

ANNOUNCEMENT OF LITIGATION INVOLVING 45% OWNED SUBSIDIARY

The Board of Directors of Jiutian Chemical Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce we have been informed by our indirect 45% owned subsidiary, Henan Herunsheng Isotope Technology Co., Ltd. (“**Herunsheng**”), through a letter to all its shareholders on 3 August 2022, of the following matters:

(1) Legal case 1

Legal proceeding commenced by Hebi Heqi Power Generation Co.,Ltd. (“鹤壁鹤淇发电有限公司”) against Herunsheng to recover the outstanding balances of RMB9,338,387 related to the purchase of industrial steams by Herunsheng during its trail production period in FY2018 and FY2019.

On 17 February 2020, Qixian People's Court ruled that Herunsheng is to pay the above-mentioned outstanding balances which remain unpaid. On 1 August 2022, Herunsheng received a court order from Qixian People's Court on auction of Herunsheng's properties and land use right located at Miaokoucun, Qi County, Hebi, Henan, China (“河南省鹤壁市,淇县,庙口镇,原本庙村北”). In relation to the 1 August 2022 court order, Herunsheng had filed an application for objection on 2 August 2022.

Legal case 1 is currently under review at Qixian People's Court.

(2) Legal case 2

Legal proceeding commenced by China Chemical Engineering Second Construction Co. Ltd (“中化二建集团公司”) against Herunsheng to recover the outstanding balances of RMB16,553,988 related to the construction cost incurred for Herunsheng's plant.

On 16 April 2021, Qixian People's Court ruled that Herunsheng is to pay the above-mentioned outstanding balances which remain unpaid. Herunsheng had filed an application for objection on 25 May 2021.

Legal case 2 is currently under review at Zhengzhou Intermediate People's Court.

The Company wishes to inform that the above two amounts totalling RMB 25.89 million are not new potential liabilities and have been captured by Herunsheng as trade payables since FY2019.

In the letter to all shareholders of Herunsheng dated 3 August 2022, Herunsheng's management proposed to hold a shareholders meeting with regards to the above matters. The Company will keep the shareholders informed where there are material developments on the progress of the matters and will make further announcements, when appropriate.

Han Lianguo
Non-Executive and Non-Independent Chairman
4 August 2022

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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