

**News release**

**Jiutian reported net profit of RMB21.0 million in FY2018**

Jiutian Chemical Group Limited (“Jiutian”) reported a net profit of RMB 21.0 million for the financial year ended 31 December 2018 (“FY2018”), a decline of 70% from RMB 70.1 million in the same period last year despite a 16% revenue growth. The decline in net profit was mainly due to its share of RMB49.25 million loss from the sodium hydrosulfite project.

The main challenge for the sodium hydrosulfite project in FY2018 was 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, and lower product prices as a result of decreased demand caused by ongoing global trade frictions.

Jiutian Chairman, Wang Yiming, said, “We were disappointed to report a lower than expected operating result, despite having a 16% revenue growth in FY2018. While our main products of DMF and methylamine held up well, the hydrosulfite project continued to register significant loss for reasons mentioned above. On a macro front, the escalating trade frictions between China and the United States have brought significant uncertainties to prospects for China's economy. Management will stay vigilant and monitor the market conditions closely, adapting its business strategies as and when appropriate.”

*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.*

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