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## **GTI HOLDINGS LIMITED**

**共享集團有限公司**

*(a company incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3344)**

### **UNAUDITED KEY FINANCIAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2019**

The board of directors (the “**Board**”) of GTI Holdings Limited (the “**Company**”) hereby announces the unaudited key financial information of the Company and its subsidiaries (together the “**Group**”) for the year ended 31 December 2019 together with the audited comparative figures for the year ended 31 December 2018.

	<b>2019</b> <b>HK\$’000</b> <b>(Unaudited)</b>	2018 <i>HK\$’000</i> <i>(Audited)</i>
Revenue	<b>705,100</b>	611,052
Loss attributable to owners of the Company	<b>(207,511)</b>	(275,391)
Loss attributable to non-controlling interest	<b>138</b>	(33)
Loss for the year	<b>(207,373)</b>	(275,424)
Total assets	<b>847,977</b>	794,464
Total liabilities	<b>(914,342)</b>	(729,991)
Total (deficit)/equity	<b>(66,365)</b>	64,473
(Deficit)/equity attributable to owners of the Company	<b>(98,340)</b>	38,126

## **Business review**

The Group's consolidated revenue for year ended 31 December 2019 increased by approximately 15.4% from approximately HK\$611,052,000 in last year to approximately HK\$705,100,000 while the net loss for the year decreased by approximately 24.7% to approximately HK\$207,373,000 as compared with the last year.

### **Trading of petroleum and chemical products**

Trading of petroleum and chemical products was the major source of the revenue of the Group during the year. The revenue from trading of petroleum and chemical products was approximately HK\$518,627,000, representing an increase by approximately 59.7% from approximately HK\$324,763,000 in last year, and accounted for approximately 73.6% of the Group's revenue. The increase in revenue was mainly attributable to the commencement of trading of chemical products during the year. Although the revenue increased, as a result of the volatility of the market price of petroleum during the year, and the increase in cost and expenses incurred for the expansion of the trading of petroleum business and commencement of trading of chemical products business, the Group still suffered a loss in trading of petroleum and chemical products business during the year.

### **Textile business**

During the year ended 31 December 2019, the revenue from the textile business was approximately HK\$147,946,000, which represented approximately 21.0% of the Group's revenue. Compared to last year, the revenue from the textile business dropped by approximately 48.2%. On the other hand, the overall segment loss from textile business improved from loss of approximately HK\$154,529,000 in the last year to approximately HK\$108,219,000 this year. During the current year under review, most of the revenue of textile business was contributed by the production and sale of knitted sweaters and socks in Cambodia, which was similar to that in last year. However, due to the US-China trade war which began in early 2019 and the uncertainty in the economic growth of China during the year under review, the Group placed less emphasis on the production and sale of yarn in the PRC which resulted in the drop in revenue from the production and sale of yarn in the PRC by more than 90%. Even though the Group had implemented the restructuring of the textile business and stringent cost saving measures in order to improve the performance of textile business, the lack of banking facilities in Hong Kong throughout the year affected the flexibility of the operation and ability of the Group to further improve the performance in the short run.

### **RMB banknotes clearing up services business**

Our Group successfully acquired the entire equity interest in Jiu Zhou Financial Group Co. Ltd (“**Jiu Zhou**”) in December 2018. Jiu Zhou indirectly holds 66% equity interest in Zhongcheng Huiyu Technology Services Company Limited, which, together with its subsidiaries, were principally engaged in the provision of financial outsourcing services of RMB banknotes clearing up services in Mainland China. They offer one-stop professional financial outsourcing services for the branches of the People's Bank of China and its local commercial banks in Mainland China. During the year ended 31 December 2019, the revenue and segment profit from RMB banknotes clearing up services business were approximately HK\$32,601,000 and HK\$6,916,000 respectively.

## **EXTENSION OF TIME TO ANNOUNCE AUDITED FINAL RESULTS**

In view of the ongoing novel coronavirus (the “**Coronavirus**”) situation, precautionary measures have been taken by certain provinces in the PRC to contain the Coronavirus outbreak. The Lunar New Year holiday which was originally set to last only until 30 January 2020 had been extended until 9 February 2020 in many parts of the PRC. In addition, travel and other restrictions have been put in place by the PRC Government, including strict controls on personnel movement and vehicular traffic, and mandatory home quarantine of fourteen days for all individuals returning to their workplace from outlying areas or key affected areas in the PRC. As such, the employees and the auditors of the Group were unable to visit the workplaces to carry out on-site audit works in accordance with the original plan and schedule, and the relevant audit procedures in connection therewith. The relevant financial information will be subject to changes, reclassification and adjustments resulting from, among others, further review by the auditors and any adjustments that might be proposed by the auditors or any modification to the report thereto, if any as the audit has not yet completed. As such, the preliminary figures disclosed above are subject to change and may differ from those appear in audited consolidated financial statements of the Group.

As a result of the foregoing, more time is required for the Group to prepare the financial statements and for the auditors to complete their audit procedures. Announcement of the Group’s audited final results for the year ended 31 December 2019 is expected to be published before mid of May 2020.

Meanwhile, the Group has put in place precautionary measures to better safeguard the health and safety of its employees and also instituted business continuity plans to minimise the impact of the Coronavirus situation to its operations. The Company will continue to carefully monitor the situation and keep the shareholders of the Company informed of any changing circumstances on its operating performance as and when appropriate.

By Order of the Board  
**GTI Holdings Limited**  
**Poon Sum**  
*Chairman*

Hong Kong, 31 March 2020

*As at the date of this announcement, the board of directors (“Director(s)”) of the Company comprises (i) Mr. Poon Sum (Chairman), Mr. Ng Kwok Hung Perry, Mr. Hao Xiangbin and Mr. Huang Bin as executive Directors; (ii) Mr. Sui Fuxiang as non-executive Director; and (iii) Mr. Chan Shu Kin, Dr. Tse Kwok Sang, Mr. Chiu Wai Piu and Mr. Leung Wai Kei as independent non-executive Directors.*