

JIUTIAN CHEMICAL GROUP LIMITED

(Company Registration Number: 200415416H)

Unaudited Financial Statement Announcement for the Quarter Ended 31 March 2019.

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.

	Unaudited Group Three months ended 31-Mar-19 RMB'000	Unaudited Group Three months ended 31-Mar-18 RMB'000	Increase/ (Decrease) %
Revenue	300,640	325,984	(8)
Cost of sales	<u>(280,335)</u>	<u>(269,598)</u>	4
Gross profit	20,305	56,386	(64)
Other income	2,045	1,491	37
Distribution costs	(7,250)	(6,913)	5
Administrative expenses	(5,809)	(7,095)	(18)
Other expenses	47	86	(45)
Finance costs	(1,390)	(1,418)	(2)
Share of result of associated companies	<u>(12,392)</u>	<u>(8,693)</u>	43
(Loss)/ profit before tax	(4,444)	33,844	(113)
Tax expense	<u>(2,120)</u>	<u>(11,600)</u>	(82)
(Loss)/ profit and total comprehensive (loss)/ income for the period	<u>(6,564)</u>	22,244	(130)
(Loss)/ profit and total comprehensive (loss)/ income for the period attributable to:			
Equity holders of the Company	(6,315)	23,359	
Non-controlling interest	<u>(249)</u>	<u>(1,115)</u>	
	<u>(6,564)</u>	22,244	

(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-19 RMB'000	Unaudited Group Three months ended 31-Mar-18 RMB'000	<i>Increase/ (Decrease) %</i>
(Loss)/ profit before tax is arrived at after charging/(crediting):			
Amortisation of deferred income	(16)	(16)	-
Amortisation of land use rights	161	234	(31)
Depreciation of property, plant and equipment	6,854	7,159	(4)
Interest expenses	1,390	1,418	(2)
Interest income	(396)	(121)	227
Gain on disposal of property, plant and equipment	(1,021)	(295)	246
Gain on foreign exchange	(47)	(86)	(45)

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-19 RMB'000	Audited Group 31-Dec-18 RMB'000	Unaudited Company 31-Mar-19 RMB'000	Audited Company 31-Dec-18 RMB'000
ASSETS				
<u>Current assets</u>				
Cash and cash equivalents	203,462	230,437	5,950	1,825
Trade and other receivables	418,852	580,943	116	117
Inventories	26,690	42,512	-	-
Total current assets	649,004	853,892	6,066	1,942
<u>Non-current assets</u>				
Land use rights	4,463	4,624	-	-
Property, plant and equipment	283,952	289,073	-	-
Investment in subsidiary companies	-	-	218,023	218,023
Investment in associated companies	284,821	297,213	339,709	339,709
Deferred tax assets	10,954	12,264	-	-
Total non-current assets	584,190	603,174	557,732	557,732
Total assets	1,233,194	1,457,066	563,798	559,674
LIABILITIES AND EQUITY				
<u>Current liabilities</u>				
Bank borrowings	120,000	110,000	-	-
Trade and other payables	519,765	736,113	11,365	11,659
Contract liabilities	14,449	22,157	-	-
Income tax payables	3,594	6,830	-	-
Total current liabilities	657,808	875,100	11,365	11,659
<u>Non-current liabilities</u>				
Deferred income	2,113	2,129	-	-
Total non-current liabilities	2,113	2,129	-	-
<u>Capital and reserves</u>				
Share capital	661,153	661,153	661,153	661,153
Accumulated losses	(116,820)	(110,505)	(108,720)	(113,138)
Equity attributable to equity holders of the Company	544,333	550,648	552,433	548,015
Non-controlling interests	28,940	29,189	-	-
Total equity	573,273	579,837	552,433	548,015
Total liabilities and equity	1,233,194	1,457,066	563,798	559,674

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 2019		<u>(Audited)</u> As at 31 December 2018	
	<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
	RMB'000	RMB'000	RMB'000	RMB'000
Bank borrowings	120,000	-	110,000	-

Amount repayable after one year

	<u>(Unaudited)</u> As at 31 March 2019		<u>(Audited)</u> As at 31 December 2018	
	<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 2019, there were RMB 90 million (31 December 2018: 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 2019, there were RMB 30 million (31 December 2018: RMB 30 million) short-term borrowings guaranteed by a related party of the Group, Henan Energy and Chemical Co., Ltd ("HNEC"). 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 2019, there were RMB 154.15 million (31 December 2018: RMB 197.15 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 154.15 million (31 December 2018: RMB 167.15 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 Three months ended 31-Mar-19 RMB'000	(Unaudited) Group Three months ended 31-Mar-18 RMB'000
Cash flows from operating activities		
(Loss)/ profit before tax	(4,444)	33,844
Adjustments for:		
Amortisation of deferred income	(16)	(16)
Amortisation of land use rights	161	234
Depreciation of property, plant and equipment	6,854	7,159
Interest expense	1,390	1,418
Interest income	(396)	(121)
Net (gain)/ loss on disposal of plant and equipment	(1,021)	(295)
Share of result of associated companies	12,392	8,693
Operating cash flows before movement in working capital	14,920	50,916
Inventories	15,822	(13,308)
Receivables	171,686	42,239
Payables	(181,823)	(33,051)
Cash generated from operations	20,605	46,796
Interest received	396	121
Income tax paid	(4,046)	(4,004)
Net cash generated from operating activities	16,955	42,913
Cash flows from investing activities		
Advances to associated company	(9,595)	(86,907)
Purchase of property, plant and equipment (Note 1)	(993)	(1,468)
Proceed from disposal of property, plant and equipment	1,021	367
Net cash used in investing activities	(9,567)	(88,008)
Cash flows from financing activities		
Drawdown of bank borrowings	10,000	-
Decrease in pledged bank deposits	13,000	5,000
Decrease in bill payables to bank	(43,000)	(5,000)
Interest paid	(1,363)	(1,418)
Net cash used in financing activities	(21,363)	(1,418)
Net decrease in cash and cash equivalents	(13,975)	(46,513)
Cash and cash equivalents at beginning of period	63,287	63,713
Cash and cash equivalents at end of period	49,312	17,200
Cash and bank balances at end of period	203,462	97,200
Less: Pledged bank deposit	(154,150)	(80,000)
	49,312	17,200
<u>Note 1:Purchase of property, plant and equipment</u>		
Aggregate cost of property, plant and equipment acquired	1,733	1,468
Add: outstanding payables at the beginning of the period	28,850	24,456
Less: outstanding payables at the end of the period	(29,590)	(24,456)
	993	1,468

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>					
Balance at 1 January 2019 (Audited)	661,153	(110,505)	550,648	29,189	579,837
Loss and total comprehensive loss for the financial period	-	(6,315)	(6,315)	(249)	(6,564)
Balance at 31 March 2019 (Unaudited)	<u>661,153</u>	<u>(116,820)</u>	<u>544,333</u>	<u>28,940</u>	<u>573,273</u>
Balance at 1 January 2018 (Unaudited)	661,153	(132,584)	528,569	26,817	555,386
Profit and total comprehensive income for the financial period	-	23,359	23,359	(1,115)	22,244
Balance at 31 March 2018 (Unaudited)	<u>661,153</u>	<u>(109,225)</u>	<u>551,928</u>	<u>25,702</u>	<u>577,630</u>

	Share capital	Accumulated losses	Total equity
	RMB'000	RMB'000	RMB'000
<u>Company</u>			
Balance at 1 January 2019 (Audited)	661,153	(113,138)	548,015
Profit and total comprehensive income for the financial period	-	4,418	4,418
Balance at 31 March 2019 (Unaudited)	<u>661,153</u>	<u>(108,720)</u>	<u>552,433</u>
Balance at 1 January 2018 (Unaudited)	661,153	(127,667)	533,486
Profit and total comprehensive income for the financial period	-	3,819	3,819
Balance at 31 March 2018 (Unaudited)	<u>661,153</u>	<u>(123,848)</u>	<u>537,305</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 2018 and 31 March 2019	1,818,444,000	661,152,648

There were no outstanding options, convertibles, treasury shares and subsidiary holdings as at 31 March 2019 and 31 March 2018.

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 2019 and 31 December 2018. 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 2018 and 31 March 2019	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 2019 is prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") issued by the Accounting Standards Council ("ASC").

Other than adoption of new framework and 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 the computation adopted in the financial statements for the current period as compared to the most recent audited annual financial statements as at 31 December 2018.

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.

The Group and the Company have adopted all new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from financial year beginning 1 January 2019, where applicable. The adoption of new SFRS(I)s, amendments and interpretations of SFRS(I)s is assessed to have no material impact to the results and financial position of the Group and of the Company for the financial period ended 31 March 2019.

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 2019	(Unaudited) Group Three months ended 31 Mar 2018
Basic/ Diluted (loss)/ earnings per share (RMB fen)	(0.35)	1.28

LPS/EPS for the respective financial periods are computed based on the net (loss)/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 LPS/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 2019	(Audited) Group 31 Dec 2018	(Unaudited) Company 31 Mar 2019	(Audited) Company 31 Dec 2018
Net asset value per ordinary share (RMB fen)	29.93	30.28	30.38	30.14

Net asset value per ordinary share as at 31 March 2019 and 31 December 2018 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

1Q2019

Revenues for 1Q2019 was RMB 300.64 million, a 8% decrease from 1Q2018 of RMB 325.98 million, mainly due to decreases in selling price of DMF and Methylamine partially offset by the increase in sale volume of DMF. For 1Q2019, average selling prices of DMF and Methylamine was RMB 4,464 per tonne and RMB 7,592 per tonne respectively, which were 27% and 17% lower than that for 1Q2018. The decrease in average selling prices of the products were mainly due to challenging market condition. Sales volume of DMF and Methylamine in 1Q2019 were 40% higher and 4% lower than that of 1Q2018 respectively.

Between 1Q2018 to 1Q2019, capacity utilisation of Anyang Jiutian Fine Chemical Co., Ltd's (a 100% owned subsidiary of the Company) ("**Anyang Jiutian**") DMF plant increased from 73% in 1Q2018 to 81% in 1Q2019, whilst capacity utilisation of the Anyang Jiutian methylamine plant remained at 100%.

The increase in cost of sales is in line with the increase in sales volume of DMF. Gross profit decreased from RMB 56.39 million in 1Q2018 to RMB 20.31 million in 1Q2019, while gross profit margins decreased from 17% in 1Q2018 to 7% in 1Q2019 mainly due to the lower selling prices during the financial period.

Other income increased by RMB 0.55 million to RMB 2.05 million in 1Q2019 mainly due to a gain on disposal of property, plant and equipment of RMB 1.02 million and higher interest income received during the financial period; partially offset by the absence of receipt of government grant of RMB 0.6 million present in 1Q2018.

Distribution costs increased by RMB 0.34 million to RMB 7.25 million in 1Q2019, mainly due to an increase of transportation costs under Anyang Jiutian in line with higher sales volume of DMF during the financial period.

Administrative expenses decreased by 18% to RMB 1.29 million in 1Q2019 mainly due to lower staff cost incurred as low performance incentives arising from the lower profit during 1Q2019.

Share of results of associated companies in 1Q2019 mainly pertains to the (i) share of profit of RMB 0.53 million (1Q2018: RMB 1.82 million) from the Company's 49% associated company, Anyang Jiulong Chemical Co., Ltd ("**Anyang Jiulong**"); and (ii) share of loss of RMB 12.92 million (1Q2018: share of loss of RMB 10.50 million) from Anyang Jiujiu Chemical Technology Co., Ltd ("**Anyang Jiujiu**"), an associated company in which the Group has an effective interest of 74%. 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 matabisulfite and liquid sulphur dioxide. Anyang Jiujiu suffered a financial loss in 1Q2019 due to low production level of the sodium hydrosulfite facility arising from strict industry-wide environmental controls and lowered product prices as a result of decreased demand caused by ongoing global trade frictions.

Commentaries on balance sheet and cash flow

Group's balance sheet:

The Group's current assets as at 31 March 2019 was RMB 649.00 million, a decrease of RMB 204.89 million from RMB 853.89 million as at 31 December 2018. The increase was largely attributed to:

- a. A decrease in trade and other receivables of RMB 162.09 million mainly due to a decrease in trade receivables of RMB 171.69 million as a result of higher collection; partially offset by an increase in advances of RMB 9.60 million to Anyang Jiujiu for its working capital, The said advances were provided in proportion to the Group's effective interest in Anyang Jiujiu;
- b. A decrease in inventories of RMB 15.82 million due largely to lesser finished goods kept as at 31 March 2019; and
- c. A decrease in cash and cash equivalents of RMB 26.98 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 18.98 million due largely to:

- a. Share of loss from associated companies of RMB 12.39 million as explained in the preceding paragraphs; and
- b. The decrease in property, plant and equipment of RMB 5.12 million comprising mainly of depreciation charges of RMB 6.85 million, partially offset by purchase of property, plant and equipment of RMB 1.73 million.

The Group's current liabilities as at 31 March 2019 was RMB 657.81 million, a decrease of RMB 217.29 million compared to that as at 31 December 2018. The decrease was largely attributed to:

- a. Decrease in gross trade and other payables, contract liabilities of RMB 181.06 million due to higher repayment during the financial period, and decrease in trade bills payables to banks of RMB 43.00 million as lesser suppliers opted for trade bills as a form of repayment;
- b. Decrease in income tax payables of RMB 3.24 million attributable to lower profit recorded for the financial period; and
- c. Partially offset by a drawdown of bank borrowings of RMB 10.0 million during the financial period.

Working Capital

As at 31 March 2019, current liabilities of the Group exceeded current assets by RMB 8.80 million. Part of the Group's current liabilities (trade and other payables) comprised amount owing to its principal supplier and major shareholder, Anhua, and its 49% associated company, Anyang Jiulong, of RMB 30.45 million. Anyang Jiutian had secured continuing financial support from Anhua and Anyang Jiulong, which Anhua and Anyang Jiulong had agreed to defer the payments of trade and other payables owing to them until Anyang Jiutian is able to settle its other liabilities. The Group believes that it will be able to repay its current liabilities as and when it falls due. With the continued financial support from Anhua and Anyang Jiulong, the Board believes that the Group will be able to operate as a going concern, despite the negative working capital.

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

Group's cash flow

Net cash generated from operating activities of RMB 16.96 million in 1Q2019 was mainly due to profit before tax and adjustment of depreciation of property, plant and equipment partially offset by outflow from working capital changes mainly due to decrease in trade payables and decrease in trade receivables.

Net cash used in investing activities of RMB 9.57 million in 1Q2019 was mainly due to advance provided to Anyang Jiujiu and purchase of property, plant and machinery.

Net cash used in financing activities of RMB 21.36 million in 1Q2019 was mainly due to decrease in bill payables to banks of RMB 43.00 million and interest paid during the financial period partially offset by a decrease in pledged bank deposit of RMB 13.00 million and drawdown of bank borrowing of RMB 10.00 million.

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

Not applicable. No forecast or prospect statements have been previously disclosed to shareholders.

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.

Our main products of DMF and Methylamine will continue to face margin squeeze arising from weaker demand for chemical products. The main challenge faced by the Group since FY2018 is the irregular production volumes and product prices of sodium hydrosulfite caused mainly by the unscheduled and increasingly frequent industry-wide stoppages imposed by environmental authorities.

On a macro front, the trade frictions between China and the United States have not been resolved, resulting in significant uncertainties to prospects for China's economy. In addition, the Purchasing Managers' Index (PMI) for Chinese manufacturing dipped below the midpoint threshold of 50 for three consecutive months from December 2018 to February 2019, indicating a slowdown in China's economy.

In view of the above, the business environment will be challenging for FY2019. The Group will monitor the market condition closely, adapting its business strategies as and when appropriate.

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 and the reason(s) for the decision.

No dividend has been recommended for the current financial period reported on. The Company wishes to reserve adequate resources for the Company's ongoing projects and to respond to any adverse changes in the macroeconomic environment.

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.

The Company had at its annual general meeting held on 25 April 2019 obtained shareholders' approval for the renewal of the general mandate for IPTs.

Save as disclosed below, there are no other IPTs equal to or above S\$100,000 in 1Q2019.

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)
	1Q2019	1Q2019
Anyang Chemical Industry Group Co., Ltd	Sales of DMAC RMB 0.96 million	Sales of Repair Material, industrial steams and electricity RMB 18.01 million
		Purchase of Raw Materials I and II (as defined in shareholders' mandate) RMB 46.27 million
		Purchase of Repair Materials RMB 4.77 million
		Rental of equipment RMB 0.19 million
Anyang Jiujiu Chemical Technology Co., Ltd	Advances given RMB 9.60 million	Nil
Anyang Jiulong Chemical Co., Ltd	Nil	Sale of Dimethylamine RMB 6.03 million
		Purchase of electricity and industrial steam RMB 36.92 million

Note:

Anhua is the holding company of Anyang Longyu (HK) Development Co., Ltd. ("Anyang Longyu"), a major shareholder of the Company. Anyang Longyu holds approximately 27.63% of the issued share capital of the Company.

Anyang Jiulong is a joint venture between Jiutian Chemical Group Limited and Anhua pursuant to which Anhua holds 51% and Jiutian Chemical Group Limited holds 49% of the registered capital of Anyang Jiulong.

Anyang Jiujiu is a joint venture between Jiutian Chemical Group Limited and Anyang Jiulong pursuant to which Anyang Jiulong holds 51% and Jiutian Chemical Group Limited holds 49% of the registered capital of Anyang Jiujiu. The advances were for Anyang Jiujiu's working capital and provided in proportion to the Group's effective interest in Anyang Jiujiu.

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

We, Han Lianguo and Wang Gang, 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 2019 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: Han Lianguo
Designation: Non-executive and Non-independent Chairman
Date: 25 April 2019

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 Ms Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).