

# JIUTIAN CHEMICAL GROUP LIMITED

(Company Registration Number: 200415416H)

## Unaudited Financial Statement Announcement for the Quarter Ended 30 September 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 30-Sep-19 RMB'000	Unaudited Group Three months ended 30-Sep-18 RMB'000	Increase/ (Decrease) %	Unaudited Group Nine months ended 30-Sep-19 RMB'000	Unaudited Group Nine months ended 30-Sep-18 RMB'000	Increase/ (Decrease) %
Revenue	245,328	289,654	(15)	841,489	966,948	(13)
Cost of sales	(226,344)	(294,055)	(23)	(779,939)	(863,719)	(10)
Gross profit / (loss)	18,984	(4,401)	n/m	61,550	103,229	(40)
Other income	1,893	1,099	72	3,510	3,545	(1)
Distribution costs	(6,024)	(6,215)	(3)	(18,337)	(18,651)	(2)
Administrative expenses	(6,634)	(7,185)	(8)	(18,253)	(22,327)	(18)
Other expenses	(413)	(73)	466	(438)	(13)	3,269
Finance costs	(1,490)	(1,716)	(13)	(4,320)	(4,802)	(10)
Share of result of associated companies	(1,603)	(10,873)	(85)	(28,169)	(32,814)	(14)
Profit/ (loss) before tax	4,713	(29,364)	n/m	(4,457)	28,167	n/m
Tax expense	(2,359)	4,444	n/m	(6,717)	(15,366)	(56)
Profit/ (loss) and total comprehensive income/ (loss) for the period	2,354	(24,920)	n/m	(11,174)	12,801	n/m
Profit/ (loss) and total comprehensive income/ (loss) for the period attributable to:						
Equity holders of the Company	2,429	(24,501)		(10,827)	14,944	
Non-controlling interest	(75)	(419)		(347)	(2,143)	
	2,354	(24,920)		(11,174)	12,801	

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 30-Sep-19 RMB'000	Unaudited Group Three months ended 30-Sep-18 RMB'000	Increase/ (Decrease) %	Unaudited Group Nine months ended 30-Sep-19 RMB'000	Unaudited Group Nine months ended 30-Sep-18 RMB'000	Increase/ (Decrease) %
Profit before tax is arrived at after charging/(crediting):						
Amortisation of deferred income	(16)	(16)	-	(48)	(49)	(2)
Amortisation of land use rights	161	161	-	483	560	(14)
Depreciation of property, plant and equipment	7,275	7,345	(1)	21,057	21,651	(3)
Interest expenses	1,490	1,721	(13)	4,320	4,802	(10)
Interest income	(1,327)	(1,126)	18	(2,094)	(1,492)	40
Net gain on disposal of property, plant and equipment	-	-	n/m	(239)	(295)	(19)
Net loss on foreign exchange	413	73	466	438	13	3,269

**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 30-Sep-19 RMB'000	Audited Group 31-Dec-18 RMB'000	Unaudited Company 30-Sep-19 RMB'000	Audited Company 31-Dec-18 RMB'000
<b>ASSETS</b>				
<b><u>Current assets</u></b>				
Cash and cash equivalents	204,201	230,437	106	1,825
Trade and other receivables	601,017	580,943	121	117
Inventories	20,396	42,512	-	-
<b>Total current assets</b>	<b>825,614</b>	<b>853,892</b>	<b>227</b>	<b>1,942</b>
<b><u>Non-current assets</u></b>				
Land use rights	4,141	4,624	-	-
Property, plant and equipment	273,269	289,073	-	-
Investment in subsidiary companies	-	-	218,023	218,023
Investment in associated companies	269,044	297,213	339,709	339,709
Deferred tax assets	10,954	12,264	-	-
<b>Total non-current assets</b>	<b>557,408</b>	<b>603,174</b>	<b>557,732</b>	<b>557,732</b>
<b>Total assets</b>	<b>1,383,022</b>	<b>1,457,066</b>	<b>557,959</b>	<b>559,674</b>
<b>LIABILITIES AND EQUITY</b>				
<b><u>Current liabilities</u></b>				
Bank borrowings	120,000	110,000	-	-
Trade and other payables	679,874	736,113	8,899	11,659
Contract liabilities	12,406	22,157	-	-
Income tax payables	-	6,830	-	-
<b>Total current liabilities</b>	<b>812,280</b>	<b>875,100</b>	<b>8,899</b>	<b>11,659</b>
<b><u>Non-current liabilities</u></b>				
Deferred income	2,081	2,129	-	-
<b>Total non-current liabilities</b>	<b>2,081</b>	<b>2,129</b>	<b>-</b>	<b>-</b>
<b><u>Capital and reserves</u></b>				
Share capital	661,153	661,153	661,153	661,153
Accumulated losses	(121,334)	(110,505)	(112,093)	(113,138)
<b>Equity attributable to equity holders of the Company</b>	<b>539,819</b>	<b>550,648</b>	<b>549,060</b>	<b>548,015</b>
Non-controlling interests	28,842	29,189	-	-
<b>Total equity</b>	<b>568,661</b>	<b>579,837</b>	<b>549,060</b>	<b>548,015</b>
<b>Total liabilities and equity</b>	<b>1,383,022</b>	<b>1,457,066</b>	<b>557,959</b>	<b>559,674</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 30 September 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 30 September 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 30 September 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 30 September 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 was pledged to HNEC for the aforementioned corporate guarantee provided.

Bills payable to banks

As at 30 September 2019, there were RMB 230.95 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 which amounted to RMB 170.98 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 30-Sep-19 RMB'000	(Unaudited) Group Three months ended 30-Sep-18 RMB'000	(Unaudited) Group Nine months ended 30-Sep-19 RMB'000	(Unaudited) Group Nine months ended 30-Sep-18 RMB'000
<b>Cash flows from operating activities</b>				
Profit/ (loss) before tax	4,713	(29,364)	(4,457)	28,167
Adjustments for:				
Amortisation of deferred income	(16)	(16)	(48)	(49)
Amortisation of land use rights	161	161	483	560
Depreciation of property, plant and equipment	7,275	7,345	21,057	21,651
Interest expense	1,490	1,721	4,320	4,802
Interest income	(1,327)	(1,126)	(2,094)	(1,492)
Net gain on disposal of plant and equipment	-	-	(239)	(295)
Share of result of associated companies	1,602	10,873	28,169	32,814
Operating cash flows before movement in working capital	<b>13,898</b>	<b>(10,406)</b>	<b>47,191</b>	<b>86,158</b>
Inventories	17,161	5,756	22,116	2,698
Receivables	(114,484)	132,194	(1,535)	138,100
Payables	27,766	(151,768)	(97,389)	(150,980)
Cash generated from operations	<b>(55,659)</b>	<b>(24,224)</b>	<b>(29,617)</b>	<b>75,976</b>
Interest received	1,327	1,126	2,094	1,492
Income tax paid	(2,831)	(3,922)	(13,292)	(19,444)
Net cash (used in)/ generated from operating activities	<b>(57,163)</b>	<b>(27,020)</b>	<b>(40,815)</b>	<b>58,024</b>
<b>Cash flows from investing activities</b>				
Advances to associated company	(5,402)	57,796	(17,484)	(39,841)
Purchase of property, plant and equipment (Note 1)	(4,657)	(1,919)	(8,357)	(2,548)
Proceed from disposal of property, plant and equipment	(83)	-	938	367
Net cash (used in)/ generated from investing activities	<b>(10,142)</b>	<b>55,877</b>	<b>(24,903)</b>	<b>(42,022)</b>
<b>Cash flows from financing activities</b>				
Bank borrowings	-	(50,000)	10,000	(50,000)
Increase in pledged bank deposits	6,673	(106,500)	(3,827)	(108,000)
Increase in bill payables to bank	(6,698)	136,500	33,802	138,000
Interest paid	(1,545)	(1,721)	(4,320)	(4,802)
Proceeds from issuance of ordinary shares to non-controlling interests	-	2,500	-	3,500
Net cash generated from/ (used in) financing activities	<b>(1,570)</b>	<b>(19,221)</b>	<b>35,655</b>	<b>(21,302)</b>
Net increase/ (decrease) in cash and cash equivalents	<b>(68,875)</b>	<b>9,636</b>	<b>(30,063)</b>	<b>(5,300)</b>
Cash and cash equivalents at beginning of period	<b>102,099</b>	<b>48,777</b>	<b>63,287</b>	<b>63,713</b>
Cash and cash equivalents at end of period	<b>33,224</b>	<b>58,413</b>	<b>33,224</b>	<b>58,413</b>
Cash and bank balances at end of period	<b>204,201</b>	<b>251,413</b>	<b>204,201</b>	<b>251,413</b>
Less: Pledged bank deposit	<b>(170,977)</b>	<b>(193,000)</b>	<b>(170,977)</b>	<b>(193,000)</b>
	<b>33,224</b>	<b>58,413</b>	<b>33,224</b>	<b>58,413</b>
<b>Note 1: Purchase of property, plant and equipment</b>				
Aggregate cost of property, plant and equipment acquired	1,512	1,919	5,952	2,548
Add: outstanding payables at the beginning of the period	29,590	24,456	28,850	24,456
Less: outstanding payables at the end of the period	(26,445)	(24,456)	(26,445)	(24,456)
	<b>4,657</b>	<b>1,919</b>	<b>8,357</b>	<b>2,548</b>

**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 July 2019 (Unaudited)</b>	661,153	(123,763)	537,390	28,917	566,307
Loss and total comprehensive loss for the financial period	-	2,429	2,429	(75)	2,354
<b>Balance at 30 September 2019 (Unaudited)</b>	661,153	(121,334)	539,819	28,842	568,661
<b>Balance at 1 July 2018 (Unaudited)</b>	661,153	(93,139)	568,014	26,093	594,107
Capital injection by non-controlling interest	-	-	-	2,500	2,500
Profit/(loss) and total comprehensive income/(loss) for the financial period	-	(24,501)	(24,501)	(419)	(24,920)
<b>Balance at 30 September 2018 (Unaudited)</b>	661,153	(117,640)	543,513	28,174	571,687

	Share capital	Accumulated losses	Total equity
	RMB'000	RMB'000	RMB'000
<u>Company</u>			
<b>Balance at 1 July 2019 (Unaudited)</b>	661,153	(110,577)	550,576
Loss and total comprehensive loss for the financial period	-	(1,516)	(1,516)
<b>Balance at 30 September 2019 (Unaudited)</b>	661,153	(112,093)	549,060
<b>Balance at 1 July 2018 (Unaudited)</b>	661,153	(125,630)	535,523
Loss and total comprehensive loss for the financial period	-	(1,942)	(1,942)
<b>Balance at 30 September 2018 (Unaudited)</b>	661,153	(127,572)	533,581

**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 30 June 2019 and 30 September 2019	1,818,444,000	661,152,648

There were no outstanding options, convertibles, treasury shares and subsidiary holdings as at 30 September 2019 and 30 September 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 30 September 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 30 September 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 period ended 30 September 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 the 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 current financial reporting period.

**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 30 Sep 2019	(Unaudited) Group Three months ended 30 Sep 2018	(Unaudited) Group Nine months ended 30 Sep 2019	(Unaudited) Group Nine months ended 30 Sep 2018
Basic/ Diluted (loss)/ earnings per share (RMB fen)	0.13	(1.35)	(0.60)	0.82

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 30 Sep 2019	(Audited) Group 31 Dec 2018	(Unaudited) Company 30 Sep 2019	(Audited) Company 31 Dec 2018
Net asset value per ordinary share (RMB fen)	29.69	30.28	30.19	30.14

Net asset value per ordinary share as at 30 September 2019 and 31 December 2018 respectively have been computed based on total issued shares (excluding treasury 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**

#### **3Q2019**

Revenues decreased mainly due to decreases in selling price of Dimethylformamide ("**DMF**") and Methylamine. For 3Q2019, average selling prices of DMF and Methylamine were RMB 4,543 per tonne and RMB 7,288 per tonne respectively, which were 15% and 9% lower than that for 3Q2018. The decrease in average selling prices of the products were mainly due to challenging market condition. Sales volume of DMF and Methylamine in 3Q2019 were 8% and 5% lower than that of 3Q2018 respectively.

Quarter on quarter, capacity utilisation of the Anyang Jiutian DMF plant decreased from 58% to 49% whilst capacity utilisation of the Anyang Jiutian methylamine plant decreased from 97% to 88%. There was a scheduled major maintenance shutdown of approximately 20 days for both plants during the financial period.

Gross profit margin increased mainly due to the lower cost of raw materials during the financial period. Cost of raw materials in 3Q2018 was higher mainly due to a lack of supply in the market.

Other income increased mainly due to higher interest income mainly attributable to an increase in pledged bank deposits and management fees received during the financial period.

Distribution costs decreased mainly due to a decrease in transportation costs under Anyang Jiutian in line with lower sales volume of DMF during the financial period.

Administrative expenses decreased mainly due to lower staff related expenses as lesser performance bonus were given against the corresponding period.

Other expense mainly consists of foreign exchange loss arising from the revaluation of certain monetary assets and liabilities denominated in Singapore dollars.

The decrease in finance cost was mainly due to lower borrowings interest rate.

Share of results of associated companies in 3Q2019 mainly pertains to:

- (i) share of loss of RMB 8.07 million (3Q2018: share of profit RMB 0.2 million) from the Company's 49% associated company, Anyang Jiulong Chemical Co., Ltd ("**Anyang Jiulong**"). The losses were mainly due to an unexpected temporary shutdown of operation for one of the boiler for repair and maintenance during the financial period; and
- (ii) share of loss of RMB 3.27 million (3Q2018: share of loss of RMB 11.10 million) from Anyang Jiujiu Chemical Technology Co., Ltd ("**Anyang Jiujiu**"), an associated company in which the Group has an effective interest of 74%. Anyang Jiujiu suffered a financial loss in 3Q2019 due to low production level of its 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 tensions.
- (iii) Partially offset with the reversal of over recognised share of loss of RMB 9.74 million from Anyang Jiujiu in 1H2019.

## **Commentaries on balance sheet and cash flow**

### **Group's balance sheet:**

The Group's decrease in current assets was largely attributed to:

- a. a decrease in inventories due largely to lesser finished goods kept as at 30 September 2019 due to customers stocking up on more goods to operate over China's national day holiday on 1 October 2019;
- b. a decrease in cash and cash equivalents due largely to cash used in operating activities, investing activities and financing activities as presented in the cash flow statements; and
- c. Partially offset by an increase in other receivables arising from advances of RMB 17.48 million provided to Anyang Jiujiu for its working capital. The said advances were provided in proportion to the Group's effective interest in Anyang Jiujiu.

The Group's non-current assets decreased largely due to:

- a. The decrease in investment in associated companies arising from share of loss from associated companies as explained in the preceding paragraphs; and
- b. The decrease in property, plant and equipment comprising mainly of depreciation charges partially offset by purchase of property, plant and equipment.

The Group's decrease in current liabilities was largely attributed to:

- a. Decrease in gross trade and other payables due to higher repayment during the nine months' financial period ended 30 September 2019, partially offset with an increase in trade bills payables to banks as more suppliers opted for trade bills as a form of repayment;
- b. Decrease in contract liabilities due to lesser advance receipts from customers.
- c. Absence of income tax payable attributable to losses incurred for the nine months' financial period ended 30 September 2019; and
- d. Partially offset by a drawdown of bank borrowings during the nine months' financial period ended 30 September 2019.

### **Working Capital**

The Group is in a net current assets position as at 30 September 2019 of RMB 13.33 million.

### **Group's cash flow**

Net cash used in operating activities in 3Q2019 was mainly due to a decrease in trade payables and the outflow from working capital changes caused by increased trade receivables arising from the Group's receipt of more trade bills from customers as more customers opted for trade bill as a form of payment in favour of a longer payment maturity period.

Net cash used in investing activities in 3Q2019 was mainly due to advance provided to Anyang Jiujiu for working capital purposes and purchase of property, plant and machinery.

Net cash used in financing activities in 3Q2019 was mainly due to repayments of bill payables to banks partially offset by an increase in pledged bank and 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.**

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.**

The business environment will remain very challenging for the rest of the year. The Group performance will continue to be affected by general slowdown in China's economy and weaker demand for chemical products in China, including DMF, Methylamine and sodium hydrosulfite. Our main products of DMF and Methylamine will continue to face margin squeeze; while sodium hydrosulfite will continue to face low production level and poor product prices.

The Group will continue to monitor the market condition closely, adapting its business strategies as and when appropriate.

**11. Dividend**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**  
Nil

**(b)(i) Amount per share (cents)**  
Nil.

**(ii) Previous corresponding period (cents)**  
Nil.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**  
NA.

**(d) The date the dividend is payable.**  
NA.

**(e) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**  
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 its 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 9M2019.

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)
	9M2019	9M2019
Anyang Chemical Industry Group Co., Ltd	Sales of DMAC  RMB 2.79 million	Sales of Repair Material, industrial steams and electricity  RMB 41.63 million
		Purchase of Raw Materials I and II (as defined in shareholders' mandate)  RMB 165.09 million
		Purchase of Repair Materials  RMB 12.65million
		Rental of equipment  RMB 0.32 million
Anyang Jiujiu Chemical Technology Co., Ltd	Advances given for working capital purposes  RMB 17.48 million	Nil
Anyang Jiulong Chemical Co., Ltd	Nil	Sale of Dimethylamine  RMB 22.10 million
		Rental of equipment  RMB 0.52
		Purchase of electricity and industrial steam  RMB 84.91 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 third quarter ended 30 September 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: 7 November 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.*

*This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the 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).*