

News release

Jiutian's net profit for 1Q2018 increased by 287% from 1Q2017

The Board of Directors of Jiutian Chemical Group Limited (“**Jiutian**”) is pleased to announce that the unaudited net profit for 1Q2018 increased by 2.87 times to RMB 22.2 million from RMB 5.7 million in 1Q2017. Year over year, revenue increased by 20%.

The significant improvement in the results was mainly attributed to increases in selling prices of our main products, DMF and Methylamine. Average selling price of DMF in 1Q2018 at RMB6,075 per tonne, was 11% higher than 1Q2017. Average selling price of methylamine in 1Q2018 at RMB9,114 per tonne, was 37% higher than 1Q2017. The increase in average selling prices of the products were mainly due to a tighter industry supply arising from production stoppage and cut by other producers for various environmental compliance reasons.

Jiutian's CEO, Zhou Hongxuan, said, “We are pleased to see the significant improvement of our operating results in 1Q2018 compared to the corresponding prior year period, despite the Chinese New Year festive period. The Chinese Government implemented stringent environmental protection regulations and enforcement over the recent years, which has led to the consolidation of the overall Chinese chemical industry. As a leading DMF producer, our emphasized investments in environmental protection planned for the long term has allowed us to continue to operate at high utilization rate under the increasingly stringent environmental requirements by the Chinese authorities. Meanwhile, our sodium hydrosulfite project, which commenced commercial production on 31 December 2017, continues to be ramped up with a view to achieving good efficiency in the near future.”

This announcement has been prepared by the Company and its contents have been reviewed by the sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) for compliance with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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