new financing arrangement to meet the Group's working capital and financial requirements in the near future;

(iii) Subsequent to the end of the reporting period, Mr. Law Ming Yik, the director of the Company ("**Mr. Law**") has provided a loan of HK$3,800,000 to the Company, the loan is unsecured, interest free and repayable on 23 May 2026. In addition, Mr. Law has granted a loan facilities amounting to HK$8,000,000 in favour of the Group to provide continuing financial support to the Group;

(iv) Subsequent to the reporting period, the Company has obtained the undertakings from Mr. Law and Mr. Wang Xinlong, the director of the Company ("**Mr. Wang**"), not to demand for repayment of debts of HK$15,115,000 and HK$1,620,000 (equivalent to RMB1,510,000), respectively as at 31 March 2025 before 30 June 2026.

## GEARING RATIO

The gearing ratio was 125% as at 31 March 2025 while the ratio as at 31 March 2024 was 41.7%.

Gearing ratio represents net debt divided by total assets. Net debt is calculated as total borrowings plus amount due to directors, trade and other payables. Total assets are calculated as “equity” as shown in the consolidated statement of financial position plus net debt.

## SEGMENT INFORMATION

Segmental information is presented for the Group as disclosed in note 6 of the consolidated financial statements.

## MAJOR RISKS AND UNCERTAINTIES

The Group believes that our risk management practices are important and uses its best effort to ensure it is sufficient to mitigate the risks present in our operations and financial position as efficiently and effectively as possible. The followings are the major risks and uncertainties of the Group’s business:

- The Group’s earnings, cash flows and financial condition may be adversely affected if the Group uses an incorrect oil and gas price assumptions to evaluate projects and commercial opportunities;
- Transportation service of diesel oil can be disrupted if there is reliance on one single oil supplier in Hong Kong;
- Loss of customers due to price competitions and global economic slowdown; and
- Disruptions to operation due to difficulty in retaining employees.

For other risks and uncertainties that the Group is facing, please refer to the section headed “Risk Factors” in the the prospectus of the Company dated 21 December 2018 (the “**Prospectus**”).

## FOREIGN CURRENCY EXPOSURE RISK

The Group operates mainly in Hong Kong and PRC. The majority of the Group's business and bank borrowings are denominated and accounted for in HKD. Therefore, the Group does not have significant exposure to foreign exchange fluctuation. Furthermore, The Board does not expect that the fluctuation of RMB exchange rate will have material impact on the business operations or financial results of the Group.

The Group currently has no hedging policy with respect to the foreign exchange risks. Therefore, the Group has not entered into any hedging transactions to management potential fluctuation in foreign currency.

## CHARGES ON GROUP'S ASSETS

None of the Group's assets were charged as at 31 March 2025 (2024: Nil).

## CAPITAL STRUCTURE

As at 31 March 2025, the capital structure of the Group consisted of deficits attributable to the owners of the Company of approximately HK$9.3 million. The share capital of the Group only comprises ordinary shares. The shares of the Company were listed on GEM of the Stock Exchange on 8 January 2019 (the "**Listing Date**"). Pursuant to the resolution passed by the shareholders of the Company on 15 February 2024, every ten issued ordinary shares of par value of HK$0.01 each had been consolidated into one ordinary share of HK$0.1 each. The share consolidation became effective on 19 February 2024. All the shares issued by the Company ranked pari passu in all respects.

## TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and for the purpose to maintain a healthy liquidity position throughout the year ended 31 March 2025. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

## SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

During the year ended 31 March 2025, the Group did not have any significant investments, material acquisitions nor disposals of subsidiaries, associates or joint ventures.

## CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 March 2025, the unpaid registered capital for the subsidiaries amounted to approximately HK$76,133,000 and the unpaid registered capital for the associates amounted to approximately HK$2,606,000 (2024: Nil). The Group did not have other material capital commitment.

## CAPITAL EXPENDITURE

During the reporting period, no payment for capital expenditure (2024: approximately HK$0.8 million).

## FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed under the section "Future Plans and Use of Proceeds" in the prospectus of the Company dated 21 December 2018 (the "**Prospectus**"), the Group does not have any future plans for material investments or capital assets as at the date of this announcement.

## DIVIDENDS

The Board did not recommend a payment of any dividend for the years ended 31 March 2024 and 2025.

## EVENTS AFTER THE REPORTING PERIOD

No significant events have taken place after the end of the financial year (i.e. 31 March 2025) to the date of this announcement.

## USE OF PROCEEDS

The shares of the Company were listed on GEM of the Stock Exchange on 8 January 2019 by way of share offer. The Directors intend to apply the net proceeds (the "**Net Proceeds**") from the share offer in accordance with the proposed implementation plan as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The Net Proceeds, after deducting underwriting commission and other listing expenses, amounted to approximately HK$34.8 million. Details of the change in use of Net Proceeds are set out in the Company's announcements dated 3 July 2020, 18 August 2020 (the "**UOP Announcements**") and 23 March 2023 (the "**UOP Announcement 2023**"). Set out below is the actual use of the Net Proceeds up to 31 March 2024:

| | Intended allocation of Net Proceeds as set forth in the Prospectus | The change in use of Net Proceeds as set forth in the UOP Announcements | Further change in use of Net Proceeds as set forth in the UOP announcement 2023 | Actual use of Net Proceeds up to 31 March 2025 | Unused total Net Proceeds up to 31 March 2025 |
|---|---|---|---|---|---|
| | *HK$ million* | *HK$ million* | *HK$ million* | *HK$ million* | *HK$ million* |
| Purchase of diesel tank wagons | 15.0 | – | (2.6) | (12.4) | – |
| Expand manpower | 12.5 | (10.8) | – | (1.7) | – |
| Upgrade information technology systems | 5.0 | – | – | (5.0) | – |
| Working capital | 2.3 | 10.8 | 2.6 | (15.7) | – |
| Total | 34.8 | | | (34.8) | – |

*Note:*

Save as disclosed above, the Directors are not aware of any material change to the implementation plans in relation to the Net Proceeds as stated in the Prospectus.

Save as discussed, the Group has applied the Net Proceeds in the manners consistent with the proposed applications set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The implementation plans for business strategies and use of Net Proceeds as stated in the Prospectus were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus. The Group implemented its business strategies and applied the Net Proceeds based on the actual development of the Group's business and industry, as well as market conditions.

## EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2025, the Group engaged a total of 43 employees (31 March 2024: 15 employees) including the Directors. For the year ended 31 March 2025, total staff costs amounted to approximately HK$5.2 million (year ended 31 March 2024: approximately HK$4.5 million). Remuneration (including employees' benefits) is maintained within the market level and reviewed on a periodic basis. Employees' salary and relevant benefits are determined on the basis of performance, qualification, experience, positions and the Group's business performance.

## ENVIRONMENT POLICIES AND PERFORMANCE

The principal activity of the Group is governed by Hong Kong environmental laws and regulations including the Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong) and the Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong) in Hong Kong. These laws and regulations cover a broad range of environmental matters, including air pollution, noise and gas emissions, leakage of oil products or other hazardous substances. The Group recognises the importance of environmental protection and has implemented various environmental protection measures in order to minimise the operation impact on the environment and natural resources.

## OTHER INFORMATION

### Purchase, Sale or Redemption of the Company's Listed Securities

Since the Listing Date and up to 31 March 2025, there has been no purchase, sale or redemption of any Company's listed securities.

## INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 March 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, the "**SFO**")) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or (ii) to be entered into the register required to be kept therein, pursuant to section 352 of the SFO, or (iii) to be 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 Directors to be notified to the Company and the Stock Exchange, were as follows:

**Long position in the shares**

| Name of Director | Capacity/ Nature of Interest | Number of shares | Percentage of issued share capital of the Company |
|---|---|---|---|
| MR. Wang Xinlong | Interest in a controlled corporation *(Note 2)* | 25,563,000 shares (L) *(Note 2)* | 63.9% |

*Notes:*

(1) The Company is owned as to 63.9% by Hong Kong Yufengchang Co., Ltd. which is wholly owned by Yufengchang International Holdings Co., Ltd that the ultimate shareholder of Yufengchang International Holdings Co. is Mr. Wang Xinlong. Mr. Wang Xinlong is the Chairman and an executive Director. Under the SFO, Mr. Wang Xinlong is deemed to be interested in the Shares held by Hong Kong Yufengchang Co., Ltd.

(2) The letter "L" denotes the person's long position in the relevant shares.

Save as disclosed above, as at the date of this announcement, none of the Directors and chief executive of the Company 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 SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, notified to the Company and the Stock Exchange.

**Interests and short positions of the substantial Shareholders and other persons in the shares, underlying shares and debentures of the Company and its associated corporations**

As at 31 March 2025, so far as it is known to the Directors, the following persons had or were deemed to have interests in shares or underlying shares of the Company which (i) were recorded in the register required to be kept by the Company under Section 336 of the SFO, or (ii) which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the GEM Listing Rules, or (iii) who will be, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

| Name of Shareholders | Capacity/nature of interest | Number of shares held | Percentage of shareholding |
|---|---|---|---|
| Mr. Wang Xinlong | Interest in a controlled corporation *(Note 1)* | 25,563,000 shares *(Long position)* | 63.91% |
| Yufengchang International Holdings Co., Ltd. | Beneficial owner *(Note 1)* | 25,563,000 shares *(Long position)* | 63.91% |
| Hong Kong Yufengchang Co., Ltd. | Beneficial owner *(Note 1)* | 25,563,000 shares *(Long position)* | 63.91% |

*Note:*

1. The shares are held by Hong Kong Yufengchang Co., Ltd., the equity interest of which is owned as to 100% by Yufengchang International Holdings Co., Ltd and the ultimate shareholder of Yufengchang International Holdings Co. is Mr. Wang Xinlong. Mr. Wang Xinlong is deemed to be interested in all the shares held by Hong Kong Yufengchang Co., Limited for the purpose of Part XV of SFO.

Save as disclosed above, as at 31 March 2025, the Directors have not been notified by any person who had interests or short positions in the shares, underlying shares or debentures of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

### Directors' Securities Transactions

The Company adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries of all Directors, the Company confirms that all of the Directors complied with such required standard of dealings and its code of conduct regarding directors' securities transactions as at the date of this announcement.

## SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this announcement the Company has maintained a sufficient public float as required under the GEM Listing Rules.

### Audit Committee

The Company established the Audit Committee on 11 December 2018 with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules and code provision C.3.3 (currently referred as D.3.3) of the CG Code. The full terms of reference setting out details of the authority, duties and responsibilities of the Audit Committee is available on both the GEM's website and the Company's website.

The Audit Committee comprises three independent non-executive Directors, namely Mr. He Junlong, Ms. LIANG Lina and Dr. WANG Junxia. Mr. He Junlong is the chairman of the Audit Committee.

The Audit Committee has reviewed the audited results for the year ended 31 March 2025 and has provided advice and comments hereon.

### Corporate Governance Practices

The Board considers good corporate governance a key element in managing the business and affairs of the Group. The management of the Group periodically reviews and proposes amendments to its corporate governance practices for compliance with the CG Code. In the opinion of the Board, the Company has complied with the CG Code during the Report Period.

## COMMUNICATION WITH SHAREHOLDERS

The Company endeavors to maintain an on-going dialogue with the Shareholders and in particular, through the annual general meeting or other general meetings to communicate with the Shareholders and encourage their participation.

The Company will ensure that there are separate resolutions for separate issues proposed at the general meetings. All resolutions put forward at shareholder meetings will be voted on by poll pursuant to the GEM Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange in a timely manner after each shareholder meeting.

The Company will continue to maintain an open and effective investor communication policy and to update investors on relevant information on the Group's business in a timely manner, subject to relevant regulatory requirements.

## OUTLOOK

Taking into consideration of the challenging market outlook, the Group will reinforce cost control and continue to deploy more resources on enhancing its service capabilities, expanding its network presence and diversifying its customer base. The Group will also proactively seek potential business development that will broaden its sources of income and enhance value to the shareholders.

## APPRECIATION

The Board would like to extend its sincere thanks to the Shareholders, business partners and customers for their utmost support to the Group. The Group would also like to take this opportunity to thank all management members and staff for their hard work and dedication throughout the year.

By Order of the Board
**Yufengchang Holdings Limited**
**Wang Xinlong**
*Chairman and executive Director*

Hong Kong, 26 June 2025

*As at the date of this announcement, the executive Directors of the Company are Mr. WANG Xinlong (Chairman), Mr. REN Rong (Chief Executive Officer), Mr. YAN Lei and Mr. LAW Ming Yik; and the independent non-executive Directors of the Company are Dr. WANG Junxia, Mr. HE Junlong and Ms. LIANG Lina.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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 announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or in this announcement misleading.*

*This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the "Latest Listed Company Information" page for at least 7 days from the date of its posting. This announcement will also be published on the Company's website at kg.yfcsx.com.*