



News release

Jiutian net profit increased by over 400% in 2Q2017

The Board of Directors of Jiutian Chemical Group Limited ("Jiutian") is pleased to announce that the unaudited net profit for the quarter ended 30 June 2017 increased by 430% to RMB24.3 million from RMB4.6 million in the same period in 2016. Revenue was up by 52% from corresponding prior period.

The significant improvement in the results was mainly attributed to increase in both sales volume and selling prices of its main products, DMF and methylamine. The sales volume of DMF and Methylamine in 2Q2017 were 3% and 7% higher than that of 2Q2016 respectively. Average selling price of DMF in 2Q2017 at RMB5,589 per tonne was 40% higher than 2Q2016. Average selling price of methylamine in 2Q2017 at RMB7,210 per tonne was 45% higher than 2Q2016.

Jiutian's CEO, Zhou Hong Xuan, said, "We are pleased to see a more significant improvement of our operating results in 2Q2017 compared to corresponding prior period. The increase in average selling prices of the products were mainly due to a tighter industry supply arising from production stoppages and cuts by other producers for environmental reasons. Our emphasized investments in this area planned for the long term has allowed us to continue to operate at high utilization rates under the increasingly stringent environmental requirements by the authorities in China. We are hopeful that this will lead to a more sustainable improvement in our performance going forward."

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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