

## **News release**

### **Jiutian clocked in record quarterly and yearly net profits for 4Q2017 and FY2017 since listing in 2006**

The Board of Directors of Jiutian Chemical Group Limited (“Jiutian”) is pleased to announce that the unaudited net profit for FY2017 increased by 195 times to RMB 70.1 million from RMB 0.36 million in FY2016, while the unaudited net profit for 4Q2017 improved to RMB 27.9 million from a loss of RMB 6.0 million in 4Q2017. Year on year revenue increased by 59%.

The significant improvement in the results was mainly attributed to increases in both sales volume and selling prices of our main products, DMF and Methylamine. The sales volume of DMF and Methylamine in FY2017 were 8% and 16% higher than that of FY2016 respectively. Average selling price of DMF in FY2017 at RMB 5,527 per tonne was 33% higher than FY2016. Average selling price of Methylamine in FY2017 at RMB 7,558 per tonne was 49% higher than FY2016.

Jiutian’s CEO, Zhou Hongxuan, said, “We are pleased to see the significant improvement of our operating results in FY2017 compared to corresponding prior year. The increase in average selling prices of the products was mainly due to a tighter industry supply arising from production stoppages and cuts by other producers for various environmental compliance reasons. Our emphasized investments in this area planned for the long term, has allowed us to continue to operate at a high utilization rate under the increasingly stringent environmental requirements of the authorities in China. Further, the scheduled major maintenance of DMF and Methylamine plants which took place in 3Q2017 will continue to allow our plants to operate at high efficiency in the current year. Finally, our sodium hydrosulfite project, which commenced commercial production on 31 December 2017, will be another important priority of management, to ensure a smooth ramping up of production throughout FY2018.”

*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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