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JINTAI ENERGY HOLDINGS LIMITED

金泰能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2728)

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024 AND RESUMPTION OF TRADING

The board (the “**Board**”) of directors (the “**Directors**”) of Jintai Energy Holdings Limited (the “**Company**”) announces the audited consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2024 (the “**Reporting Period**”).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

| | NOTES | 2024 HK\$'000 | 2023 HK\$'000 |
|--|--------------|-------------------------------|---------------------|
| Revenue | 4 | 1,275,339 | 1,311,246 |
| Cost of sales | 5 | <u>(1,255,383)</u> | <u>(1,286,879)</u> |
| Gross profit | | 19,956 | 24,367 |
| Other income | | 5,549 | 13,267 |
| Other losses — net | 6 | (4,533) | (2,778) |
| Gain on disposal of subsidiaries (Write-off on other receivables)/ reversal of impairment loss on trade receivables | 14 10 | — (200) | 14,753 89 |
| Administrative expenses | 5 | (25,993) | (27,912) |
| Distribution expenses | 5 | (4,456) | (6,263) |
| Share of loss of an associate | | <u>—</u> | <u>(578)</u> |
| Operating (loss)/profit | | (9,677) | 14,945 |
| Finance income | | 533 | 1,494 |
| Finance costs | | <u>(11,015)</u> | <u>(14,166)</u> |
| Finance costs — net | | <u>(10,482)</u> | <u>(12,672)</u> |
| (Loss)/profit before income tax | | (20,159) | 2,273 |
| Income tax expense | 7 | <u>(1,703)</u> | <u>(1,229)</u> |
| (Loss)/profit for the year | | <u><u>(21,862)</u></u> | <u><u>1,044</u></u> |
| (Loss)/profit for the year attributable to: | | | |
| Owners of the Company | | (22,602) | (24,256) |
| Non-controlling interests | | <u>740</u> | <u>25,300</u> |
| | | <u><u>(21,862)</u></u> | <u><u>1,044</u></u> |
| | | 2024 | 2023 |
| | | HK Cents | HK Cents |
| Loss per share | 9 | | |
| — Basic | | (0.51) | (0.54) |
| — Diluted | | <u>N/A</u> | <u>N/A</u> |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

| | 2024 HK\$'000 | 2023 HK\$'000 |
|---|------------------------|-----------------------|
| (Loss)/profit for the year | <u>(21,862)</u> | <u>1,044</u> |
| Other comprehensive (loss)/income | | |
| Items that may be reclassified subsequently to profit or loss | | |
| — Currency translation differences | (2,432) | (6,568) |
| — Translation reserve released upon disposal of subsidiaries | <u>—</u> | <u>365</u> |
| | <u>(2,432)</u> | <u>(6,203)</u> |
| Total comprehensive loss for the year | <u><u>(24,294)</u></u> | <u><u>(5,159)</u></u> |
| Total comprehensive loss for the year attributable to: | | |
| Owners of the Company | (24,879) | (30,621) |
| Non-controlling interests | <u>585</u> | <u>25,462</u> |
| | <u><u>(24,294)</u></u> | <u><u>(5,159)</u></u> |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

| | NOTE | 2024 HK\$'000 | 2023 HK\$'000 (Restated) |
|---|------|-----------------------|--------------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | | 345 | 1,171 |
| Right-of-use assets | | <u>2,896</u> | <u>1,728</u> |
| | | <u>3,241</u> | <u>2,899</u> |
| Current assets | | | |
| Inventories | | 2,080 | – |
| Trade and other receivables and prepayments | 10 | 293,641 | 276,605 |
| Cash and cash equivalents | | <u>25,236</u> | <u>25,230</u> |
| | | <u>320,957</u> | <u>301,835</u> |
| Total assets | | <u><u>324,198</u></u> | <u><u>304,734</u></u> |
| Equity and liabilities | | | |
| Equity attributable to owners of the Company | | | |
| Share capital | | 5,569 | 5,569 |
| Other reserves | | 401,169 | 403,971 |
| Accumulated losses | | <u>(346,862)</u> | <u>(324,785)</u> |
| | | 59,876 | 84,755 |
| Non-controlling interests | | <u>7,136</u> | <u>1,039</u> |
| Total equity | | <u><u>67,012</u></u> | <u><u>85,794</u></u> |

| | NOTES | 2024 HK\$'000 | 2023 HK\$'000 (Restated) |
|--|-------|-----------------------|--------------------------------|
| Liabilities | | | |
| Non-current liabilities | | | |
| Long service payment obligation | | 93 | 65 |
| Lease liabilities | | 1,654 | 922 |
| Deferred tax liabilities | | 24 | 7 |
| | | <u>1,771</u> | <u>994</u> |
| Current liabilities | | | |
| Trade and other payables | 11 | 24,366 | 14,770 |
| Current income tax liabilities | | 767 | 755 |
| Amount due to a director | | 25,390 | 1,000 |
| Amounts due to related parties | | 8,366 | 5,061 |
| Amounts due to non-controlling shareholders of subsidiaries | | 574 | 16 |
| Borrowings | 12 | 13,387 | 13,387 |
| Bond payables | | – | 29,845 |
| Derivative financial liabilities | 13 | 103 | 1,537 |
| Convertible loan notes | 13 | 146,829 | 136,221 |
| Lease liabilities | | 1,267 | 833 |
| Contract liabilities | | 34,366 | 14,521 |
| | | <u>255,415</u> | <u>217,946</u> |
| Total liabilities | | <u>257,186</u> | <u>218,940</u> |
| Net current assets | | <u>65,542</u> | <u>83,889</u> |
| Total assets less current liabilities | | <u>68,783</u> | <u>86,788</u> |
| Total equity and liabilities | | <u>324,198</u> | <u>304,734</u> |

NOTES

1. GENERAL INFORMATION

Jintai Energy Holdings Limited (“**the Company**”) was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The directors consider the Company’s immediate and ultimate holding company to be Oriental Gold Honour Joy International Holdings Limited (the “**Oriental Gold**”), a company incorporated in the British Virgin Islands (the “**BVI**”).

The address of the registered office of the Company is Cricket Square Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and the address of the Company’s principal place of business is Suite 2601–2603, 26/F, Shui On Centre, 6–8 Harbour Road, Wan Chai, Hong Kong.

The Company and its subsidiaries (together, the “**Group**”) are engaged in energy business which comprises mainly the trading of energy-related products, operation of digital trading parks, trading of other products and drilling services. The Group has operations mainly in the People’s Republic of China (the “**PRC**” or “**China**”).

The Company’s functional currency is Renminbi (“**RMB**”). The consolidated financial statements are presented in Hong Kong dollar (“**HK\$**”) as the directors are of the view that HK\$ is appropriate presentation currency for the users of the Group’s consolidated financial statements given that the shares of the Company are listed on the Stock Exchange.

2. BASIS OF PREPARATION

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”). For the purpose of preparation to 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 the Stock Exchange and the Hong Kong Companies Ordinance (“**HKCO**”).

The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments, which are measured at fair value.

Going concern basis

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that, the Group incurred a loss attributable to the owners of the Company of HK\$22,602,000 for the year ended 31 December 2024 and, as at 31 December 2024, the Company’s convertible loan notes of HK\$146,829,000 is classified as current liabilities as it would be redeemed on 17 July 2025.

As at 31 December 2024, the cash and cash equivalents of the Group amounted HK\$25,236,000 and majority balance of HK\$24,912,000 was mainly held in the PRC, which remittance of funds out of the PRC is subject to exchange restrictions imposed by the PRC government.

In view of the above circumstances, the directors of the Company have performed an assessment and consider it is appropriate for the preparation of the consolidated financial statements on a going concern basis after taking into account of the following circumstances and measures to be implemented:

- (a) The directors of the Company have been in active negotiation with its convertible loan notes holder to adjust the conversion price and modify other terms of the convertible loan notes. Such proposed modifications, upon agreed by the Company and convertible loan notes holder, would be subject to extraordinary general meeting approval. Up to the date of this announcement, the Group has not been formally entered into any revised written agreement with the convertible loan notes holder. The directors of the Company do not expect the adjusted conversion price and other terms could not be mutually agreed with the convertible loan notes holder; and
- (b) The directors of the Company have reviewed the Group's cash flow projection prepared by management, which includes revenue and expenditure growth of the business and working capital needs. The directors of the Company will closely monitor the financial position of the Group and make every effort to generate adequate cash flows from its continuing operations. They are of the opinion that, after taking into account the measures to be implemented and has been implemented, the Group will have sufficient working capital to finance its operation and to meet its financial obligations for at least the next twelve months from the date of this announcement.

The directors of the Company consider that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations for at least the next twelve months from the date of this announcement.

Accordingly, the consolidated financial statements have been prepared on a going concern basis.

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS

(a) Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institutes of Certified Public Accountants (the "HKICPA") for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2024 for the preparation of the consolidated financial statements

| | |
|----------------------------------|---|
| Amendments to HKFRS 16 | Lease Liability in a Sale and Leaseback |
| Amendments to 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 amendments to HKFRSs 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 disclosure set out in the 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")

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.

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 following is the impact of the application of the amendments:

Convertible instruments with conversion options not meeting "fixed for fixed criterion" and accounted separately as host debt and derivative components

The Group's outstanding convertible instruments include counterparty conversion options that do not meet equity instruments classification by applying HKAS 32. The host debt component is measured at amortised cost and derivative component (including the conversion options) is measured at fair value. Upon the application of the 2020 Amendments, given that the conversion options are exercisable by the holders anytime, the host liability as at 31 December 2023 is reclassified to current liabilities as the holders have the options to convert within twelve months after the reporting period and the derivative component as at 31 December 2023 continue to be classified as current. The application of the 2020 Amendments has no impact on the classification of the Group's liabilities as at 1 January 2023 and 31 December 2024.

Except as described above, the application of the 2020 Amendments has no other material impact on the classification of the Group's other liabilities. The change in accounting policy does not have impact to the Group's profit or loss, other comprehensive income, loss per share, or the consolidated statements of cash flows for the current and prior years presented. The details of the impacts on each financial statement line item on the consolidated statement of financial position and the statement of financial position of the Company arising from the application of the amendments are set out below. Comparative figures have been restated.

Consolidated statement of financial position

| | At 31 December 2023 (Originally stated) <i>HK\$'000</i> | Adjustments <i>HK\$'000</i> | At 31 December 2023 (Restated) <i>HK\$'000</i> |
|--|---|--------------------------------|--|
| Non-current liabilities | | | |
| Convertible loan notes | 136,221 | (136,221) | – |
| Current liabilities | | | |
| Convertible loan notes | – | 136,221 | 136,221 |
| Net current assets | 220,110 | (136,221) | 83,889 |
| Total assets less current liabilities | 223,009 | (136,221) | 86,788 |

Statement of financial position of the Company

| | At 31 December 2023 (Originally stated) <i>HK\$'000</i> | Adjustments <i>HK\$'000</i> | At 31 December 2023 (Restated) <i>HK\$'000</i> |
|--|---|--------------------------------|--|
| Non-current liabilities | | | |
| Convertible loan notes | 136,221 | (136,221) | – |
| Current liabilities | | | |
| Convertible loan notes | – | 136,221 | 136,221 |
| Net current liabilities | (104,413) | (136,221) | (240,634) |
| Total assets less current liabilities | 162,477 | (136,221) | 26,256 |

(b) New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs 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 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 |
| HKFRS 19 | Subsidiaries without Public Accountability: Disclosures 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 HKFRSs mentioned below, the directors of the Company anticipate that the application of these amendments to HKFRSs, which are not yet effective, will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

An analysis of the Group's revenue from contracts with customers for the year is as follows:

| | 2024 <i>HK\$'000</i> | 2023 <i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Revenue recognised at point in time: | | |
| Trading of energy-related products | 1,198,999 | 1,291,246 |
| Trading of other products | 57,444 | – |
| Revenue recognised overtime: | | |
| Operation of digital energy trading parks | <u>18,896</u> | <u>20,000</u> |
| | <u>1,275,339</u> | <u>1,311,246</u> |

The Company's board of directors are the Group's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the board of directors for the purposes of allocating resources and assessing performance.

The board of directors consider the business from business lines perspective, and assesses the performance of the Group in three business segments, (1) energy business which comprises mainly the trading of energy-related products; (2) operation of digital energy trading parks; and (3) other business, including drilling services and trading of other products.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit or loss represents the profit or loss from each segment without allocation of finance income or costs, gain on disposal of subsidiaries, loss/gain on change in fair value of derivative financial liabilities, net foreign exchange losses and share of loss of an associate, and the unallocated operating expenses since these activities are driven by the central function and the related income or expenses are individual between segments.

The Group's cash and cash equivalents and certain amount of right-of-use assets and trade and other receivables and prepayments are not considered to be segment assets for reporting to the board of directors as they are managed on a central basis.

The Group's bond payables, borrowings, amounts due to non-controlling shareholders of subsidiaries, a director and related parties, convertible loan notes, derivative financial liabilities, long service payment obligation, current income tax liabilities, deferred tax liabilities and certain amount of lease liabilities and trade and other payables are not considered to be segment liabilities for reporting to the board of directors as they are managed on a central basis.

Segment information is as follows:

| | 2024 | | | |
|---|---------------------------------------|---------------------------|--|-------------------------------|
| | Energy business <i>HK\$'000</i> | Others <i>HK\$'000</i> | Operation of digital energy trading parks <i>HK\$'000</i> | Total <i>HK\$'000</i> |
| External segment revenue | <u>1,198,999</u> | <u>57,444</u> | <u>18,896</u> | <u>1,275,339</u> |
| Segment profit/(loss) | <u>3,657</u> | <u>(1,980)</u> | <u>5,849</u> | <u>7,526</u> |
| Gain on change in fair value of derivative financial liabilities | | | | 1,434 |
| Unallocated net foreign exchange loss | | | | (5,714) |
| Unallocated operating expenses | | | | <u>(12,923)</u> |
| Operating loss | | | | <u>(9,677)</u> |
| Finance costs — net | | | | <u>(10,482)</u> |
| Loss before income tax | | | | (20,159) |
| Income tax expense | | | | <u>(1,703)</u> |
| Loss for the year | | | | <u><u>(21,862)</u></u> |

| | 2024 | | | | Total HK\$'000 |
|---|--------------------------------|----------------------------------|---|-------------------------|-------------------|
| | Energy business HK\$'000 | Others HK\$'000 | Operation of digital energy trading parks HK\$'000 | Unallocated HK\$'000 | |
| Depreciation of property, plant and equipment | 11 | 25 | 160 | – | 196 |
| Depreciation of right-of-use assets | 227 | – | 685 | 915 | 1,827 |
| Loss on early termination of right-of-use assets | – | – | 56 | – | 56 |
| Impairment loss on other receivables | – | – | – | 200 | 200 |
| Loss on disposal of property, plant and equipment | – | 194 | 3 | – | 197 |
| Assets | | | | | |
| As at 31 December | | | | | |
| Assets | 261,274 | 31,896 | 884 | 30,144 | <u>324,198</u> |
| Liabilities | | | | | |
| As at 31 December | | | | | |
| Liabilities | 2,208 | 30,762 | 16,069 | 208,147 | <u>257,186</u> |
| | 2023 | | | | |
| | Energy business HK\$'000 | Drilling services HK\$'000 | Operation of digital energy trading parks HK\$'000 | | Total HK\$'000 |
| External segment revenue | 1,291,246 | – | 20,000 | | 1,311,246 |
| Segment profit/(loss) | 5,691 | (104) | 9,991 | | 15,578 |
| Gain on disposal of subsidiaries | | | | | 14,753 |
| Loss on change in fair value of derivative financial liabilities | | | | | (633) |
| Unallocated net foreign exchange loss | | | | | (2,144) |
| Unallocated operating expenses | | | | | (12,031) |
| Share of loss of an associate | | | | | (578) |
| Operating profit | | | | | <u>14,945</u> |
| Finance costs — net | | | | | <u>(12,672)</u> |
| Profit before income tax | | | | | 2,273 |
| Income tax expense | | | | | <u>(1,229)</u> |
| Profit for the year | | | | | <u>1,044</u> |

| | 2023 | | | | |
|--|--------------------------------|----------------------------------|---|-------------------------|-------------------|
| | Energy business HK\$'000 | Drilling services HK\$'000 | Operation of digital energy trading parks HK\$'000 | Unallocated HK\$'000 | Total HK\$'000 |
| Depreciation of property, plant and equipment | 80 | 102 | 325 | – | 507 |
| Depreciation of right-of-use assets | – | – | 1,229 | 982 | 2,211 |
| Reversal of impairment loss on trade receivables | (89) | – | – | – | (89) |
| Loss on disposal of property, plant and equipment | – | – | 1 | – | 1 |
| Assets | | | | | |
| As at 31 December | | | | | |
| Assets | 274,897 | 707 | 2,536 | 26,594 | <u>304,734</u> |
| Liabilities | | | | | |
| As at 31 December | | | | | |
| Liabilities | 823 | 8 | 20,937 | 197,172 | <u>218,940</u> |

Revenue from external customers by geographical location, based on the destination of the customers is as follows:

| | 2024 HK\$'000 | 2023 HK\$'000 |
|-----------|-------------------------|-------------------------|
| PRC | 1,274,253 | 1,311,246 |
| Hong Kong | 1,086 | – |
| | <u>1,275,339</u> | <u>1,311,246</u> |

Revenue from major customers which individually accounts for 10% or more of the Group's revenue is as follows:

| | 2024 HK\$'000 | 2023 HK\$'000 |
|-------------------------------|------------------------|------------------|
| Revenue from energy business: | | |
| Revenue from Customer A | 545,874 | 296,790 |
| Revenue from Customer B | 330,949 | 463,934 |
| Revenue from Customer C | 310,805 | 288,242 |
| Revenue from Customer D | N/A[#] | 242,182 |

[#] The revenue from Customer D for the year ended 31 December 2024 did not contribute over 10% of the total revenue of the Group for that year.

Non-current assets by geographical location, other than financial instruments, is as follows:

| | 2024 | 2023 |
|-----------|---------------------|--------------|
| | HK\$'000 | HK\$'000 |
| The PRC | 1,019 | 2,412 |
| Hong Kong | 2,222 | 487 |
| | <u>3,241</u> | <u>2,899</u> |

5. EXPENSES BY NATURE

| | 2024 | 2023 |
|--|-------------------------|------------------|
| | HK\$'000 | HK\$'000 |
| Cost of goods sold | 1,251,590 | 1,283,739 |
| Cost of services | 3,793 | 3,140 |
| Storage fees | 287 | – |
| Employee benefit expense (including directors' emoluments) | 17,717 | 17,498 |
| Short-term lease expense | 61 | 57 |
| Utilities | 87 | 109 |
| Depreciation — property, plant and equipment | 196 | 507 |
| Depreciation — right-of-use assets | 1,827 | 2,211 |
| Repairs and maintenance expenses | 50 | 74 |
| Legal and professional fees | 2,875 | 3,218 |
| Auditor's remuneration — audit services | 1,300 | 1,300 |
| Auditor's remuneration — non-audit services | 150 | 150 |
| Other local taxes paid | 1,590 | 1,696 |
| Other expenses | 4,309 | 7,355 |
| | <u>1,285,832</u> | <u>1,321,054</u> |
| Total cost of sales, administrative expenses and distribution expenses | | |
| Analysed for reporting purposes: | | |
| Cost of sales | 1,255,383 | 1,286,879 |
| Administrative expenses | 25,993 | 27,912 |
| Distribution expenses | 4,456 | 6,263 |
| | <u>1,285,832</u> | <u>1,321,054</u> |

6. OTHER LOSSES — NET

| | 2024 HK\$'000 | 2023 HK\$'000 |
|---|------------------|------------------|
| Gain/(loss) on change in fair value of derivative financial liabilities | 1,434 | (633) |
| Net foreign exchange losses | (5,714) | (2,144) |
| Loss on disposal of property, plant and equipment | (197) | (1) |
| Loss on early termination of right-of-use assets | (56) | — |
| | <u>(4,533)</u> | <u>(2,778)</u> |

7. INCOME TAX EXPENSE

| | 2024 HK\$'000 | 2023 HK\$'000 |
|--------------------------------|------------------|------------------|
| Current income tax: | | |
| — PRC Enterprise Income Tax | 1,871 | 1,222 |
| — Hong Kong Profits Tax | 90 | — |
| Over-provision in prior years: | | |
| — PRC Enterprise Income Tax | (275) | — |
| | <u>1,686</u> | <u>1,222</u> |
| Deferred tax: | | |
| — PRC Enterprise Income Tax | 17 | 7 |
| Income tax expense | <u>1,703</u> | <u>1,229</u> |

Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profits, except for the first HK\$ 2,000,000 of the Company's assessable profit, which is calculated at 8.25% in accordance with the two-tiered tax rate regime, net of tax concession for the year ended 31 December 2024. No provision for Hong Kong Profits Tax for the year ended 31 December 2023 has been made in the consolidated financial statements as the Group did not have any estimated assessable profits for that year.

PRC Enterprise Income Tax has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the PRC in which the Group operates. The Company's subsidiaries incorporated in the PRC are subject to Enterprise Income Tax at the rate of 25% (2023: 25%).

According to the provisions of Ministry of Finance and State Taxation Administration Announcement [2023] No. 12 (財政部稅務總局公告2023年第12號), certain subsidiaries of the Group enjoy preferential income tax policies for the small and low profit enterprises for both years.

8. DIVIDENDS

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

9. LOSS PER SHARE

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

| | 2024 <i>HK\$'000</i> | 2023 <i>HK\$'000</i> |
|--|---------------------------------|-------------------------|
| Loss | | |
| Loss for the purpose of basic loss per share and diluted loss per share | | |
| Loss for the year attributable to the owners of the Company | <u>(22,602)</u> | <u>(24,256)</u> |
| | No. of shares '000 | No. of shares '000 |
| Number of shares | | |
| Weighted average number of ordinary shares for the purpose of basic loss per share | 4,455,021 | 4,455,021 |
| Effect of dilutive potential ordinary shares: | | |
| Convertible loan notes (<i>Note a</i>) | - | - |
| Share options (<i>Note b</i>) | <u>-</u> | <u>-</u> |
| Weighted average number of ordinary shares for the purpose of diluted loss per share | <u>4,455,021</u> | <u>4,455,021</u> |
| | 2024 <i>HK Cents</i> | 2023 <i>HK Cents</i> |
| Basic loss per share | (0.51) | (0.54) |
| Diluted loss per share | <u>N/A</u> | <u>N/A</u> |

Notes:

- (a) The computation of the diluted loss per share for the years ended 31 December 2024 and 2023 does not assume the conversion of the Company's outstanding convertible loan notes since their assumed exercise would result in a decrease in loss per share for the years ended 31 December 2024 and 2023.
- (b) The computation of the diluted loss per share for the years ended 31 December 2024 and 2023 does not assume the exercise of the Company's options because the exercise price of those options was higher than the average market price for shares for the years ended 31 December 2024 and 2023.

10. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

| | 2024 <i>HK\$'000</i> | 2023 <i>HK\$'000</i> |
|---|--------------------------------|-------------------------|
| Trade receivables from third parties | 78,551 | 144,295 |
| Less: allowance for impairment of trade receivables | <u>—</u> | <u>—</u> |
| Trade receivables — net of impairment recognised | 78,551 | 144,295 |
| Other receivables | 2,528 | 790 |
| Value added tax receivables | 274 | 51 |
| | <u>81,353</u> | <u>145,136</u> |
| Trade and other receivables | 81,353 | 145,136 |
| Prepayments to suppliers | 211,591 | 130,564 |
| Deposits paid | 511 | 511 |
| Prepaid expenses | 186 | 394 |
| | <u>293,641</u> | <u>276,605</u> |

Trade receivables

The Group normally allows a credit period of 0–3 days (2023: 0–3 days) from invoice date to its customers and may further extend the credit period to selected customers depending on their trade volume and settlement history. At 31 December 2024 and 2023, the aging analysis of trade receivables based on invoice date was as follows:

| | 2024 <i>HK\$'000</i> | 2023 <i>HK\$'000</i> |
|--------------|--------------------------------|-------------------------|
| 0 to 30 days | 78,551 | 144,295 |

Movements in provision for impairment of trade receivables are as follows:

| | 2024 <i>HK\$'000</i> | 2023 <i>HK\$'000</i> |
|--|--------------------------------|-------------------------|
| At 1 January | — | 89 |
| Reversal of impairment loss for the year | <u>—</u> | <u>(89)</u> |
| At 31 December | <u>—</u> | <u>—</u> |

The Group's prepayments to suppliers are mainly related to the energy business and other business. The Group makes prepayments to suppliers to secure the supply of relevant products. The prepayments are normally utilised within 30–180 days (2023: 30 days) after the dates of payment. The Group's prepayments to suppliers as at 31 December 2024, of which, HK\$186,331,000 has been utilised up to the date of this announcement.

Movements in the provision for impairment of prepayments to suppliers are as follows:

| | 2024 <i>HK\$'000</i> | 2023 <i>HK\$'000</i> |
|--|--------------------------------|-------------------------|
| At 1 January | 885 | 31,805 |
| Derecognised upon disposal of subsidiaries | – | (30,714) |
| Currency translation differences | (29) | (206) |
| | <u>856</u> | <u>885</u> |
| At 31 December | <u>856</u> | <u>885</u> |

11. TRADE AND OTHER PAYABLES

| | 2024 <i>HK\$'000</i> | 2023 <i>HK\$'000</i> |
|-----------------------|--------------------------------|-------------------------|
| Trade payables | 13 | 405 |
| Other payables | 9,484 | 3,984 |
| Consideration payable | 219 | – |
| Interest payable | 3,297 | 3,299 |
| Accrued salaries | 2,240 | 1,629 |
| Accrued expenses | 5,520 | 4,836 |
| Other tax payables | 3,593 | 617 |
| | <u>24,366</u> | <u>14,770</u> |

The suppliers normally allow credit periods arranged from 60 to 365 days to the Group. At 31 December 2024 and 2023, the aging analysis of the trade payables based on invoice date is as follows:

| | 2024 <i>HK\$'000</i> | 2023 <i>HK\$'000</i> |
|----------------|--------------------------------|-------------------------|
| Within 30 days | <u>13</u> | <u>405</u> |

12. BORROWINGS

| | 2024 <i>HK\$'000</i> | 2023 <i>HK\$'000</i> |
|----------------------------|--------------------------------|-------------------------|
| Bank borrowings, unsecured | <u>13,387</u> | <u>13,387</u> |

As at 31 December 2024, the unsecured bank borrowings with principal and interest payables of HK\$13,387,000 (2023: HK\$13,387,000) and HK\$3,257,000 (2023: HK\$3,257,000) respectively have been overdue and has not repaid in accordance with scheduled payment dates. Up to the date of this announcement, these bank borrowings with principal and interest payables of HK\$13,387,000 (2023: HK\$13,387,000) and HK\$3,257,000 (2023: HK\$3,257,000) are still outstanding.

The outstanding bank borrowings of the Group carry interest at the nominal interest rate at 3.37% (2023: 3.37%) per annum.

13. CONVERTIBLE LOAN NOTES

| | 2024 HK\$'000 | 2023 HK\$'000 |
|--|------------------|------------------|
| Convertible loan notes: | | |
| — Liability component | 146,829 | 136,221 |
| — Derivative conversion option component | <u>103</u> | <u>1,537</u> |

The Company issued HK\$110,952,907, 10% convertible loan notes (“**Convertible Notes**”) at a par value of HK\$1,000,000 each on 17 July 2019. Under the terms of the Convertible Notes, (i) the Convertible Notes are denominated in Hong Kong dollars and are secured by shareholders of the Company, who have jointly and severally, unconditionally and irrevocably guaranteed the due and punctual payment of all sums expressed to be payable by the Company; (ii) the Convertible Notes entitle the holders to convert them into ordinary shares of the Company at any time between the date of issue of the Convertible Notes and their settlement date on 17 July 2020 at a conversion price of HK\$0.184 per Convertible Notes; (iii) the Company have the options to redeem all or some of the Convertible Notes at par value plus accrued interest at any time between the date of issue of the Convertible Notes and the settlement date; (iv) if the Convertible Notes have not been converted or redeemed, they will be redeemed on 17 July 2020 at par; and (v) interest of 10% will be paid annually up until the settlement date.

On 4 May 2020, a convertible notes holder signed a deed of assignment to transfer all rights and obligation of the Convertible Notes to another party.

On 16 July 2020, the Company and the new note holder signed a supplementary agreement to revise the terms of Convertible Notes under which the Convertible Notes would be redeemed on 17 July 2021 at a conversion price of HK\$0.1340 per Convertible Notes. The fair value of the Convertible Notes at 16 July 2020 was estimated to be HK\$110,953,000, which was valued by an independent financial advisor. The fair value of the Convertible Notes comprises the liability component and the equity component amounted to HK\$97,767,000 and HK\$13,186,000 respectively.

On 4 August 2021, the Company and the note holder signed the second supplementary agreement to revise the terms of the Convertible Notes. Pursuant to this supplementary agreement, the Convertible Notes will be redeemed on 17 July 2022 and the interest on the notes is charged at 10% per annum until the settlement date. Except for the above mentioned, all other terms of the Convertible Notes remain unchanged.

The Convertible Notes matured on 17 July 2022 and were not repaid by the Company or converted into shares of the Company upon their maturity. The total outstanding balance of the Convertible Notes of HK\$126,118,000, comprising the principal amount of the Convertible Notes of HK\$110,953,000 and the related interest payable and accrued interests of HK\$13,666,000 and HK\$1,499,000 was reclassified to amount due to a shareholder upon their maturity.

On 5 May 2023, the Company and the shareholder signed the third supplemental agreement to revise the terms of the Convertible Notes. Pursuant to this supplemental agreement, the Convertible Notes would be redeemed on 17 July 2025 and the interest on the notes was charged at 8% per annum until the settlement date. Except for the above, all other terms of the Convertible Notes remain unchanged.

14. DISPOSAL OF SUBSIDIARIES

For the year ended 31 December 2023

- (a) On 1 January 2023, the Group entered into a sale and purchase agreement with a third party in relation to the disposal of the entire issued share capital of two subsidiaries, Shandong Run Ze Industrial and Commercial Company Limited* 山東潤澤工貿有限公司, and Dongying An Yu Energy Technology Company Limited* 東營安宇能源科技有限公司 together with its subsidiaries.

The disposal was completed on 1 January 2023 and the consideration for the disposal amounted to approximately RMB562,000 (equivalent to HK\$606,000), which was settled during the year.

- (b) On 1 April 2023, the Group entered into a sale and purchase agreement with a third party in relation to the disposal of the entire issued share capital of a subsidiary, Blessing Garden Limited 福苑有限公司 together with its subsidiaries.

The disposal was completed on 1 April 2023 and the consideration for the disposal amounted to HK\$1,500,000, which was settled during the year.

- (c) On 15 June 2023, the Group entered into a sale and purchase agreement with a third party in relation to the disposal of the entire issued share capital of a subsidiary, Beijing Times Changyun Enterprise Management Company Limited* 北京時代長運企業管理有限公司 together with its associate.

The disposal was completed on 15 June 2023 and the consideration for disposal amounted to RMB1 (equivalent to HK\$1), which was settled during the year.

- (d) On 24 July 2023, the Group entered into a sale and purchase agreement with a third party in relation to the disposal of the entire issued share capital of a subsidiary, Qingdao Oriental Reliance Petrochemical Co., Ltd.

The disposal was completed on 28 July 2023 and the consideration for disposal amounted to RMB1 (equivalent to HK\$1), which was settled during the year.

| | 2023 HK\$'000 |
|---|------------------|
| Non-current assets | |
| Property, plant and equipment | 1,108 |
| Interest in an associate | 120,725 |
| Current assets | |
| Trade and other receivables and prepayments | 19,052 |
| Cash and cash equivalents | 14,827 |
| Total assets | <u>155,712</u> |
| Current liabilities | |
| Trade and other payables | 43,612 |
| Amount due to an associate | 115,928 |
| Amounts due to related parties | 6,067 |
| Borrowings | 19,844 |
| Current income tax liabilities | 1,412 |
| Total liabilities | <u>186,863</u> |
| Net liabilities disposed of | <u>(31,151)</u> |

| | 2023 <i>HK\$'000</i> |
|---|-------------------------|
| Cash consideration | 2,106 |
| Net liabilities disposed of | 31,151 |
| Non-controlling interests | (18,139) |
| Exchange reserve released upon disposal | <u>(365)</u> |
| Gain on disposal | <u><u>14,753</u></u> |

Cash outflow on disposal of subsidiaries

| | 2023 <i>HK\$'000</i> |
|--|-------------------------|
| Consideration for disposal received | 2,106 |
| Less: Bank balances and cash disposed of | <u>(14,827)</u> |
| Net cash outflow on disposal | <u><u>(12,721)</u></u> |

15. EVENTS AFTER THE REPORTING PERIOD

There were no other significant events of the Group after 31 December 2024 and up to the date of this announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group was principally engaged in three businesses: (i) energy business which comprised mainly the trading of energy-related products; (ii) operation of digital energy trading parks; and (iii) other business, including drilling services and trading of other products during the year ended 31 December 2024 (the “**Reporting Period**”).

The Group’s revenue for the Reporting Period was approximately HK\$1.28 billion, representing a decrease of approximately 2.74% as compared to approximately HK\$1.31 billion for the corresponding period in 2023 (the “**Corresponding Period**”). The gross profit during the Reporting Period was approximately HK\$19.96 million (2023: approximately HK\$24.37 million), representing a decrease of approximately HK\$4.41 million or approximately 18.10% as compared to the Corresponding Period.

Energy business

During the Reporting Period, revenue derived from the energy trading business was approximately HK\$1.20 billion (2023: approximately HK\$1.29 billion), representing a year-on-year decrease of approximately 7.14%. The decrease in revenue was mainly attributable to a decrease in the number of customers.

During the Reporting Period, the Group faced challenges on the energy trading business due to geopolitics and the military conflict between Ukraine and Russia. In view of that, the Group has been actively implementing different strategies for minimising the impact of the challenges, including but not limited to identifying and securing new customers, expanding its market share, enhancing its product portfolio and sourcing from new suppliers. The implementation of the aforesaid strategies turns out to be effective and the performance of the energy trading business has remained relatively stable as compared with that in the Corresponding Period.

Operation of digital energy trading parks

The business operation of the digital energy trading parks has been rapidly expanding since its commencement in the second half of 2020. The Group has signed cooperation agreements with various entities in 12 cities and regions of China, and successfully introduced not less than 600 enterprises into the digital energy trading parks as at the date of this announcement. The operation and service business of digital energy trading parks generates stable income to the Group through (1) receiving fixed service fees from enterprises in the trading parks on an annual basis; (2) receiving service fees based on the value-added services provided to the enterprises in the trading parks; (3) applying for tax incentives or financial subsidies from local governments based on the economic benefits of the operation of the trading parks.

During the Reporting Period, the revenue derived from the operation of digital energy trading parks was approximately HK\$18.90 million (2023: approximately HK\$20.00 million). The Company believes that the digital energy trading parks business will continue to contribute economic benefits and bring new opportunities for the energy business of the Group in the future.

Other business, including drilling services and trading of other products

On 10 August 2021, the Group has entered into a drilling service agreement of oil wells with Beijing Huaye Jinqian Petroleum Energy Technology Development Company Limited, Yanchi Branch* (北京華燁金泉石油能源技術開發有限公司鹽池分公司) (“**Beijing Huaye**”) to provide drilling services for 63 oil wells at a contract sum of over RMB748 million. As certain conditions precedent have not yet been fulfilled, the new drilling services of the 63 oil wells of the Group has been deferred and has not yet commenced as at the date of this announcement.

Besides, in order to further diversify its business, the Group has acquired two companies engaging in trading of dry chili and deformed steel during the Reporting Period. For details, please refer to the significant investments and material acquisitions section below. Furthermore, the Group has recognised an one-off income regarding sales of software during the Reporting Period. The Group will continue to explore new investment and business opportunities for further expansion and diversification.

During the Reporting Period, the revenue derived from drilling services, trading of dry chili, trading of deformed steel and sales of software were nil, approximately HK\$21.68 million, approximately HK\$34.68 million and approximately HK\$1.08 million, respectively (2023: nil, nil, nil and nil, respectively).

PROSPECTS

Looking forward to the year of 2025, the risk of stagflation in the global economy is expected to increase and the overall market conditions remain uncertain. The Group expects to face various challenges such as price fluctuation in oil and petrochemicals caused by the continuation of the military conflict between Ukraine and Russia and the economic uncertainty.

1. Energy business

The Group will continue to explore the opportunities of development of energy-related products and services in order to strengthen the energy business and to enhance the business competitiveness and profitability. The Group will endeavour to enter into business cooperation with sizable state-owned enterprises in order to minimise the risk of energy business. The Group will also closely monitor the global oil price fluctuation.

2. Operation of digital energy trading parks

The Group has been successful in developing the “digital energy trading parks” operation service for the petrochemical energy industry and has signed cooperative contracts with various entities in 12 cities and regions of China to co-build the Jintai Energy Digital Trading Industry Park since its commencement. The Group has introduced not less than 600 enterprises to the digital park. The Group aims to operate 30 industry digital parks, introducing more than 2,000 enterprises. The Group will continue to broaden its customer base to the digital trading industry in order to achieve a sustainable growth in the future.

3. Business expansion

The Group will continue to explore new investment and business opportunities in various fields including oil exploration and development.

To cope with the challenging environment, the Group will continue to identify and evaluate various development opportunities to strengthen our competitive advantages through deployment of more resources for capturing the market potentials and broaden its source of revenue so as to create value for our shareholders. The Directors are confident to achieve sustainable growth and bring greater returns to our shareholders in the long run.

FINANCIAL REVIEW

Results of operations

Revenue

During the Reporting Period, the revenue of the Group decreased to approximately HK\$1.28 billion (2023: approximately HK\$1.31 billion), representing a decrease of approximately 2.74% as compared to the Corresponding Period. The decrease in revenue was mainly attributable to the decrease in the number of customers.

Operating costs

The operating costs of the Group were approximately HK\$30.45 million during the Reporting Period (2023: approximately HK\$34.18 million), representing a decrease of approximately 10.90% as compared to the Corresponding Period. The decrease was in line with the decrease in gross profit for the Reporting Period.

Finance costs

The finance costs of the Group were approximately HK\$11.02 million during the Reporting Period, representing a decrease of approximately 22.24% as compared to approximately HK\$14.17 million for the Corresponding Period.

Loss per share

For the Reporting Period, the basic loss per share was approximately 0.51 HK cents (2023: basic loss per share of approximately 0.54 HK cents), representing a decrease of approximately 5.56% as compared with the Corresponding Period.

Liquidity and financial resources

As at 31 December 2024, the Group had cash and cash equivalents of approximately HK\$25.24 million (31 December 2023: approximately HK\$25.23 million), which were mainly denominated in Hong Kong dollars, US dollars and Renminbi.

As at 31 December 2024, the Group's net current assets were approximately HK\$65.54 million (2023 (restated): approximately HK\$83.89 million). The Group's current ratio as at 31 December 2024, being the ratio of total current assets to total current liabilities, was approximately 1.26 as compared to approximately 1.38 as at 31 December 2023 (restated).

The Group had bank borrowings of approximately HK\$13.39 million (2023: approximately HK\$13.39 million) which were denominated in Hong Kong dollars. The aforesaid bank borrowings were accounted for the current liabilities of the Group and repayable on demand.

On 20 March 2023, the Company entered into the third supplemental deed for the amendments to the terms and conditions of the convertible notes issued by the Company on 17 July 2019 (the “**Convertible Notes**”), and ordinary resolutions have been passed by the shareholders of the Company on 5 May 2023. Pursuant to the third supplemental deed the convertible loan notes would be redeemed on 17 July 2025 and the interest on the notes was charged at 8% per annum until the settlement date. Except for the above, all other terms of the Convertible Notes remain unchanged. As at 31 December 2024, the carrying amount of the principal and the interest payables of the Convertible Notes issued by the Group was approximately HK\$146.83 million (2023: approximately HK\$136.22 million).

The Group had issued bonds in the principal amount of approximately RMB23.48 million as consideration for the acquisition of the entire interest of Linjin Shuntong in August 2020. On 23 March 2024, all outstanding amounts under the bonds were settled.

Capital structure and gearing ratio

As at 31 December 2024, the total issued shares of the Company were 4,455,020,888 shares (2023: 4,455,020,888).

As at 31 December 2024, the share capital and equity attributable to owners of the Company amounted to approximately HK\$5.57 million and approximately HK\$59.88 million respectively (2023: approximately HK\$5.57 million and approximately HK\$84.76 million respectively).

As at 31 December 2024, the Group repaid its debts mainly through recurring cash flows generated from its operations and other means of financing. The gearing ratio of the Group was approximately 268% (2023: approximately 212%), which was computed by dividing the total borrowings of approximately HK\$160.22 million (2023: approximately HK\$179.45 million) by equity attributable to the owners of the Company of approximately HK\$59.88 million (2023: approximately HK\$84.76 million).

Treasury policies

The Group does not engage in any leveraged or derivative arrangements. Since most of the Group’s assets and liabilities are denominated in Hong Kong dollars, Renminbi or US dollars and the exchange rates of such currencies were relatively stable over the Reporting Period, the Directors believe that the Group’s exposure to fluctuation in those currencies does not have any significant adverse effect to the Group. Nonetheless, the Group will closely monitor its foreign currency exposure and arrange for implementation of hedging measures when necessary.

Human resources and remuneration

The Group has employed a total of approximately 92 employees as at 31 December 2024 (2023: approximately 115 employees) in Hong Kong and the PRC. Staff costs (including directors' emoluments) during the Reporting Period amounted to approximately HK\$17.72 million (2023: approximately HK\$17.50 million). The Group recruits and selects candidates based on their qualifications and suitability for the position. It is the policy of the Group to recruit the most capable person available for each position.

The remuneration package of the Group's employees includes salary and bonus, which are generally determined by their qualifications, industry experiences, positions and experience. The Group makes contributions to social insurances and housing provident funds as required by the PRC laws and regulations.

SHARE OPTION SCHEME

The former share option scheme of the Company expired on 25 June 2015 (the "**Former Scheme**"). Pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company on 16 September 2019, a new share option scheme of the Company (the "**New Scheme**") was adopted by the Company and will expire on 15 September 2029. The Company operates the New Scheme for the purpose of providing incentives or rewards to selected eligible participants who contribute to the success of the Group's operations. Subject to the restrictions under the Listing Rules, selected eligible participants of the New Scheme include directors, employees of the Company or any of its subsidiaries and any officers or consultants who will provide or have provided services to the Group.

The total number of outstanding options granted under the Former Scheme and the New Scheme as at 31 December 2024 was 806,700,000 shares, representing approximately 18.11% of issued share capital of the Company as at the date of this announcement. For details, please refer to the circular of the Company dated 28 August 2019 and 27 April 2020 and the announcement of the Company dated 25 September 2019, 29 May 2020, 19 June 2020 and 20 May 2021.

As at 1 January 2024 and 31 December 2024, the number of options available for grant under the New Scheme was 50,251,740.

Save for the New Scheme, the Company does not have any other share scheme.

Details of the Share Options granted, exercised, forfeited, lapsed and outstanding under the New Scheme during the Reporting Period are as follows:

| Name or category of participants | Date of grant (dd/mm/yyyy) | Exercise price after (before) share subdivision in 2018 HK\$ | Vesting date (dd/mm/yyyy) | Exercise period (dd/mm/yyyy) | Number of share options | | | | | As at 31/12/2024 ⁽²⁾ |
|-----------------------------------|----------------------------|--|---------------------------|------------------------------|-------------------------|---------------------------|-----------------------------|-----------------------------|--------------------------|----------------------------------|
| | | | | | As at 01/01/2024 | Granted during the period | Exercised during the period | Forfeited during the period | Lapsed during the period | |
| DIRECTOR | | | | | | | | | | |
| Mr. Yuan Hongbing | 19/6/2020 | 0.145 | 19/6/2020 | 19/6/2020-18/6/2026 | 37,000,000 | — | — | — | — | 37,000,000 |
| | | | | | <u>37,000,000</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>37,000,000</u> |
| OTHER PARTICIPANTS | | | | | | | | | | |
| Eligible employees ⁽¹⁾ | 19/6/2015 | 0.64125 (1.2825) | 19/6/2015 | 19/6/2015-18/6/2025 | 123,200,000 | — | — | — | — | 123,200,000 |
| Eligible employees ⁽¹⁾ | 24/9/2019 | 0.15 | 24/9/2019 | 24/9/2019-23/9/2029 | 362,500,000 | — | — | — | — | 362,500,000 |
| Eligible employees ⁽¹⁾ | 19/6/2020 | 0.145 | 19/6/2020 | 19/6/2020-18/6/2026 | 159,000,000 | — | — | — | — | 159,000,000 |
| Eligible employees ⁽¹⁾ | 20/5/2021 | 0.15 | 20/5/2021 | 20/5/2021-19/5/2027 | 125,000,000 | — | — | — | — | 125,000,000 |
| | | | | | <u>769,700,000</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>769,700,000⁽³⁾</u> |
| | | | | Total | <u>806,700,000</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>806,700,000</u> |

Note:

1. Eligible employees are working under employment contracts that are regarded as “continuous contracts” for the purposes of the Employment Ordinance (Chapter 57 of the Laws of Hong Kong).
2. The share options are not subject to any performance target.
3. The number of shares of the Company that may be issued in respect of the Share Options granted represents approximately 18.11% of the weighted average number of shares of the Company in issue for the year ended 31 December 2024 (i.e. 4,455,020,888 shares).

CONNECTED TRANSACTIONS

Drilling services

On 10 August 2021, the Group and Beijing Huaye entered into an agreement regarding oil well drilling in Huian Oil Field (惠安油田), the PRC (the “**Huian Well Agreement**”). Pursuant to the Huian Well Agreement, the Group agreed to provide drilling services of an aggregate of 63 oil wells for Beijing Huaye for the purpose of extraction of oil at an aggregate consideration of approximately RMB748 million.

Mr. Han Jinfeng, an executive Director and the chairman of the Company at the material time of the entering into of the Huian Well Agreement (the “**Relevant Time**”), was a majority ultimate beneficial shareholder of Beijing Huaye (holding 64% effective interest thereof). Therefore, the Huian Well Agreement constituted a connected transaction of the Company. Mr. Han Jinfeng is a cousin of Mr. Chen Jinle, the substantial shareholder of the Company at the Relevant Time, the Huian Well Agreement constituted a connected transaction of the Company.

As at the date of this announcement, as certain conditions precedent have not yet been fulfilled, the Huian Well Agreement has not been performed yet. Mr. Han Jinfeng has resigned as an executive Director, the chairman of the Board and the chairman of the Nomination Committee with effect from 13 September 2024.

For further details regarding the Huian Well Agreement, please refer to the announcements of the Company dated 10 August 2021 and 19 August 2021.

CAPITAL COMMITMENT

Contingent liabilities

Save for those disclosed in this announcement, as at 31 December 2024, the Group did not have any material contingent liabilities.

Pledge of assets

As at 31 December 2024, no assets of the Group have been pledged as security for the borrowings of the Group (as at 31 December 2023: nil).

Significant investments and material acquisitions

On 1 November 2024, the Group entered into a sale and purchase agreement with two independent third parties in relation to the acquisition of 51% equity interest in Shenzhen Hong Ke Supply Chain Company Limited* (深圳泓科供應鏈有限公司) at cash consideration of RMB203,000 (equivalent to HK\$219,000), which is principally engaged in trading of dry chili.

On 8 August 2024, the Group entered into a sale and purchase agreement with two independent third parties in relation to the acquisition of 51% equity interest in Beijing Wan Jia Innovation Trading Company Limited* (北京萬家創新商貿有限公司) at nil cash consideration, which is principally engaged in trading of deformed steel after acquisition.

Save for those acquisitions and disposals disclosed in this announcement, there were no significant investment or any material acquisition or disposal of subsidiaries during the year ended 31 December 2024.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, there was no significant event occurred subsequent to the end of the Reporting Period and up to the date of this announcement.

DIVIDENDS

The Board does not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: nil).

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company is committed to maintaining a high standard of corporate governance and has put in place self regulatory corporate practices to protect the interests of the shareholders of the Company (the “**Shareholder(s)**”) and the enhancement of Shareholders’ value. Our corporate on governance mission is to provide high-quality products and services to the satisfaction of our customers and maintain high standards of business ethics and achieve these goals while, at the same time, providing satisfactory and sustainable returns to the Shareholders.

In addition, the Group acts in a socially responsible manner through a variety of initiatives and considers this as a part of its overall commitment to good corporate governance.

The Company has a code of business conduct that sets out the principles, values and standards of conduct expected of the management and staff of the Group, and stipulates our operating procedures and policies.

The Company has, throughout the Reporting Period, applied and complied with the code provisions of the Corporate Governance Code (the “**CG Code**”) set out in Appendix C1 of the Listing Rules except for the following deviation.

- (a) Pursuant to code provision C.2.1 of the Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. With effect from 13 September 2024, Mr. Han Jinfeng resigned as the chairman of the Board, and Mr. Yuan Hongbing, the chief executive officer of the Company, was appointed as the chairman of the Board. Since then, the role of the chairman of the Board and the chief executive officer of the Company are not separate and both are performed by Mr. Yuan Hongbing. Considering that all the Directors meet regularly and all major decisions of the Company are made in consultation with the members of the Board, the Directors consider that this structure will not impair the balance of power and authority between the Directors and the management of the Company and believe this structure will enable the Company to make and implement decisions efficiently; and
- (b) Pursuant to (i) code provision F.2.2 of the Code, the chairman of the Board should attend the annual general meeting; and (ii) code provision C.1.6 of the Code, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. The executive Directors of the Company, Mr. Han Jinfeng (resigned on 13 September 2024) and Mr. Yuan Hongbing; and the non-executive Director of the Company, Mr. Chen Yunwei were unable to attend the annual general meeting of the Company held on 12 June 2024 due to other business commitments.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct regarding the Company’s directors’ securities transactions. Having made specific enquiries by the Company, all Directors have confirmed that they have complied with the required standards set out in the Model Code during the Reporting Period.

The Company has established written guidelines on no less exacting terms than the Model Code for dealings in the Company’s securities by relevant employees who are likely to be in possession of unpublished inside information in relation to the Company or its securities. The Company has received written annual compliance declaration from employees to confirm their compliance.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the Reporting Period.

UPDATE ON THE DIRECTOR INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B of the Listing Rules, the changes of information of the Directors during the Reporting Period are set out below:

Mr. Han Jinfeng has resigned as an executive Director, the chairman of the Board and the chairman of the Nomination Committee with effect from 13 September 2024. Following the resignation of Mr. Han Jinfeng, Mr. Yuan Hongbing was appointed as an executive Director, the chairman of the Board and the chairman of the Nomination Committee with effect from 13 September 2024.

Ms. Cao Yuqi has been appointed as a non-executive Director of the Company with effect from 6 December 2024. Further details were disclosed in the Company's announcement dated 6 December 2024.

Save as disclosed above, the Company is not aware of any other information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

SUFFICIENCY OF THE PUBLIC FLOAT

Based on the information publicly available to the Company, during the Reporting Period and up to the date of this announcement, and to the best knowledge, information and belief of the Directors, the Directors confirm that the Company has maintained a sufficient public float as required under the Listing Rules during the Reporting Period.

SCOPE OF WORK OF AOGB CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position as at 31 December 2024, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Group's auditor, AOGB CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by AOGB CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by AOGB CPA Limited on this announcement.

EXTRACT OF THE 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 December 2024.

OPINION

We have audited the consolidated financial statements of Jintai Energy Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of Hong Kong Companies Ordinance.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 3 to the consolidated financial statements, which indicates that the Group incurred a loss attributable to the owners of the Company of HK\$22,602,000 for the year ended 31 December 2024 and, as at 31 December 2024, the Company’s convertible loan notes of HK\$146,829,000 is classified as current liabilities as it would be redeemed on 17 July 2025. These conditions, along with other matters as set forth in note 3 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in this respect.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

The Audit Committee of the Company (the “**Audit Committee**”) comprises of three independent non-executive directors, namely Mr. Tche Heng Hou Kevin, Mr. Mak Tin Sang and Mr. Jiang Hao. The chairman of the Audit Committee is Mr. Tche Heng Hou Kevin, who holds the appropriate professional accounting qualification and financial management expertise as required under the Listing Rules.

The primary duties of the Audit Committee are mainly to communicate with external auditor; to review the remuneration, terms of engagement, independence and objectivity of the external auditor; to review the accounting policy, financial position and financial reporting procedures of the Company; and to assess the financial reporting system, internal control procedures and risk management function of the Company and making recommendations thereof.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the annual results for the year ended 31 December 2024 and there is no disagreement between the Audit Committee and the Company in respect of the same.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 9 June 2025 to Friday, 13 June 2025 (both days inclusive), during which no transfer of shares of the Company will be registered. In order to determine the identity of members who are entitled to attend and vote at the forthcoming annual general meeting of the Company scheduled to be held on Friday, 13 June 2025, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 6 June 2025.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT 2024

This annual results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.jintaienergy.com), and the annual report of the Company for the year ended 31 December 2024 containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the websites of the Stock Exchange and the Company in due course.

ACKNOWLEDGEMENT

The Group would like to extend its sincere gratitude to its business partners and shareholders for their continued support. The management team and all staff members shall also be lauded for their unwavering efforts and dedication to the Group.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended since 9:00 a.m. on 1 April 2025. An application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 14 April 2025.

By Order of the Board
Jintai Energy Holdings Limited
Yuan Hongbing
Executive Director and Chief Executive Officer

Hong Kong, 11 April 2025

* *The English translation of Chinese names or words in this announcement, where indicated, is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

As at the date of this announcement, the Company has one executive Director, namely Mr. Yuan Hongbing (Chairman and Chief Executive Officer), two non-executive Directors, namely Mr. Chen Yunwei and Ms. Cao Yuqi, and three independent non-executive Directors, namely Mr. Tche Heng Hou Kevin, Mr. Mak Tin Sang and Mr. Jiang Hao.