

Announcement of Unaudited Condensed Interim Financial Statements for First Half Year Ended 30 June 2024

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A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

		Unaudited 6 months ended (1H2024)	Unaudited 6 months ended (1H2023)	
	Note	30 Jun 2024	30 Jun 2023	Changes
		RMB'000	RMB'000	%
Revenue	4	62,167	393,127	(84)
Cost of sales		(113,876)	(540,326)	(79)
Gross loss		(51,709)	(147,199)	(65)
Other income		6,056	14,591	(58)
Distribution costs		(1,656)	(7,423)	(78)
Administrative expenses		(14,922)	(18,015)	(17)
Other expenses		(854)	-	NM
Finance costs		(970)	(1,697)	(43)
Share of result of associated companies		(20,481)	5,982	NM
Loss before tax	6	(84,536)	(153,761)	(45)
Tax expense	7	-	(8,613)	NM
Loss and total comprehensive income for the period		(84,536)	(162,374)	(48)
Loss and total comprehensive income for the period attributable to:				
Equity holders of the Company		(84,536)	(162,310)	(48)
Non-controlling interest		-	(64)	NM
		(84,536)	(162,374)	(48)
Loss per share for loss for the financial period attributable to equity holders of the Company (in RMB cents per share)				
Basic and diluted	8	(4.25)	(8.16)	

NM: Not meaningful

B. Condensed Interim Statements of Financial Position

	Note	Group		Company	
		Unaudited	Audited	Unaudited	Audited
		30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
		RMB'000	RMB'000	RMB'000	RMB'000
ASSETS					
Current assets					
Cash and cash equivalents	11	522,203	684,026	66,061	70,495
Trade and other receivables		162,701	207,382	239	301
Inventories		21,513	31,775	-	-
Total current assets		706,417	923,183	66,300	70,796
Non-current assets					
Property, plant and equipment	12	384,527	315,576	-	-
Land use rights		1,083	1,405	-	-
Investment in subsidiary companies		-	-	257,570	257,736
Investment in associated companies		28,417	48,898	48,898	48,898
Total non-current assets		414,027	365,879	306,468	306,468
Total assets		1,120,444	1,289,062	372,768	377,264
LIABILITIES AND EQUITY					
Current liabilities					
Bank borrowings	13	161,573	199,874	-	-
Trade and other payables		143,670	245,242	1,581	1,481
Contract liabilities		5,790	12,099	-	-
Total current liabilities		311,033	457,215	1,581	1,481
Non-current liabilities					
Bank borrowings	13	128,110	66,010	-	-
Total non-current liabilities		128,110	66,010	-	-
Total liabilities		439,143	523,225	1,581	1,481
Capital and reserves					
Share capital	14	709,977	709,977	709,977	709,977
Accumulated losses		(139,382)	(54,846)	(338,790)	(334,194)
Statutory reserve fund		110,706	110,706	-	-
Equity attributable to equity holders of the Company		681,301	765,837	371,187	375,783
Total liabilities and equity		1,120,444	1,289,062	372,768	377,264

C. Condensed Interim Statements of Changes in Equity

	Note	Share capital	(Accumulated losses)/ retained earnings	Statutory reserve fund	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Group							
Balance at 1 January 2024 (audited)		709,977	(54,846)	110,706	765,837	-	765,837
Loss and total comprehensive income for the financial period		-	(84,536)	-	(84,536)	-	(84,536)
Balance at 30 June 2024 (unaudited)		709,977	(139,382)	110,706	681,301	-	681,301
Balance at 1 January 2023 (audited)		709,977	401,655	110,706	1,222,338	(1,389)	1,220,949
Loss and total comprehensive income for the financial period		-	(162,310)	-	(162,310)	(64)	(162,374)
Dividend paid	9	-	(111,857)	-	(111,857)	-	(111,857)
Balance at 30 June 2023 (unaudited)		709,977	127,488	110,706	948,171	(1,453)	946,718

C. Condensed Interim Statements of Changes in Equity

	Share capital	Accumulated profit/ (losses)	Total equity
Note	RMB'000	RMB'000	RMB'000
Company			
Balance at 1 January 2024 (audited)	709,977	(334,194)	375,783
Loss and total comprehensive income for the financial period	-	(4,596)	(4,596)
Balance at 30 June 2024 (unaudited)	709,977	(338,790)	371,187
Balance at 1 January 2023 (audited)	709,977	(322,812)	387,165
Profit and total comprehensive income for the financial period	-	130,113	130,114
Dividend	9	(111,857)	(111,858)
Balance at 30 June 2023 (unaudited)	709,977	(304,556)	405,421

D. Condensed Interim Consolidated Statement of Cash flows

	Group	
	Unaudited 6 months ended	Unaudited 6 months ended
	30 Jun 24	30 Jun 23
Note	RMB'000	RMB'000
Cash flows from operating activities		
Loss before tax	(84,536)	(153,761)
Adjustments for:		
Amortisation of land use rights	322	322
Bank charges	94	241
Depreciation of property, plant and equipment	8,338	9,765
Interest expense	876	1,455
Interest income	(3,701)	(8,743)
Loss on disposal of property, plant and equipment	650	-
Share of result of associated companies	20,481	(5,982)
Operating cash flows before movement in working capital	(57,476)	(156,703)
Inventories	10,262	(24,571)
Receivables	44,881	248,481
Payables and contract liabilities	(107,881)	(311,880)
Cash used in operations	(110,214)	(244,673)
Interest received	3,701	8,743
Income tax paid	-	(92,458)
Net cash used in operating activities	(106,513)	(328,388)
Cash flows from investing activities		
Advances to associated company, net	(200)	67
Proceed from disposal of property, plant and equipment	50	-
Purchase of property, plant and equipment	(77,989)	(27,787)
Net cash used in investing activities	(78,139)	(27,720)
Cash flows from financing activities		
Dividend paid	-	(111,857)
Drawdown of bank borrowings	133,390	32,000
Repayment of bank borrowings	(21,270)	(10,000)
Increase in pledged bank deposits	27,934	(39,727)
Increase in bill payables to bank	(88,321)	78,240
Interest paid	(876)	(1,455)
Bank charges paid	(94)	(241)
Net cash generated from/(used in) financing activities	50,763	(53,040)
Net decrease in cash and cash equivalents	(133,889)	(409,148)
Cash and cash equivalents at beginning of period	598,066	1,107,623
Cash and cash equivalents at end of period	464,177	698,475

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E. Notes to the Condensed Interim Consolidated Financial Statements

1 Corporate information

Jiutian Chemical Group Limited (the “**Company**”) is incorporated and domiciled in Singapore and is listed on the Catalist board of Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim consolidated financial statements as at and for the half-year ended 30 June 2024 comprise the Company and its subsidiaries (Collectively, the “**Group**”).

The principal activity of the Company is that of investment holding. The principal activities of the subsidiary company are production, sale and service of industrial methanol, methylamine, Dimethylformamide (“**DMF**”) and gas.

2. Basis of preparation

The condensed interim financial statements for the half-year ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The financial statements of the Group and the Company are presented in Renminbi (RMB), which is the functional currency of the Company, its subsidiary company and associated companies.

2.1. New and amended standards adopted by the Group

There has been no change in the accounting policies and methods of computation adopted by the Group for the current reporting period compared with the audited financial statements for the year ended 31 December 2023, except for the adoption of new or revised SFRS(I) and Interpretations of SFRS(I) (“**INT SFRS(I)**”) that are mandatory for the financial year beginning on or after 1 January 2024. The adoption of these SFRS(I) and INT SFRS(I) has no significant impact on the Group.

E. Notes to the Condensed Interim Consolidated Financial Statements

2. Basis of preparation (cont'd)

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group is principally engaged in manufacturing and selling of chemical-based products, i.e., methylamine and DMF. All provisions are of a similar nature and subject to similar risks and returns. Accordingly, the Group's operating activities are mainly attributable to a single reportable operating segment.

Geographical information

The Group's revenue, expenses, results, assets and liabilities and capital expenditures are predominantly attributable to a single geographical region, the People's Republic of China (PRC), which is the Group's principal place of business and operations. Therefore, no analysis by geographical region is presented.

Revenue information

Revenue represents the amount received or receivable from sales of goods, net of sales related taxes.

Disaggregation of Revenue

The following table provides a disaggregation disclosure of the Group's revenue by major products of the Group.

	Group	
	(Unaudited)	(Unaudited)
	1H2024	1H2023
	RMB'000	RMB'000
Methylamine	43,241	251,556
DMF	18,537	136,983
Others	389	4,588
	62,167	393,127

E. Notes to the Condensed Interim Consolidated Financial Statements

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2024 and 31 December 2023:

	Group		Company	
	(Unaudited) 30 Jun 2024 RMB'000	(Audited) 31 Dec 2023 RMB'000	(Unaudited) 30 Jun 2024 RMB'000	(Audited) 31 Dec 2023 RMB'000
<i>Financial Assets</i>				
At amortised cost	620,044	819,979	66,300	70,735
<i>Financial liabilities</i>				
At amortised cost	433,353	509,740	1,581	1,481

6. Loss before taxation

6.1 Significant items

	Group	
	(Unaudited) 1H2024 RMB'000	(Unaudited) 1H2023 RMB'000
Loss before tax is arrived at after charging/(crediting):		
Amortisation of land use rights	322	322
Depreciation of property, plant and equipment	8,338	9,765
Interest expenses	876	1,455
Interest income	(3,701)	(8,743)
Loss on disposal of property, plant and equipment	650	-
Net loss/(gain) on foreign exchange	204	(5,041)

6.2 Related party transactions

	Group	
	(Unaudited) 1H2024 RMB'000	(Unaudited) 1H2023 RMB'000
<i>With associated companies (subsidiary companies of HNEC)</i>		
Sales of goods	8,605	45,550
Purchases of goods and industrial steam	18,616	190,396
Rental expense	479	609
Advances given to	244	166
<i>With other subsidiary companies of HNEC</i>		
Sales of goods	1,944	5,008
Purchases of goods and industrial steam	11,499	19,371
Purchase of plant and equipment	-	1,774
Rental income	269	365
Rental expense	2,847	2,646

E. Notes to the Condensed Interim Consolidated Financial Statements

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	(Unaudited)	(Unaudited)
	1H2024	1H2023
	RMB'000	RMB'000
Current income tax expense	-	1,863
Withholding tax expense	-	6,750
	<u>-</u>	<u>8,613</u>

8. Loss per share (“LPS”)

The calculation of the basic and diluted loss per share attributable to the ordinary equity holders of the Company is based on the following:

	Group	
	(Unaudited)	(Unaudited)
	1H2024	1H2023
Loss for the financial period attributable to equity holders of the Company (RMB'000)	<u>(84,536)</u>	<u>(162,310)</u>
Weighted average number of ordinary shares ('000)	<u>1,988,444</u>	<u>1,988,444</u>
Loss per share (RMB cents)	<u>(4.25)</u>	<u>(8.16)</u>

The basic and diluted LPS are the same as there were no potentially dilutive ordinary shares outstanding during the respective financial period.

9. Dividend

	Group	
	(Unaudited)	(Unaudited)
	1H2024	1H2023
	RMB'000	RMB'000
<u>Ordinary dividends paid:</u>		
Final tax-exempt dividends paid in respect of the previous financial year of Nil (2023: SGD 0.0015) per share	-	15,980
Interim tax-exempt dividends paid in respect of the current financial year of Nil (2023: SGD 0.0090) per share	-	95,877
	<u>-</u>	<u>111,857</u>

E. Notes to the Condensed Interim Consolidated Financial Statements

10. Net Asset Value

	Group		Company	
	(Unaudited) 30 Jun 2024	(Audited) 31 Dec 2023	(Unaudited) 30 Jun 2024	(Audited) 31 Dec 2023
Net asset value per ordinary share (RMB cents)	34.26	38.51	18.67	18.90

Net asset value per ordinary share as at 30 June 2024 and 31 December 2023 have been computed based on total issued shares of 1,988,444,000.

11. Cash and cash equivalents

	Group		Company	
	(Unaudited) 30 Jun 2024	(Audited) 31 Dec 2023	(Unaudited) 30 Jun 2024	(Audited) 31 Dec 2023
	RMB'000	RMB'000	RMB'000	RMB'000
Cash on hand and at bank	399,399	529,620	1,483	2,049
Fixed deposits	122,604	154,406	64,578	68,446
	522,203	684,026	66,061	70,495
Pledged fixed deposits	(58,026)	(85,960)	-	-
Cash and cash equivalents in the consolidated statement of cash flows	464,177	598,066	66,061	70,495

12. Property plant and equipment

During the half-year ended 30 June 2023, the Group acquired property, plant and equipment amounting to RMB 77,989,000 (30 June 2023: RMB 27,767,000) and depreciation charges RMB 8,338,000 (30 June 2023: RMB 9,765,000).

13. Bank borrowings

	Group	
	(Unaudited) 30 Jun 2024 RMB'000	(Audited) 31 Dec 2023 RMB'000
<u>Amount repayable within one year or on demand</u>		
Bank borrowings	99,960	49,940
Bills payable to banks	61,613	149,934
	161,573	199,874
<u>Amount repayable after one year</u>		
Bank borrowings	128,110	66,010

Security for bank borrowings

As at 30 June 2024, there were RMB 49.94 million (31 December 2023: RMB 49.94 million) bank borrowings guaranteed by the Group's related parties, Anyang Chemical Industry Group Co., Ltd. ("**Anhua**") and Anyang Jiulong Chemical Co., Ltd., bear interest rate 3.45% per annum and payable in FY2024.

As at 30 June 2024, there were RMB 178.13 million (31 December 2023: RMB 66.01 million) bank borrowings were unsecured, bear interest rate of 4.30% per annum and scheduled to be repaid from FY2024 to FY2028.

E. Notes to the Condensed Interim Consolidated Financial Statements

13. Bank borrowings (cont'd)

Security for bills payable to banks

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 amounting of RMB 58.03 million (31 December 2023: RMB 85.96 million).

14. Share capital

	Group and Company	
	30 Jun 2024 and 31 Dec 2023	
	Number of	RMB'000
	shares'000	
Issued and paid-up capital:		
At beginning and end of the financial period	1,988,444	709,977

All issued shares are fully paid ordinary shares with no par value.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

15. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

F. Other Information Required by Listing Rule Appendix 7C

1(a)(i) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 31 December 2023 and 30 June 2024	1,988,444,000	709,976,678

There were no outstanding options, convertibles, treasury shares and subsidiary holdings as at 30 June 2023 and 30 June 2024.

1(a)(ii) 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 June 2024 and 31 December 2023. The total number of issued shares of the Company are:

	Number of shares	Issued and paid-up share capital
		RMB
As at 31 December 2023 and 30 June 2024	1,988,444,000	709,976,678

1(a)(iii) 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(a)(iv) 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 period reported on.

F. Other Information Required by Listing Rule Appendix 7C

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or 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 as the 1H2024 figures have not been audited or reviewed.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The Independent Auditor provided an unmodified audit opinion for the latest audited financial statements as at 31 December 2023.

4.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.

Review of performance of the Group

Commentaries on performance

1H2024

Compared to 1H2023, revenue decreased mainly due to decrease in both sales volume and average selling prices of our main products, Dimethylformamide ("DMF") and Methylamine. For 1H2024, average selling prices of DMF and Methylamine were RMB 4,600 per tonne and RMB 5,612 per tonne respectively, which were 14% and 16% lower than that for 1H2023. The sales volume of DMF and Methylamine in 1H2024 were 84% and 80% lower than that for 1H2023 respectively. The decrease in average selling prices of our products was mainly due to industry wide softening of demand resulted from China's weak economy in general, compounded by the increase in supply by new competitors.

Year on year, the capacity utilisation of our DMF plant decreased from 45% to 0% whilst capacity utilisation rate of our Methylamine plant decreased from 85% to 10%. The lower utilisation rate was primarily due to management's adjust production volume to minimize the losses from low selling prices of the products.

Cost of sales decrease was mainly due to lower sales volume.

Resulting from a combination of the above factors, the Group's suffered a gross loss.

F. Other Information Required by Listing Rule Appendix 7C

Commentaries on performance (cont'd)

Other income decrease was mainly due to lesser interest income during the financial period arising from lower average bank balances during the financial period. Additionally, in contrast to the net gain in foreign exchange from the revaluation of certain monetary assets and liabilities denominated in Singapore dollars in the holding company during the first half of 2023, the first half of 2024 has resulted in a net foreign exchange loss.

Distribution cost decrease was mainly due to lower transportation cost incurred arose from lower sales volume during the financial period.

Administrative expenses decrease was mainly due to the effect of management's reduction in operating costs during the financial period.

Other expenses consist of loss on disposal of property, plant and equipment and net loss in foreign exchange as explained in preceding paragraphs.

The lower finance costs incurred was due to reduced working capital-related bank borrowings, decreased in bill payable to banks and a lower interest rate during the financial period.

Share of result of associated companies was arising from the Company's 49% associated company, Anyang Jiulong Chemical Co., Ltd. and its subsidiary, Anyang Jiujiu Chemical Technology Co., Ltd.. Share of losses in 1H2024 mainly due to low revenue and capacity utilisation arising from challenging business environment.

As a result of the above, the Group recorded a net loss of RMB84.54million attributable to the Shareholders for 1H2024.

Commentaries on balance sheet

The Group's increase in non-current assets was mainly due to acquisition of property, plant and equipment related to the construction of the new 100,000 tons Methylamine plant.

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

- a) a decrease in trade and other receivables, as lower revenue has generated during the financial period;
- b) a decrease in cash and cash equivalents was due to cash used in operating activities and investing activities as presented in the cash flow statements; and
- c) a decrease in inventories largely due to the Group maintaining lower inventory levels because of low product prices.

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

- a) a decrease in gross trade and other payables due to lesser repayment to suppliers using trade bills received from customers with longer credit repayment period
- b) a decrease in contract liabilities due to lower average selling prices for our products; and
- c) a decrease in bill payables to banks as lesser bill payables issued during the financial period.

The Group's increase in non-current liabilities was largely attributed to a drawdown long-term bank borrowings to finance the new 100,000 tons Methylamine plant.

The Group is in a net current assets position of RMB 445.40 million as at 30 June 2024.

F. Other Information Required by Listing Rule Appendix 7C

Commentaries on cash flow

Net cash used in operating activities in 1H2024 was mainly due to net losses generated in the financial period and net cash outflows arising from net working capital changes.

Net cash used in investing activities in 1H2024 was mainly due to purchase of property, plant and equipment related to the construction of the new 100,000 tons Methylamine plant.

Net cash generated from financing activities in 1H2024 was mainly due drawdown of bank loan to finance the new 100,000 tons Methylamine plant.

5. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

There was no forecast or prospect statement previously disclosed to shareholders.

6.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 operating period and the next 12 months

The Group's financial performance continues to be affected by low product prices across all main product lines, arising from the industry-wide softening of demand due to the general slowdown in China's economy, compounded by the increase in supply by new competitors. To mitigate losses, the Group has proactively implemented a series of measures. These include reducing production output and cutting operational costs. Such actions are essential to align production with current market realities and maintain financial stability in a challenging environment.

On a macroeconomic front, challenges such as trade tensions, geopolitical conflict, and other uncertainties remain as peripheral concerns. In view of the above, the business environment will remain challenging for the financial year. Going forward, the Group will continue to monitor market conditions closely and adapt its business strategies as and when appropriate.

Updates of the construction of the new 100,000-ton Methylamine plant

The Board is pleased to update shareholders on the progress of our new 100,000-ton methylamine plant (the "**New Plant**"). The construction of the New Plant is substantially completed and it is now ready for testing and commissioning. The Company will begin the testing phase when appropriate and taking market conditions into consideration.

Updates of the Proposed Investment into the Synthetic Ammonia Project and Lease of Urea Production Facility

(Please refer to the Circular to Shareholders dated 5 March 2024 for all defined terms.)

Our wholly owned subsidiary, Anyang Jiutian Fine Chemical Co., Ltd. ("**Anyang Jiutian**") had reached out to certain banks to enquire and follow up on their interest in extending the loan financing required for the Synthetic Ammonia Project. The process is ongoing.

In addition, Anyang Jiutian is also in the process of completing the preliminary work required for undertaking the construction of the Synthetic Ammonia Project, including applying for the requisite approvals, registrations, filings, permits and other necessary documentation from relevant authorities as well as all other work and or conditions precedent required for the construction of the Synthetic Ammonia Production Facility and the lease of the Urea Production Facility in accordance with applicable laws and regulations.

F. Other Information Required by Listing Rule Appendix 7C

The Company will make relevant announcements in compliance with the Catalyst Rules to inform Shareholders of material updates or developments in relation to the Proposed Investment, if any.

7.Dividend information

- a. Whether an interim (final) ordinary dividend has been declared (recommended; and**
Not applicable
- b. (i) Amount per share (cents)**
Not applicable
(ii) previous corresponding period (cents)
Yes, an interim tax-exempt dividend of SGD 0.009 per share had been declared in the first half of 2023 and had been paid on 16 June 2023
- 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).**
Not applicable
- d. The date the dividend is payable.**
Not applicable
- 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.**
Not applicable

8.If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for the interim results ended 30 June 2024 as the Group is currently loss making, and wishes to conserve its cash for operational needs and investments in the Synthetic Ammonia Project.

F. Other Information Required by Listing Rule Appendix 7C
9. Interested person transactions (“IPT”)

The Company had at its annual general meeting held on 25 April 2024 obtained 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 1H2024.

Name of interested person / Nature of relationship	Aggregate value of all interested person transactions during the financial period 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)
	1H2024	1H2024
Anhua ⁽¹⁾	Security and fire protection service fees RMB 2.46 million	Sales of Repair Material, industrial steams and electricity RMB 3.58 million
	Project consultation fees RMB 1.91 million	Purchase of Raw Materials I and II RMB 3.44 million
		Purchase of Repair Materials RMB 5.39 million
		Rental income of equipment RMB 0.43 million
		Rental expense of equipment RMB 9.51 million
Anyang Jiulong Chemical Co., Ltd ⁽²⁾	Nil	Sale of Dimethylamine, Repair materials and electricity RMB 8.61 million
		Purchase of Raw Materials I and II RMB 18.62 million
		Rental of equipment RMB 0.48 million
Total	RMB 4.37 million	

Notes:

- (1) Anhua is the holding company of Anyang Longyu (HK) Development Co., Ltd. (“**Anyang Longyu**”), a controlling shareholder of the Company. Anyang Longyu holds approximately 25.27% of the issued share capital of the Company.
- (2) Anyang Jiulong is a joint venture between Jiutian Chemical Group Limited and Anhua and Henan Energy and Chemical Industry Group Co., Ltd. (“**HNEC**”) pursuant to which Anhua holds 15.9% and HNEC holds 35.1% and Jiutian Chemical Group Limited holds 49% of the registered capital of Anyang Jiulong. HNEC is the parent of Anhua.

F. Other Information Required by Listing Rule Appendix 7C

10. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the required format.

11. Disclosures on Acquisition and Realisation of Shares pursuant to Catalyst Rule 706A

Not applicable.

12. Use of Net Proceeds

The following relates to the net proceeds of S\$9.97 million raised from the Placement that was completed on 27 October 2020:

<u>Purpose</u>	<u>Amount allocated (S\$'000)</u>	<u>Net proceeds utilised as at the date of announcement (S\$'000)</u>	<u>Balance unutilised (S\$'000)</u>
<u>Working Capital</u>			
- Wages and staff related cost		2,902	
- Directors' fee		828	
- Office rental		318	
- Professional fees		1,000	
- Other office expenses		604	
Total	9,967	5,652	4,315

The use of proceeds is consistent with the Company's proposed use of funds as set out in the announcement dated 27 October 2020.

BY ORDER OF THE BOARD

Xu Aijun
Non-Executive and
Non-Independent Chairman
7 August 2024

Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

The directors of the Company do hereby confirm, 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 condensed interim financial statements of the Company and the Group for the first half ended 30 June 2024 to be false or misleading in any material respect.

On behalf of the Board of Directors

Xu Aijun
Non-Executive and
Non-Independent Chairman
7 August 2024

Song Fudong
Non-Executive and
Non-Independent Director

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.

The contact person for the Sponsor is Ms Lim Hui Ling, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.