

# JIUTIAN CHEMICAL GROUP LIMITED

(Company Registration Number: 200415416H)

**Unaudited Financial Statement Announcement for the Quarter Ended 31 March 2018.**

## PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

**1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>Unaudited Group Three months ended 31-Mar-18 RMB'000</b>	<b>Unaudited Group Three months ended 31-Mar-17 RMB'000</b>	<b>Increase/ (Decrease) %</b>
Revenue	<b>325,984</b>	270,629	20
Cost of sales	<b>(269,598)</b>	(251,116)	7
Gross profit	<b>56,386</b>	19,513	189
Other income	<b>1,491</b>	470	217
Distribution costs	<b>(6,913)</b>	(6,384)	8
Administrative expenses	<b>(7,095)</b>	(6,621)	7
Other expenses	<b>86</b>	(96)	n/m
Finance costs	<b>(1,418)</b>	(1,369)	4
Share of result of associated companies	<b>(8,693)</b>	326	n/m
Profit before tax	<b>33,844</b>	5,839	480
Tax expense	<b>(11,600)</b>	(98)	n/m
Profit and total comprehensive income for the period	<b>22,244</b>	5,741	287
Profit/ (loss) and total comprehensive income/ (loss) for the period attributable to:			
Equity holders of the Company	<b>23,359</b>	6,231	
Non-controlling interest	<b>(1,115)</b>	(490)	
	<b>22,244</b>	5,741	

n/m - not meaningful

(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:-

	Unaudited Group Three months ended 31-Mar-18 RMB'000	Unaudited Group Three months ended 31-Mar-17 RMB'000	Increase/ (Decrease) %
Profit before tax is arrived at after charging/(crediting):			
Amortisation of deferred income	(16)	(16)	-
Amortisation of land use rights	234	233	-
Depreciation of property, plant and equipment	7,159	7,242	(1)
Interest expenses	1,418	1,369	4
Interest income	(121)	(172)	(30)
Net gain on disposal of property, plant and equipment	(295)	-	n/m
Net (gain)/ loss on foreign exchange	(86)	88	n/m
Property, plant and equipment written off	-	8	n/m
n/m – not meaningful			

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Unaudited Group 31-Mar-18 RMB'000	Audited Group 31-Dec-17 RMB'000	Unaudited Company 31-Mar-18 RMB'000	Audited Company 31-Dec-17 RMB'000
<b>ASSETS</b>				
<b><u>Current assets</u></b>				
Cash and cash equivalents	97,200	148,713	6,089	2,346
Trade and other receivables	692,936	648,268	65	66
Inventories	49,876	36,568	-	-
<b>Total current assets</b>	<b>840,012</b>	<b>833,549</b>	<b>6,154</b>	<b>2,412</b>
<b><u>Non-current assets</u></b>				
Land use rights	5,111	5,345	-	-
Property, plant and equipment	299,557	305,320	-	-
Investment in subsidiary companies	-	-	203,023	203,023
Investment in associated companies	336,903	345,596	339,709	339,709
Deferred tax assets	12,157	12,157	-	-
<b>Total non-current assets</b>	<b>653,728</b>	<b>668,418</b>	<b>542,732</b>	<b>542,732</b>
<b>Total assets</b>	<b>1,493,740</b>	<b>1,501,967</b>	<b>548,886</b>	<b>545,144</b>
<b>LIABILITIES AND EQUITY</b>				
<b><u>Current liabilities</u></b>				
Bank borrowings	110,000	110,000	-	-
Trade and other payables	786,427	824,478	11,581	11,658
Income tax payables	19,505	11,909	-	-
<b>Total current liabilities</b>	<b>915,932</b>	<b>946,387</b>	<b>11,581</b>	<b>11,658</b>
<b><u>Non-current liabilities</u></b>				
Deferred income	178	194	-	-
<b>Total non-current liabilities</b>	<b>178</b>	<b>194</b>	<b>-</b>	<b>-</b>
<b><u>Capital and reserves</u></b>				
Share capital	661,153	661,153	661,153	661,153
Accumulated losses	(109,225)	(132,584)	(123,848)	(127,667)
<b>Equity attributable to equity holders of the Company</b>	<b>551,928</b>	<b>528,569</b>	<b>537,305</b>	<b>533,486</b>
Non-controlling interests	25,702	26,817	-	-
<b>Total equity</b>	<b>577,630</b>	<b>555,386</b>	<b>537,305</b>	<b>533,486</b>
<b>Total liabilities and equity</b>	<b>1,493,740</b>	<b>1,501,967</b>	<b>548,886</b>	<b>545,144</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

	<u>(Unaudited)</u> As at 31 March 2018		<u>(Audited)</u> As at 31 December 2017	
	<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
	RMB'000	RMB'000	RMB'000	RMB'000
Bank borrowings	110,000	-	110,000	-

**Amount repayable after one year**

	<u>(Unaudited)</u> As at 31 March 2018		<u>(Audited)</u> As at 31 December 2017	
	<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
	RMB'000	RMB'000	RMB'000	RMB'000
Bank borrowings	-	-	-	-

Details of any collaterals

As at 31 March 2018 and 31 December 2017, there were RMB 80 million short-term borrowings guaranteed by one of the Group's related party, Anyang Chemical Industry Group Co., Ltd. ("Anhua").

As at 31 March 2018 and 31 December 2017, RMB 30 million of the short-term borrowings was guaranteed by a related party of the Group, Henan Energy and Chemical Co., Ltd ("HNEC"). In addition, property, plant and equipment with carrying value of RMB 60 million and a security deposit of RMB 3 million were pledged to HNEC for the aforementioned corporate guarantee provided.

Bills payable to banks

As at 31 March 2018, there were RMB 80.0 million (31 December 2017: RMB 85.0 million) in bills payable to banks, under trade and other payables. Bills payable to banks have an average maturity period of 60 to 120 days and are interest-free as repayments will be made within the credit period. The bills payable to banks are secured by pledged bank deposits amounting of RMB 80.0 million (31 December 2017: RMB 85.0 million).

**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	(Unaudited) Group	(Unaudited) Group
	Three months ended	Three months ended
	31-Mar-18	31-Mar-17
	RMB'000	RMB'000
<b>Cash flows from operating activities</b>		
Profit before tax	33,844	5,839
Adjustments for:		
Amortisation of deferred income	(16)	(16)
Amortisation of land use rights	234	233
Depreciation of property, plant and equipment	7,159	7,242
Interest expense	1,418	1,369
Interest income	(121)	(172)
Net gain on disposal of plant and equipment	(295)	-
Property, plant and equipment written off	-	8
Share of result of associated companies	8,693	(326)
Operating cash flows before movements in working capital	50,916	14,177
Inventories	(13,308)	2,715
Receivables	42,239	(36,498)
Payables	(33,051)	59,919
Cash generated from operations	46,796	40,313
Interest received	121	172
Income tax paid	(4,004)	-
Net cash generated from operating activities	42,913	40,485
<b>Cash flows from investing activities</b>		
Advances to associated company	(86,907)	(3,369)
Purchase of property, plant and equipment (Note 1)	(1,468)	(3,129)
Proceed from disposal of property, plant and equipment	367	-
Net cash used in investing activities	(88,008)	(6,498)
<b>Cash flows from financing activities</b>		
Decrease in bank borrowings	-	(40,000)
Decrease in pledged bank deposits	5,000	1,469
Decrease in bill payables to bank	(5,000)	(1,469)
Interest paid	(1,418)	(1,369)
Net cash used in from financing activities	(1,418)	(41,369)
Net decrease in cash and cash equivalents	(46,513)	(7,382)
Cash and cash equivalents at beginning of period	63,713	14,108
Cash and cash equivalents at end of period	17,200	6,726
Cash and bank balances at end of period	97,200	20,757
Less: Pledged bank deposit	(80,000)	(14,031)
	17,200	6,726
<b>Note 1:Purchase of property, plant and equipment</b>		
Aggregate cost of property, plant and equipment acquired	1,468	3,129
Add: outstanding payables at the beginning of the period	24,456	19,316
Less: outstanding payables at the end of the period	(24,456)	(19,316)
	1,468	3,129

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Share capital	Accumulated losses	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<u>Group</u>					
<b>Balance at 1 January 2018 (Audited)</b>	661,153	(132,584)	528,569	26,817	555,386
Profit/(loss) and total comprehensive income/(loss) for the financial period	-	23,359	23,359	(1,115)	22,244
<b>Balance at 31 March 2018 (Unaudited)</b>	<u>661,153</u>	<u>(109,225)</u>	<u>551,928</u>	<u>25,702</u>	<u>577,630</u>
<b>Balance at 1 January 2017 (Audited)</b>	661,153	(203,401)	457,752	27,559	485,311
Profit/(loss) and total comprehensive income/(loss) for the financial period	-	6,231	6,231	(490)	5,741
<b>Balance at 31 March 2017 (Unaudited)</b>	<u>661,153</u>	<u>(197,170)</u>	<u>463,983</u>	<u>27,069</u>	<u>491,052</u>

	Share capital	Accumulated losses	Total equity
	RMB'000	RMB'000	RMB'000
<u>Company</u>			
<b>Balance at 1 January 2018 (Audited)</b>	661,153	(127,667)	533,486
Profit and total comprehensive income for the financial period	-	3,819	3,819
<b>Balance at 31 March 2018 (Unaudited)</b>	<u>661,153</u>	<u>(123,848)</u>	<u>537,305</u>
<b>Balance at 1 January 2017 (Audited)</b>	661,153	(242,945)	418,208
Loss and total comprehensive loss for the financial period	-	(1,589)	(1,589)
<b>Balance at 31 March 2017 (Unaudited)</b>	<u>661,153</u>	<u>(244,534)</u>	<u>416,619</u>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	Number of shares	Issued and paid-up share capital
		RMB
As at 31 December 2017 and 31 March 2018	1,818,444,000	661,152,648

There were no outstanding options, convertibles, treasury shares and subsidiary holdings as at 31 March 2018 and 31 December 2017.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

There were no treasury shares as at 31 March 2018 and 31 December 2017. The total number of issued shares of the Company are:

	Number of shares	Issued and paid-up share capital
		share capital
		RMB
As at 31 December 2017 and 31 March 2018	1,818,444,000	661,152,648

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company did not have any treasury shares during and as at the end of the financial period reported on.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the financial year reported on.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group's financial statements for the financial year ending 31 December 2018 is prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") issued by the Accounting Standards Council ("ASC") and International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

Other than the adoption of the new framework and the new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from the current financial year, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 31 December 2017.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

In adopting the new SFRS(I) framework with effect from 1 January 2018, the Group is required to apply the specific transition requirements in SFRS(I) 1 First-time Adoption of International Financial Reporting Standards.

In addition, during the current financial year, the Group and the Company have adopted the following new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from financial year beginning 1 January 2018:

- SFRS(I) 9 *Financial Instruments*
- SFRS(I) 15 *Revenue from Contracts with Customers and Amendments to SFRS(I) Clarifications to SFRS(I) 15*
- Amendments to SFRS(I) 1-28 *Measuring an Associate or Joint Venture at Fair Value*
- Amendments to SFRS(I) 1-40 *Transfers of Investment Property*
- Amendments to SFRS(I) 1 *Deletion of short-term exemptions for first-time adopters*

The Group has performed a detailed analysis of the transition options and other requirements of SFRS(I) and has determined that there are no changes to the Group's current accounting policies under the Financial Reporting Standards in Singapore or material adjustments on the initial transition to the new framework.



**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

- (a) Based on the weighted average number of ordinary shares on issue; and  
 (b) On a fully diluted basis (detailing any adjustments made to the earnings).

	(Unaudited) Group Three months ended 31 Mar 2018	(Unaudited) Group Three months ended 31 Mar 2017
Basic/ Diluted earnings per share (RMB fen)	1.28	0.34

EPS for the respective financial periods are computed based on the net profit attributable to equity holders of the Company and the weighted average number of the shares of 1,818,444,000.

The basic and diluted EPS are the same as there were no potentially dilutive ordinary shares outstanding during the respective financial periods.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) current financial period reported on; and  
 (b) immediately preceding financial year.

	(Unaudited) Group 31 Mar 2018	(Audited) Group 31 Dec 2017	(Unaudited) Company 31 Mar 2018	(Audited) Company 31 Dec 2017
Net asset value per ordinary share (RMB fen)	30.35	29.07	29.55	29.34

Net asset value per ordinary share as at 31 March 2018 and 31 December 2017 respectively have been computed based on total issued shares of 1,818,444,000.

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the financial period reported on.**

**Commentaries on performance**

**1Q2018**

Revenues for 1Q2018 was RMB 326.0 million, a 20% increase from 1Q2017 of RMB 270.6 million, mainly due to increases in selling price of DMF and Methylamine. For 1Q2018, average selling prices of DMF and Methylamine was RMB 6,075 per tonne and RMB 9,114 per tonne respectively, which were 11% and 37% higher than that for 1Q2017. Sales volume of DMF and Methylamine in 1Q2018 were 9% and 1% lower than that of 1Q2017 respectively. 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.

Between 1Q2017 to 1Q2018, capacity utilisation of the Anyang Jiutian DMF plant increased from 70% in 73%, whilst capacity utilisation of the Anyang Jiutian methylamine plant remained at 100%.

Gross profit increased from RMB 19.5 million in 1Q2017 to RMB 56.4 million in 1Q2018 in line with the increase in revenue, while gross profit margins increased from 8% in 1Q2017 to 17% in 1Q2018 mainly due to the higher selling prices during the financial period.

Other income increased by RMB 1.0 million to RMB 1.5 million in 1Q2018 mainly due to the receipt of government grant of RMB 0.6 million and a gain on disposal of property, plant and equipment of RMB 0.3 million during the financial period.

Distribution costs increased by RMB 0.5 million to RMB 6.9 million in 1Q2018, mainly due to promotion and advertisement expenses incurred by Henan Herunsheng Isotope Technology Co., Ltd in relation to its trial product deuterium depleted water, partially offset by a decrease of transportation costs under Anyang Jiutian in line with lower sales volume of both DMF and methylamine during the financial period.

Administrative expenses increased by 7% to RMB 7.1 million in 1Q2018 mainly due to higher staff cost incurred.

Other expenses for 1Q2018 mainly consists of foreign exchange gains of RMB 0.1 million arising from the revaluation of certain monetary assets and liabilities denominated in Singapore dollars.

Share of results of associated companies mainly pertains to the share of profit from Anyang Jiulong of RMB 1.8 million and share of loss from Anyang Jiujiu of RMB 10.5 million. Anyang Jiulong generated revenue from the production and sales of DMAC to third parties, industrial steam and electricity to Anyang Jiutian and Anhua, while Anyang Jiujiu generated revenue from sales of sodium hydrosulfite and its main feedstocks which are mainly, sodium metabisulfite and liquid sulphur dioxide. Anyang Jiujiu suffered a financial loss in 1Q2018 due to (i) the ramping up of production following commencement of operations on 31 December 2017 and (ii) 1Q being the traditional off-peak period for sodium hydrosulfite as downstream manufacturing customers halt productions during the Chinese New Year festival.

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**  
**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**  
**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the financial period reported on.**

**Commentaries on balance sheet and cash flow**

**Group's balance sheet:**

The Group's current assets as at 31 March 2018 was RMB 840.0 million, an increase of RMB 6.5 million from RMB 833.5 million as at 31 December 2017. The increase was largely attributed to:

- a. An increase in trade and other receivables of RMB 44.7 million mainly due to an increase in advances of RMB 89.9 million to Anyang Jiujiu Chemical Technology Co., Ltd ("Anyang Jiujiu") for the repayment of Anyang Jiujiu's bank borrowings relating to the construction of its plants and working capital, partially offset by a decrease in trade receivables of RMB 45.2 million in line with the decrease in revenue for 1Q2018 compared to 4Q2017. The said advances were provided in proportion to the Group's effective interest in Anyang Jiujiu;
- b. An increase in inventories of RMB 13.3 million due largely to higher finished goods kept as at 31 March 2018; and
- c. Partially offset by a decrease in cash and cash equivalents of RMB 51.51 million due largely to cash used in investing and financing activities as presented in the cash flow statements.

The Group's non-current assets decreased by RMB 14.7 million due largely to:

- a. Share of loss from associated companies of RMB 8.7 million as explained in the preceding paragraphs; and
- b. The decrease in property, plant and equipment of RMB 5.8 million comprising mainly of depreciation charges of RMB 7.2 million, partially offset by purchase of property, plant and equipment of RMB 1.4 million.

The Group's current liabilities as at 31 March 2018 was RMB 915.9 million, a decrease of RMB 30.5 million compared to that as at 31 December 2017. The decrease was largely attributed to:

- a. decrease in gross trade and other payables of RMB 38.1 million in line with lower cost of sales in 1Q2018 as compared to 4Q2017;
- b. Partially offset by Increase in income tax payables of RMB 7.60 million attributing to higher profit before tax for the financial period; and

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**  
**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**  
**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the financial period reported on.**

**Commentaries on balance sheet and cash flow (cont'd)**

**Group's balance sheet:**

As at 31 March 2018, current liabilities of the Group exceeded current assets by RMB 75.9 million attributable to the losses incurred in prior years. The Group believes that it will be able to repay its current liabilities as and when it falls due as a part of the Group's current liabilities are owing to its principal supplier and substantial shareholder, Anhua Group and to its associated company, Anyang Jiulong of RMB 124.37 million, the Group has obtained continued financial support from Anhua and Anyang Jiulong, which had agreed to defer payments of trade payables owing to them till Anyang Jiutian is able to settle its other liabilities.

With the continued financial support from Anhua Group and Anyang Jiulong, the Board believes that the Group will be able to operate as a going concern, despite the negative working capital.

**Group's cash flow**

Net cash generated from operating activities of RMB 42.9 million in 1Q2018 was mainly due to profit before tax and adjustment for depreciation of property, plant and equipment.

Net cash used in investing activities of RMB 88.0 million in 1Q2018 was mainly due to advances provided to Anyang Jiujiu.

Net cash used in financing activities of RMB 1.4 million in 1Q2018 was mainly due to interest paid during the financial period.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The Group's profitability for 1Q2018 was in line with the Paragraph 10 commentary within the Company's 4Q2017 results announcement for the financial year ended 31 December 2017.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Currently, our DMF and methylamine plants are operating at high efficiency levels, with the market price and demand of both our products remaining stable. Meanwhile, the sodium hydrosulfite plant continues to be ramped up with a view to achieving good efficiency in the near future. Barring any unforeseen circumstances and assuming a stable trend of product prices, the management expects the Group to remain profitable in 2Q2018.

**11. Dividend**

**(a) Current Financial Period Reported On**

Nil

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Nil

**(c) Date payable**

NA.

**(d) Books closure date**

NA.

**12. If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been recommended for the current financial period reported on.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	1Q2018	1Q2018
Anyang Chemical Industry Group Co., Ltd	Nil	Sales of Repair Material, industrial steams and electricity RMB 9.25 million
		Purchase of Raw Materials I and II (as defined in shareholders' mandate) RMB 36.88 million
		Purchase of Repair Materials RMB 1.78 million
		Rental of equipment RMB 0.19 million
Anyang Jiulong Chemical Co., Ltd	Nil	Sale of Dimethylamine RMB 1.71 million
		Purchase of electricity and industrial steam RMB 40.43 million

Save as disclosed above, there are no other IPTs above S\$100,000 in 1Q2018.

#### **14. Negative confirmation by the Board pursuant to Rule 705(5) of the Listing Manual**

We, Wang Yiming and Zhou Hongxuan, being two directors of Jiutian Chemical Group Limited (the "Company"), do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Company and the Group for the first quarter ended 31 March 2018 to be false or misleading in any material respect.

#### **15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in format set out in Appendix 7(H)) under Rule 720(1).**

The Company confirms that it has procured undertakings from all its directors and executive officers in the required format.

#### **BY ORDER OF THE BOARD**

Name: Zhou Hongxuan  
Designation: Chief Executive Officer  
Date: 27 April 2018

*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 Catalist. 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.*

*The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).*