

## News release

### **Jiutian quarterly net profit for 3Q2020 soared 57% over 2Q2020 despite a 20-day routine maintenance shutdown in early September 2020**

The Board of Directors of Jiutian Chemical Group Limited (“Jiutian”) is pleased to announce that the unaudited net profit for 3Q2020 came in at RMB 51.3 million, compared to RMB 2.3 million in the corresponding quarter of 3Q2019. This was also a significant jump from RMB 32.6 million profit reported in the preceding quarter of 2Q2020, which was already a record quarterly net profit since the Company was listed in 2006.

While the reasons cited for the positive results of 2Q2020 in our news release dated 12 August 2020 remain largely intact, the recovery of China’s economy gathered speed in 3Q2020, resulting in stronger demand for our main products of Dimethylformamide (“DMF”) and methylamine, with significant and steady rise in prices across the board.

Jiutian’s Chairman, Han Lianguo, said, “We are pleased to see a continuing and significant rise in our quarterly net profits over the first nine months of FY2020. The strong results of 3Q2020, achieved despite a shorter operating quarter arising from a 20-day shutdown for routine maintenance in September 2020, are due to the continuing recovery of China’s economy, and a surge in demand for our main products of DMF and methylamine from downstream customers who in turn are experiencing strong growth in both local and export markets for their products. We are also pleased to see a rising demand for our products from users in the lithium batteries and semiconductor sectors, which are experiencing strong and sustainable growth in China. Going forward, with our plants fully serviced in September 2020, we will focus on continuing to operate efficiently, and moving our utilisation rates higher to take advantage of the current favourable operating margins of our main products.

*This announcement has been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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