
RESPONSE TO SGX QUERY IN RESPECT OF THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

The Board of Directors (the “Board”) of Jiutian Chemical Group Limited (the “Company”) would like to respond to the following query raised by SGX on 16 April 2014 (“SGX Query”) in respect of the Company’s Annual Report for the financial year ended 31 December 2013 (“AR2013”) as follows:-

SGX Query:

As required by Rule 710 of the Listing Manual, please make disclosure as recommended in the Code of Corporate Governance 2012 (the “Code”) or explain the reason(s) for the deviation from Guideline 11.3 of the Code relating to the Board’s comment on the adequacy and effectiveness of the risk management systems.

In this regard, the Company is required to issue a clarification announcement as soon as practicable but not later than 22 April 2014 to (i) disclose the information recommended under Guideline 11.3; or (ii) disclose and explain the deviation from Guideline 11.3.

Company’s response:

The Audit Committee (“AC”) assisted the Board to review the effectiveness of the internal audit function annually based on the report of the internal and independent auditors. During the financial year, the AC had reviewed and the Board with the concurrence of the AC is of the opinion that there are adequate internal controls addressing financial, operational, compliance, information technology controls, and risk management systems.

By Order of the Board,

Sun Zhiqiang
Acting Chief Executive Officer
17 April 2014