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## ASSET AND DEBT RESTRUCTURING AT CONTROLLING SHAREHOLDER LEVEL

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The Board of Directors (the “Board”) of Jiutian Chemical Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wish to inform shareholders that the Company has been informed by its controlling shareholder, Anyang Chemical Industry Group Co., Ltd (“**Anhua**”) that Anhua is undergoing an asset and debt restructuring exercise (“**Anhua Exercise**”). Meanwhile, the Board wish to inform that the operation of the Group continues to run smoothly and is not affected by the Anhua Exercise.

Jiutian’s Chairman, Han Lianguo, who also helms Anhua as Chairman, says “Whilst it is a necessary step for Anhua to embark on the asset and debt restructuring exercise, after having to operate over a long period with its ageing and inefficient manufacturing assets, I wish to inform shareholders of Jiutian that the operation of Jiutian will continue to run smoothly and will be unaffected by the Anhua Exercise, and Jiutian will continue to benefit from strong demand and unprecedentedly firm prices of its products. Jiutian remains a key asset of Anhua, and it is the intention of Anhua to ensure that Jiutian continues to grow and maintain its leadership position in the DMF/ Methylamines industry in China.”

The board also wish to inform that the ongoing Anhua Exercise may result in a potential asset impairment for the Group. As reported in our annual financial statements of FY2020, the Group’s current assets included a non-trade amount due of RMB 145 million from our associated company, Anyang Jiujiu Chemical Technology Co., Ltd (“**Anyang Jiujiu**”), guaranteed by Anhua. The amount due from Anyang Jiujiu represents intercompany loan given by the Group for the construction of Anyang Jiujiu’s sodium hydrosulfite and related plants. The Board and management will be assessing the recoverability of the amount based on the situation of Anyang Jiujiu and the outcome of the Anhua Exercise, and will decide on the need and extent of impairment of this amount in due course.

The Board will make further announcements on any material developments, as and when required.

**BY ORDER OF THE BOARD,**

Han Lianguo

Non-executive and Non-independent Chairman

1 November 2021

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This announcement has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte.Ltd. (the “Sponsor”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “Exchange”) and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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