

JIUTIAN CHEMICAL GROUP LIMITED

(Company Registration Number: 200415416H)

Quarterly Financial Statement Announcement for the Quarter Ended 30 September 2015.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Unaudited Group Three months ended 30-Sep-15 RMB'000	Unaudited Group Three months ended 30-Sep-14 RMB'000	Increase/ (Decrease) %	Unaudited Group Nine months ended 30-Sep-15 RMB'000	Unaudited Group Nine months ended 30-Sep-14 RMB'000	Increase/ (Decrease) %
Revenue	132,236	221,330	-40	522,786	681,114	-23
Cost of sales	(138,747)	(211,806)	-34	(504,312)	(635,015)	-21
Gross (loss) / profit	(6,511)	9,524	n/m	18,474	46,099	-60
Other income	2,055	1,291	59	6,703	4,917	36
Distribution costs	(2,924)	(3,306)	-12	(9,073)	(11,468)	-21
Administrative expenses	(6,434)	(5,451)	18	(19,003)	(16,399)	16
Other expenses	103	(94)	n/m	(39)	(94)	-59
Finance costs	(268)	-	n/m	(329)	-	n/m
Share of results of associated companies	6,964	(448)	n/m	12,110	3,695	>100
(Loss) / profit before tax	(7,015)	1,516	n/m	8,843	26,750	-67
Tax credit	4,272	4,135	3	838	4,135	-80
(Loss) / profit and total comprehensive (loss) / income for the period	(2,743)	5,651	n/m	9,681	30,885	-69
(Loss) / profit and total comprehensive (loss) / income for the period attributable to:						
Equity holders of the Company	(2,778)	5,651		9,406	30,885	
Non-controlling interests	35	-		275	-	
	(2,743)	5,651		9,681	30,885	

n/m – not meaningful

(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:-

	Unaudited Group Three months ended 30-Sep-15 RMB'000	Unaudited Group Three months ended 30-Sep-14 RMB'000	Increase/ (Decrease) %	Unaudited Group Nine months ended 30-Sep-15 RMB'000	Unaudited Group Nine months ended 30-Sep-14 RMB'000	Increase/ (Decrease) %
(Loss) / profit before tax is arrived at after charging/(crediting):						
- Allowances for doubtful receivables	-	100	n/m	-	100	n/m
- Amortisation of deferred income	(16)	(16)	0%	(48)	(49)	-2%
- Amortisation of land use rights	233	234	0%	700	701	0%
- Depreciation of property, plant and equipment	6,829	7,637	-11%	20,288	22,772	-11%
- Gain on disposal of property, plant and equipment	-	-	-	-	(281)	n/m
- Interest expenses	268	-	n/m	329	-	n/m
- Interest income	(781)	(268)	>100%	(1,497)	(960)	56%
- Net loss/ (gain) on foreign exchange	(105)	91	n/m	39	28	39%
- Overprovision of tax for prior year	(1,047)	-	n/m	(1,047)	-	n/m

n/m – not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Unaudited Group 30-Sep-15 RMB'000	Group 31-Dec-14 RMB'000	Unaudited Company 30-Sep-15 RMB'000	Company 31-Dec-14 RMB'000
ASSETS				
<u>Current assets</u>				
Cash and cash equivalents	115,163	40,484	3,830	3,575
Trade and other receivables	390,862	525,892	61	63
Inventories	32,351	29,054	-	-
Total current assets	538,376	595,430	3,891	3,638
<u>Non-current assets</u>				
Land use rights	7,445	8,145	-	-
Property, plant and equipment	279,378	280,699	-	-
Investment in subsidiary companies	-	-	87,027	87,027
Investment in associated companies	354,321	342,211	339,709	339,709
Deferred tax assets	13,498	13,498	-	-
Total non-current assets	654,642	644,553	426,736	426,736
Total assets	1,193,018	1,239,983	430,627	430,374
LIABILITIES AND EQUITY				
<u>Current liabilities</u>				
Bank borrowings	15,000	-	-	-
Trade and other payables	624,405	746,069	5,887	1,212
Income tax payables	209	143	-	-
Total current liabilities	639,614	746,212	5,887	1,212
<u>Non-current liabilities</u>				
Bank borrowings	50,000	-	-	-
Deferred income	340	388	-	-
Total non-current liabilities	50,340	388	-	-
<u>Capital and reserves</u>				
Share capital	661,153	661,153	661,153	661,153
Accumulated losses	(185,864)	(195,270)	(236,413)	(231,991)
Equity attributable to equity holders of the Company	475,289	465,883	424,740	429,162
Non-controlling interests	27,775	27,500	-	-
Total equity	503,064	493,383	424,740	429,162
Total liabilities and equity	1,193,018	1,239,983	430,627	430,374

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

	As at 30 September 2015		As at 31 December 2014	
	<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
	RMB'000	RMB'000	RMB'000	RMB'000
Bank borrowings	15,000	-	-	-

Amount repayable after one year

	As at 30 September 2015		As at 31 December 2014	
	<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
	RMB'000	RMB'000	RMB'000	RMB'000
Bank borrowings	50,000	-	-	-

Details of any Collateral

As at 30 September 2015, RMB 15.00 million of the short-term borrowings was guaranteed by one of the Group's related party, Henan Energy and Chemical Co., Ltd ("HNEC").

As at 30 September 2015, non-current borrowings amounted to RMB 50.00 million was guaranteed by one of the Group's related party, Anyang Chemical Industry Group Co., Ltd. ("Anhua").

Bills payable to banks

As at 30 September 2015, there are RMB 60.90 million in bills payable to banks. Bills payable to banks have an average 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 of bank deposits amounting of RMB 49.51 million.

As at 31 December 2014, there are RMB 8.40 million in bills payable to banks. Bills payable to banks have an average period of 60 to 120 days and are interest-free as repayments will be made within the credit period. The bills payables to banks are secured by pledged of bank deposits amounting of RMB 8.81 million.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Unaudited Group Three months ended 30-Sep-15 RMB'000	Unaudited Group Three months ended 30-Sep-14 RMB'000	Unaudited Group Nine months ended 30-Sep-15 RMB'000	Unaudited Group Nine months ended 30-Sep-14 RMB'000
Cash flows from operating activities				
(Loss) / profit before tax	(7,015)	1,516	8,843	26,750
Adjustments for:				
Amortisation of deferred income	(16)	(16)	(48)	(49)
Amortisation of land use rights	233	234	700	701
Depreciation of property, plant and equipment	6,829	7,637	20,288	22,772
Gain on disposal of plant and equipment	-	-	-	(281)
Interest expense	268	-	329	-
Interest income	(781)	(268)	(1,497)	(960)
Share of results of associated companies	(6,964)	448	(12,110)	(3,695)
Operating cash flows before movement in working capital	<u>(7,446)</u>	9,551	<u>16,505</u>	45,238
Inventories	(11,942)	19,668	(3,297)	243
Receivables	18,327	(43,808)	77,552	(38,059)
Payables	<u>(17,600)</u>	<u>(10,291)</u>	<u>(122,504)</u>	<u>(221)</u>
Cash (used in)/ generated from operations	(18,661)	(24,880)	(31,744)	7,201
Interest received	542	268	660	960
Interest paid	(268)	-	(329)	-
Income tax paid	(2)	(2,065)	(3,606)	(2,065)
Net cash (used in)/ generated from operating activities	<u>(18,389)</u>	<u>(26,677)</u>	<u>(35,019)</u>	6,096
Cash flows from investing activities				
Purchase of property, plant and equipment (Note 1)	(1,047)	(8,838)	(10,311)	(21,691)
Proceed from disposal of property, plant and equipment	-	-	-	704
Repayment of loan and advances from related party	-	-	2,500	-
Net cash used in investing activities	<u>(1,047)</u>	<u>(8,838)</u>	<u>(7,811)</u>	<u>(20,987)</u>
Cash flows from financing activities				
Bank borrowings	50,000	-	65,000	-
Decrease/(increase) in pledged fixed deposits	50,525	23,027	(40,703)	29,190
(Decrease)/ increase in bill payables to bank	(45,182)	(23,447)	52,509	(29,610)
Net cash generated from/ (used in) financing activities	<u>55,343</u>	<u>(420)</u>	<u>76,806</u>	<u>(420)</u>
Net increase/(decrease) in cash and cash equivalents	35,907	(35,935)	33,976	(15,311)
Cash and cash equivalents at beginning of period	29,743	48,512	31,674	27,888
Cash and cash equivalents at end of period	<u>65,650</u>	<u>12,577</u>	<u>65,650</u>	<u>12,577</u>
Cash and bank balances at end of period	115,163	26,387	115,163	26,387
Less: Pledged bank deposit	<u>(49,513)</u>	<u>(13,810)</u>	<u>(49,513)</u>	<u>(13,810)</u>
	<u>65,650</u>	<u>12,577</u>	<u>65,650</u>	<u>12,577</u>
Note 1 - Purchase of property, plant and equipment				
Aggregate cost of property, plant and equipment acquired	9,717	7,311	18,967	8,691
Add: outstanding payables at the beginning of the period	-	-	5,552	18,080
Less: outstanding payables at the end of the period	-	1,527	(5,538)	(5,080)
Add: advance payments at the end of the period	(8,670)	-	5,670	-
Less: advance payments at the beginning of the period	-	-	(14,340)	-
	<u>1,047</u>	<u>8,838</u>	<u>10,311</u>	<u>21,691</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Accumulated losses	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<u>Group</u>					
Balance at 1 January 2015	661,153	(195,270)	465,883	27,500	493,383
Profit and total comprehensive income for the period	-	9,406	9,406	275	9,681
Balance at 30 September 2015	<u>661,153</u>	<u>(185,864)</u>	<u>475,289</u>	<u>27,775</u>	<u>503,064</u>
Balance at 1 January 2014	661,153	(222,282)	438,871	-	438,871
Profit and total comprehensive income for the year	-	30,885	30,885	-	30,885
Balance at 30 September 2014	<u>661,153</u>	<u>(191,397)</u>	<u>469,756</u>	<u>-</u>	<u>469,756</u>

	Share capital	Accumulated losses	Total equity
	RMB'000	RMB'000	RMB'000
<u>Company</u>			
Balance at 1 January 2015	661,153	(231,991)	429,162
Loss and total comprehensive loss for the period	-	(4,422)	(4,422)
Balance at 30 September 2015	<u>661,153</u>	<u>(236,413)</u>	<u>424,740</u>
Balance at 1 January 2014	661,153	(224,446)	436,707
Loss and total comprehensive loss for the year	-	(5,780)	(5,780)
Balance at 30 September 2014	<u>661,153</u>	<u>(230,226)</u>	<u>430,927</u>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

	Number of shares	Resultant issued and paid-up share capital	Resultant issued and paid-up share capital
		S\$	RMB
As at 31 September 2014	1,818,444,000	133,854,092	661,152,648
As at 30 September 2015	1,818,444,000	133,854,092	661,152,648

1(d)(iii) 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 are no treasury shares as at 30 September 2015 and 31 December 2014. The total number of issued shares of the Company are:

	Number of shares	Resultant issued and paid-up share capital	Resultant issued and paid-up share capital
		S\$	RMB
As at 31 December 2014	1,818,444,000	133,854,092	661,152,648
As at 30 September 2015	1,818,444,000	133,854,092	661,152,648

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

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

The figures have not been audited nor 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.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in Note 5 below, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period compared to the most recently audited financial statements for the financial year ended 31 December 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted all the new and revised Singapore Financial Reporting Standards (“FRSs”) and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2015, where applicable. The adoption of these standards has no material impact on the Group’s financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

- (a) Based on the weighted average number of ordinary shares on issue; and
 (b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Unaudited Group Three months ended 30-Sep-15	Unaudited Group Three months ended 30-Sep-14	Unaudited Group Nine months ended 30-Sep-15	Unaudited Group Nine months ended 30-Sep-14
(Loss) / profit per ordinary share for the financial period based on consolidated (loss) / profit attributable to equity holders of the Company :				
(a) Basic / Diluted (Rmb fen)	(0.15)	0.31	0.52	1.70
(a) Based on the weighted average number of shares - Basic / Diluted	1,818,444,000	1,818,444,000	1,818,444,000	1,818,444,000

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
 (b) immediately preceding financial year.

	Unaudited Group 30-Sep-15 RMB fen	Unaudited Group 31-Dec-14 RMB fen	Unaudited Company 30-Sep-15 RMB fen	Unaudited Company 31-Dec-14 RMB fen
Net assets per share	26.14	25.62	23.36	23.60

Net asset value per share for 30 September 2015 and 31 December 2014 have been computed based on shareholder’s equity as at this date and total issued ordinary share capital of 1,818,444,000 shares.

8. 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.

Commentaries on performance

9M2015

Revenue in 9M2015 decreased 23% from RMB 681.11 million in 9M2014 to RMB 522.79 million. The decrease mainly due the challenging market condition which has impacted sales volume and average selling price. Capacity utilisation at the Anyang Jiutian DMF plant with an annual capacity of 150,000 tons decreased from 73% in 9M2014 to 69% in 9M2015.

The average selling price of DMF and methylamine for the period under review were RMB 4,266 and RMB 5,393 per tonne respectively (9M2014: RMB 4,881 and RMB 6,343 per tonne).

At the gross profit level, the Group reduce its profit from RMB 46.10 million in 9M2014 to RMB 18.47 million in 9M2015. Against 9M2014, the decrease in gross profit mainly due to:-

- i) Decrease in selling price of our product;
- ii) Decrease in sales volume; and
- iii) Increased in cost of raw material.

Other income increased 36% in 9M2015 due mainly to higher income generated from sales of waste material and interest income generated from advances to related parties and fixed deposits.

Distribution costs decreased 21% to RMB 9.07 million in 9M2015 was in line with the decrease of sales volume of DMF and methylamine. Compare to 9M2014, the sales volume decreased by 11%. In additions, more customers prefer to use their own transportation which resulted the decrease in transportation cost.

Administrative expenses increased by 16% or RMB 2.60 million against 9M2014 mainly due to:

- a) costs incurred by new subsidiaries (Henan Herunsheng Isotope Technology Co., Ltd. and Xinjiang Jiutian Energy Technology Co., Ltd.) which were incorporated in 4Q2014; and
- b) increase in administrative staff cost in the period.

Other expenses mainly comprise of foreign exchange loss amounting of RMB 0.04 million in 9M2015 arose from certain monetary assets in holding company denominated in Singapore Dollars.

Finance cost consist of interest expenses arose from bank borrowings.

Share of results of associated companies mainly pertains to share of results of Anyang Jiulong which revenue generated from producing and selling of industrial steam and electricity.

Tax credit of RMB 0.84 million mainly consists of overprovision of income tax expenses in FY2014 amounted to RMB 1.05 million in Anyang Jiutian.

As a result, the Group registered a net profit attributable to equity holders of the Company of RMB 9.41 million against RMB 30.88 million in 9M2014.

8. 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.

Commentaries on performance (cont'd)

3Q2015

Revenue for 3Q2015 was RMB 132.24 million, 40% below 3Q2014 of RMB 221.33 million. Average selling price of DMF in 3Q2015 at RMB 3,903 per tonne was 14.76% lower than 3Q2014. Average selling price of methylamine in 3Q2015 at RMB 5,041 per tonne was 16.53% lower than 3Q2014.

At the gross profit level, the Group was suffering gross losses in 3Q 2015 mainly due to reduce in selling price of our product and increased in raw material price.

Other income increased 59% in 3Q2015 due mainly to higher interest income generated from advances to related parties and fixed deposits.

Distribution costs decreased 12% to RMB 2.92 million in 3Q2015 which was in line with the decrease of sales volume of DMF. Compare to 3Q2014, the sales volume decreased by 12%.

Administrative expenses increased by 18% against 3Q2014 due to:

- a) costs incurred by new subsidiaries (Henan Herunsheng Isotope Technology Co., Ltd. and Xinjiang Jiutian Energy Technology Co., Ltd.) incorporated in 4Q2014; and
- b) increase in administrative staff cost in the period.

Other expenses mainly consists of foreign exchange profit arose from certain monetary assets in holding company denominated in Singapore Dollars for current period.

Finance costs consist of interest expenses arose from bank borrowings.

Share of results of associated companies mainly pertains to share of results of Anyang Jiulong which revenue generated from producing and selling of industrial steam and electricity. Share of Anyang Jiulong 3Q2015 result was higher than 3Q2014 due to Anyang Jiulong temporary ceased its operation for repair and maintenance in July and August 2014.

Tax credit of RMB 4.27 million mainly consists of overprovision of income tax expenses in FY2014 amounted to RMB 1.05 million and reversal of income tax expenses provided in 1H2015 due to loss incurred in current period.

As a result, the Group registered a net loss attributable to equity holders of the Company of RMB 2.78 million against net profit of RMB 5.65 million in 3Q2014.

8. 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.

Commentaries on balance sheet and cash flow

Group balance sheet:

Group's current assets as at 30 September 2015 was RMB 538.38 million, decreased of RMB 57.05 million relative to that as at 31 December 2014. The net decrease was largely attributed to:

- a. decrease of trade and other receivables by RMB 135.03 million, being decrease on trade receivables of RMB 77.55million, receipt of repayment of RMB 2.50 million from advance to a related party and transfer of amount owing by Anyang Jiujiu to offset the trade payable to Anyang Jiulong amounted to RMB 51.66 million; and
- b. the decrease being partially offset against increase in cash and cash equivalents by RMB 74.68 million from RMB 40.48 million as at 31 December 2014 to RMB 115.16 million due to net cash generated from financing activities.
- c. there are no significant movement on inventories.

Group's non-current assets increased by RMB 10.09 million due largely to:

- a. share of current period results of associated companies, Anyang Jiulong and Anyang Jiujiu amounted to RMB 12.11 million; and
- b. Additions of property plant and equipment amounted to RMB 18.97 million and partially offset against the current period depreciation and amortisation charges for property, plant and equipment and land use rights totaling RMB 20.29 million.

Group's current liabilities as at 30 September 2015 was RMB 639.61 million, a decrease of RMB 106.60 million relative to that as at 31 December 2014. The net decrease was largely attributed to:

- a. Decrease in trade payables of RMB 173.91 million relative to 31 December 2014.
- b. The decrease was partially offset against the increase of bill payables to banks of RMB 52.51 million and bank borrowings of RMB 15.00 million.

Group's non-current liabilities as at 30 September 2015 was RMB 50.34 million, a increase of RMB 50 million mainly due to obtained a long term bank borrowings of RMB 50 million.

Net asset value as at 30 September 2015 was RMB 503.06 million, RMB 9.68 million higher than the net asset value as at 31 December 2014 of RMB 493.38 million. This was largely attributed to the profit generated for the period.

8. 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.

Commentaries on balance sheet and cash flow (cont'd)

Group balance sheet (cont'd):

Current liabilities of the Group as at 30 September 2015 exceeded its current assets by RMB 101.24 million attributable to the continuing losses in prior years. Despite the negative working capital, the Group believes that it will be able to repay its current liabilities as and when it fall due. As a substantial part of the Group's current liabilities are owed to its principal supplier and strategic partner, Anhua Group and to its associated company, Anyang Jiulong Chemical Co., Ltd ("Anyang Jiulong") of RMB 239.71 million, the Group has obtained continued financial support from Anhua and Anyang Jiulong, which had agreed to defer payments of trade payables owing to them till Anyang Jiutian is able to settle its other liabilities.

Company's balance sheet:

Company's current assets increased by RMB 0.25 million during the financial period mainly due to receipt of an advance from the major shareholder (Anyang Longyu (HK) Development Co., Ltd.) amounted to RMB 4.60 million (equivalent to SGD 1.00 million) and being partially offset against the head office expenses incurred during the financial period.

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

The Group's actual results are in line with the Commentary under paragraph 10 of the Group's previous result announcement (2Q2015 result announcement).

10. 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 reporting period and the next 12 months.

The Group 's performance for FY 2015 will continue to be affected by:

- i) Weaker demand for chemical products in China, including DMF;
- ii) Cost pressures due to the increasing manpower and raw material costs; and
- iii) General slowdown in China's economy

In view of the above, the business environment will likely remain challenging for the rest of the year. The Group will continue to focus on improving productivity and keeping costs under control.

11. Dividend

(a) Current Financial Period Reported On

Nil

(b) Corresponding Period of the Immediately Preceding Financial Year

Nil

(c) Date payable

NA.

(d) Books closure date

NA.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been recommended for the current financial period reported on.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Name of interested person	Aggregate value of all interested person transactions during the financial year 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)
	3Q2015	3Q2015
Anyang Chemical Industry Group Co., Ltd	Nil	65.91 million
Anyang Jiulong Chemical Co., Ltd	Nil	28.77 million

14. Negative confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

We, Gao Heng and Sun Zhiqiang, being two directors of Jiutian Chemical Group Limited (the "Company"), do hereby confirm on behalf of the Board of Directors of the Company that, 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 financial statements for the nine months ended 30 September 2015 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Name: Sun Zhiqiang
Designation: Acting Chief Executive Officer
Date: 11 November 2015