

Announcement of Unaudited Condensed Financial Statements for The Six Months And Full Year Ended 31 December 2025

Table of contents

A.	Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	2
B.	Condensed Statements of Financial Position	3
C.	Condensed Statements of Changes in Equity	4
D.	Condensed Consolidated Statement of Cash Flows	6
E.	Notes to Condensed Consolidated Financial Statements	8
F.	Other information required by Catalist Rule Appendix 7C	17

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

	Note	Unaudited	Unaudited	Group		Audited	+ / (-) %
		6 months ended 31 Dec 2025	6 months ended 31 Dec 2024	+ / (-) %	Unaudited 12 months ended 31 Dec 2025	12 months ended 31 Dec 2024	
		RMB'000	RMB'000		RMB'000	RMB'000	
Revenue	4	29,920	3,085	870	107,474	50,568	113
Cost of sales		(88,548)	(35,224)	151	(214,956)	(133,789)	61
Gross loss		(58,628)	(32,139)	82	(107,482)	(83,221)	29
Other income		631	5,019	(87)	6,488	10,448	(38)
Distribution costs		(948)	(1,021)	(7)	(2,215)	(2,677)	(17)
Administrative expenses		(12,337)	(12,651)	(2)	(24,284)	(27,573)	(12)
Other expenses		(12,485)	(6,607)	89	(12,622)	(7,461)	69
(Impairment loss)/reversal of impairment loss on financial assets		(6,274)	6,190	N.M	(4,274)	6,190	N.M
Finance costs		(3,417)	(5,084)	(33)	(7,565)	(6,054)	25
Share of results of associated companies		(8,532)	(13,636)	(37)	(14,781)	(34,117)	(57)
Loss before tax	6	(101,990)	(59,929)	70	(166,735)	(144,465)	15
Tax expense	7	(233)	(3,432)	(93)	(233)	(3,432)	(93)
Loss and total comprehensive loss for the period/year attributable to equity holders of the Company		(102,223)	(63,361)	61	(166,968)	(147,897)	13
Loss per share for loss for the financial period/year attributable to equity holders of the Company (in RMB cents per share)							
Basic and diluted	8	(5.14)	(3.19)		(8.40)	(7.44)	

N.M.: not meaningful

B. Condensed Statements of Financial Position

	Note	Group		Company	
		Unaudited 31 Dec 2025	Audited 31 Dec 2024	Unaudited 31 Dec 2025	Audited 31 Dec 2024
		RMB'000	RMB'000	RMB'000	RMB'000
ASSETS					
Current assets					
Cash and cash equivalents	10	198,042	515,933	56,937	62,437
Trade and other receivables		114,428	87,008	369	476
Inventories		21,333	22,610	-	-
Total current assets		333,803	625,551	57,306	62,913
Non-current assets					
Property, plant and equipment	11	365,469	405,463	110	551
Investment in subsidiary company		-	-	257,570	257,570
Investment in associated companies		-	14,781	-	21,000
Total non-current assets		365,469	420,244	257,680	279,121
Total assets		699,272	1,045,795	314,986	342,034
LIABILITIES AND EQUITY					
Current liabilities					
Bank borrowings	12	76,020	184,679	-	-
Trade and other payables		111,382	132,036	556	1,021
Contract liabilities		8,580	5,603	-	-
Lease liabilities		1,514	3,447	80	458
Income tax payables		1,063	836	1,063	836
Total current liabilities		198,559	326,601	1,699	2,315
Non-current liabilities					
Bank borrowings	12	49,330	99,350	-	-
Lease liabilities		342	1,841	-	118
Deferred tax liabilities		69	63	-	-
Total non-current liabilities		49,741	101,254	-	118
Total liabilities		248,300	427,855	1,699	2,433
Capital and reserves					
Share capital	13	709,977	709,977	709,977	709,977
Accumulated losses		(369,711)	(202,743)	(396,690)	(370,376)
Statutory reserve fund		110,706	110,706	-	-
Equity attributable to equity holders of the Company		450,972	617,940	313,287	339,601
Total liabilities and equity		699,272	1,045,795	314,986	342,034

C. Condensed Consolidated Statements of Changes in Equity

	Share capital	Accumulated losses	Statutory reserve fund	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
Group				
Balance at 1 January 2025 (Audited)	709,977	(202,743)	110,706	617,940
Loss and total comprehensive loss for the financial year	-	(166,968)	-	(166,968)
Balance at 31 December 2025 (Unaudited)	709,977	(369,711)	110,706	450,972
Balance at 1 January 2024 (Audited)	709,977	(54,846)	110,706	765,837
Loss and total comprehensive loss for the financial year	-	(147,897)	-	(147,897)
Balance at 31 December 2024 (Audited)	709,977	(202,743)	110,706	617,940

C. Condensed Statements of Changes in Equity

Company	Share capital RMB'000	Accumulated losses RMB'000	Total equity RMB'000
Balance at 1 January 2025 (Audited)	709,977	(370,376)	339,601
Loss and total comprehensive loss for the financial year	-	(26,314)	(26,314)
Balance at 31 December 2025 (Unaudited)	709,977	(396,690)	313,287
Balance at 1 January 2024 (Audited)	709,977	(334,194)	375,783
Loss and total comprehensive loss for the financial year	-	(36,182)	(36,182)
Balance at 31 December 2024 (Audited)	709,977	(370,376)	339,601

D. Condensed Consolidated Statement of Cash Flows

	Group	
	Unaudited	Audited
	12 months ended 31 Dec 2025	12 months ended 31 Dec 2024
Note	RMB'000	RMB'000
Cash flows from operating activities		
Loss before tax	(166,735)	(144,465)
Adjustments for:		
Depreciation of property, plant and equipment	36,806	24,897
Financing bank charges	179	305
Impairment loss/(reversal of impairment loss) on financial assets (net)	4,274	(6,190)
Impairment loss on property plant and equipment	11,380	4,279
Interest expenses on bank borrowings	7,193	5,369
Interest expenses on lease liabilities	193	380
Interest income	(3,907)	(8,227)
Inventories written down	5,467	964
(Gain)/loss on disposal of property, plant and equipment (net)	(282)	2,629
Share of results of associated companies	14,781	34,117
Unrealised (gain)/loss on foreign exchange	(757)	323
Operating cash flows before movement in working capital	(91,408)	(85,619)
Inventories	(4,190)	8,201
Receivables	(31,789)	126,724
Payables and contract liabilities	(651)	(135,953)
Cash used in operations	(128,038)	(86,647)
Interest received	4,007	8,227
Income tax paid	-	(2,533)
Net cash used in operating activities	(124,031)	(80,953)
Cash flows from investing activities		
Advances to associated company, net	-	(163)
Proceeds from disposal of property, plant and equipment	635	670
Purchases of property, plant and equipment	(25,496)	(90,680)
Net cash used in investing activities	(24,861)	(90,173)

D. Condensed Consolidated Statement of Cash Flows (cont'd)

	Group	
	Unaudited	Audited
	12 months ended 31 Dec 2025	12 months ended 31 Dec 2024
Note	RMB'000	RMB'000
Cash flows from financing activities		
Decrease in pledged fixed deposits	43,434	29,526
Drawdown of bank borrowings	-	178,390
Drawdown of bills payables to banks	54,584	165,944
Financing bank charges paid	(179)	(305)
Interest expenses on bank borrowings paid	(7,193)	(8,628)
Interest expenses on lease liabilities paid	(193)	(380)
Repayment of bank borrowings	(95,020)	(99,970)
Repayment of bill payables to banks	(118,243)	(226,219)
Repayment of lease liabilities	(3,524)	(5,492)
Net cash (used in)/generated from financing activities	(126,334)	32,866
Net decrease in cash and cash equivalents	(275,226)	(138,260)
Cash and cash equivalents at beginning of financial year	459,499	598,066
Effect of exchange rate changes on cash and cash equivalents	769	(307)
Cash and cash equivalents at end of financial year	185,042	459,499
	11	
Note A:		
<u>Purchases of property, plant and equipment ("PPE")</u>		
Aggregate cost of PPE acquired	8,545	120,957
Less: Additions to right-of-use assets	(88)	(10,760)
Add: Outstanding payables at 1 January	78,866	62,608
Less: Outstanding payables at 31 December	(61,827)	(78,866)
Less: Capitalised borrowing costs	-	(3,259)
Net cash outflow for purchases of PPE	25,496	90,680

E. Notes to the Condensed 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 the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed consolidated financial statements as at and for the six months and full year ended 31 December 2025 comprise the Company, its subsidiary company and associated companies (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 and trading of chemical products.

2. Basis of preparation

The unaudited condensed financial statements for the six months and full year ended 31 December 2025 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 unaudited condensed 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 audited financial statements for the year ended 31 December 2024.

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 Chinese Renminbi (“**RMB**”), which is the functional currency of the Company, its subsidiary company and associated company. All financial information presented in RMB have been rounded to the nearest thousand (RMB’000), unless otherwise stated.

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 2024, 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 2025. The adoption of these SFRS(I) and INT SFRS(I) has no significant impact on the Group.

2.2. Use of judgements and estimates

In preparing the condensed 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 were applied to the consolidated financial statements as at and for the year ended 31 December 2024.

E. Notes to the Condensed Consolidated Financial Statements

2. Basis of preparation (cont'd)

2.2. Use of judgements and estimates (cont'd)

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 and gas and trading of chemical products. The reportable segments are manufacturing and selling of chemical-based products and trading of chemical products.

	Manufacturing and selling of chemical-based products RMB'000	Trading of chemical products RMB'000	Consolidated RMB'000
2H2025			
Revenue			
Sales to external customers	29,197	723	29,920
Segment loss, net of tax	(97,891)	(4,332)	(102,223)
Depreciation of property, plant and equipment	24,412	-	24,412
Finance costs	3,417	-	3,417
Interest income	(1,574)	-	(1,574)
Inventories written down	5,467	-	5,467
Impairment loss on property, plant and equipment	11,380	-	11,380
Gain on disposal of property, plant and equipment	(154)	-	(154)
Impairment loss on financial assets (net)	1,433	4,841	6,274
Share of results of associated companies	8,532	-	8,532
2H2024			
Revenue			
Sales to external customers	2,637	448	3,085
Segment (loss)/profit, net of tax	(63,809)	448	(63,361)
Depreciation of property, plant and equipment	13,872	-	13,872
Finance costs	5,084	-	5,084
Interest income	(4,526)	-	(4,526)
Inventories written down	964	-	964
Impairment loss on property, plant and equipment	4,279	-	4,279
Loss on disposal of property, plant and equipment	1,979	-	1,979
Reversal of impairment loss on financial assets (net)	(6,190)	-	(6,190)
Share of results of associated companies	13,636	-	13,636

E. Notes to the Condensed Consolidated Financial Statements
4. Segment and revenue information (cont'd)

	Manufacturing and selling of chemical-based products RMB'000	Trading of chemical products RMB'000	Consolidated RMB'000
FY2025			
Revenue			
Sales to external customers	99,748	7,726	107,474
Segment loss, net of tax	(163,303)	(3,665)	(166,968)
Depreciation of property, plant and equipment	36,806	-	36,806
Finance costs	7,565	-	7,565
Interest income	(3,907)	-	(3,907)
Inventories written down	5,467	-	5,467
Impairment loss on property, plant and equipment	11,380	-	11,380
Gain on disposal of property, plant and equipment (Reversal of impairment loss)/impairment loss on financial assets (net)	(282)	-	(282)
Share of results of associated companies	(567)	4,841	4,274
	14,781	-	14,781
Segment assets	699,272	-	699,272
Segment assets include:			
Additions to non-current assets	8,545	-	8,545
Segment liabilities	247,238	-	247,168
Unallocated liabilities			1,132
Total liabilities			248,300
FY2024			
Revenue			
Sales to external customers	49,168	1,400	50,568
Segment (loss)/profit, net of tax	(149,297)	1,400	(147,897)
Depreciation of property, plant and equipment	24,897	-	24,897
Finance costs	6,054	-	6,054
Impairment loss on property, plant and equipment	4,279	-	4,279
Interest income	(8,227)	-	(8,227)
Inventories written down	964	-	964
Loss on disposal of property, plant and equipment	2,629	-	2,629
Reversal of impairment loss on financial assets (net)	(6,190)	-	(6,190)
Share of results of associated companies	34,117	-	34,117
Segment assets	1,038,747	7,048	1,045,795
Segment assets include:			
Investment in associated companies	14,781	-	14,781
Additions to non-current assets	120,957	-	120,957
Segment liabilities	426,956	-	426,956
Unallocated liabilities			899
Total liabilities			427,855

E. Notes to the Condensed Consolidated Financial Statements

4. Segment and revenue information (cont'd)

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 product of the Group.

	Group			
	Unaudited 2H2025 RMB'000	Unaudited 2H2024 RMB'000	Unaudited FY2025 RMB'000	Audited FY2024 RMB'000
Manufacturing and selling of chemical-based products				
Methylamine	28,988	124	98,971	39,223
DMF	-	-	-	7,045
Others	209	2,513	777	2,900
	29,197	2,637	99,748	49,168
Trading of chemical products				
Methylamine, DMF, methanol, liquid ammonia, purified terephthalic acid, compound fertiliser.	723	448	7,726	1,400
	29,920	3,085	107,474	50,568

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2025 and 31 December 2024:

	Group		Company	
	Unaudited 31 Dec 2025 RMB'000	Audited 31 Dec 2024 RMB'000	Unaudited 31 Dec 2025 RMB'000	Audited 31 Dec 2024 RMB'000
<i>Financial assets</i>				
At amortised cost	229,053	525,493	57,269	62,846
<i>Financial liabilities</i>				
At Amortised cost	236,389	420,756	636	1,597

E. Notes to the Condensed Consolidated Financial Statements
6. Loss before taxation
6.1 Significant items

	Group			
	Unaudited 2H2025 RMB'000	Unaudited 2H2024 RMB'000	Unaudited FY2025 RMB'000	Audited FY2024 RMB'000
Loss before tax is arrived at after charging/(crediting):				
Depreciation of property, plant and equipment	24,412	13,872	36,806	24,897
(Gain)/loss on disposal of property, plant and equipment	(154)	1,979	(282)	2,629
Impairment loss on property, plant and equipment	11,380	4,279	11,380	4,279
Impairment loss/(reversal of impairment loss) on financial assets	6,274	(6,190)	4,274	(6,190)
Interest expenses on bank borrowings	3,188	4,493	7,193	5,369
Interest expenses on lease liabilities	107	380	193	380
Interest income	(1,574)	(4,526)	(3,907)	(8,227)
Inventories written down	5,467	964	5,467	964
Net loss/(gain) on foreign exchange	1,889	103	(847)	307

6.2 Related party transactions

Group	Unaudited FY2025 RMB'000	Audited FY2024 RMB'000
<i>With associated companies (subsidiary companies of Henan Energy and Chemical Industry Group Co., Ltd. ("HNEC"))</i>		
Sales of goods	18,719	10,854
Purchases of goods	41,652	19,383
Rental expense	463	522
Payment of lease liabilities	-	671
Exchange of bills for cash	-	44,608
Interest expenses on lease liabilities	-	24
<i>With other subsidiary companies of HNEC</i>		
Sales of goods	6,792	3,524
Trading income	-	520
Purchases of goods and service	59,107	25,939
Rental income	-	269
Payment of lease liabilities	3,735	4,242
Interest of lease liabilities	172	313
Rental expense	-	1,973
Exchange of bills for cash	6,0000	15,300
<i>With former subsidiary companies of the Group</i>		
Recovery of receivables previously impaired	2,000	6,365

E. Notes to the Condensed Consolidated Financial Statements

7. Tax expense

The Group calculates the 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 consolidated statement of profit or loss are:

	Group			
	Unaudited 2H2025 RMB'000	Unaudited 2H2024 RMB'000	Unaudited FY2025 RMB'000	Audited FY2024 RMB'000
Current income tax expense	227	3,369	227	3,369
Deferred income tax	6	63	6	63
	233	3,432	233	3,432

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 2H2025	Unaudited 2H2024	Unaudited FY2025	Audited FY2024
Loss for the financial period/year attributable to equity holders of the Company (RMB'000)	(102,223)	(63,361)	(166,968)	(147,897)
Weighted average number of ordinary shares ('000)	1,988,444	1,988,444	1,988,444	1,988,444
Loss per share (RMB cents)	(5.14)	(3.19)	(8.40)	(7.44)

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

9. Net Asset Value

	Group		Company	
	Unaudited 31 Dec 2025	Audited 31 Dec 2024	Unaudited 31 Dec 2025	Audited 31 Dec 2024
Net asset value per ordinary share (RMB cents)	22.68	31.08	15.76	17.08

Net asset value per ordinary share as at 31 December 2025 and 31 December 2024 have been computed based on total issued shares of 1,988,444,000.

E. Notes to the Condensed Consolidated Financial Statements
10. Cash and cash equivalents

	Group		Company	
	Unaudited 31 Dec 2025 RMB'000	Audited 31 Dec 2024 RMB'000	Unaudited 31 Dec 2025 RMB'000	Audited 31 Dec 2024 RMB'000
Cash on hand and at bank	130,632	400,414	2,527	3,352
Fixed deposits	67,410	115,519	54,410	59,085
	198,042	515,933	56,937	62,437
Pledged fixed deposits	(13,000)	(56,434)	-	-
Cash and cash equivalents in the consolidated statement of cash flows	185,042	459,499	56,937	62,437

11. Property, plant and equipment

During the financial year ended 31 December 2025, the Group made additions of RMB 8.55 million (FY2024: RMB120.96 million) to its property, plant and equipment. Depreciation charges for the year amounted to RMB36.81 million (FY2024: RMB24.90 million). The Group also recognised impairment losses on property, plant and equipment amounting to RMB11.38 million (FY2024: RMB4.28 million).

12. Bank borrowings

	Group	
	Unaudited 31 Dec 2025 RMB'000	Audited 31 Dec 2024 RMB'000
<u>Amount repayable within one year or on demand</u>		
Bank borrowings	50,020	95,020
Bills payable to banks	26,000	89,659
	76,020	184,679
 <u>Amount repayable after one year</u>		
Bank borrowings	49,330	99,350

Security for bank borrowings

As at 31 December 2024, there were RMB 45 million short-term borrowings guaranteed by the Group's related party, Henan Energy and Chemical Industry Group Co., Ltd. The borrowings were fully repaid during FY2025.

As at 31 December 2025, there were RMB 99.35 million (31 December 2024: RMB 149.37 million) bank borrowings which were unsecured, and scheduled to be repaid from FY2024 to FY2028.

Security for bills payable to banks

Bills payable to banks have an average maturity period of 90 to 180 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 13 million (31 December 2024: RMB 56.43 million).

E. Notes to the Condensed Consolidated Financial Statements

13. Share capital

	Group and Company 31 Dec 2025 and 31 Dec 2024	
	Number of shares '000	RMB'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.

14. Subsequent events

There are no known subsequent events which have led to adjustments to this set of 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 2025 and 30 June 2025	1,988,444,000	709,976,678

There were no outstanding options, convertibles, treasury shares and subsidiary holdings as at 31 December 2025 and 31 December 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 31 December 2025 and 31 December 2024. The total number of issued shares of the Company are:

	Number of shares	Issued and paid-up share capital
		RMB
As at 31 December 2025 and 31 December 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 year 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 year 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 condensed consolidated statement of financial position of Jiutian Chemical Group Limited and its subsidiaries as at 31 December 2025 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the financial year ended 31 December 2025 and explanatory notes have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable as the 2H2025 and FY2025 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 latest audited financial statements as at 31 December 2024 have an unmodified opinion.

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 **FY2025 vs FY2024**

The Group recorded an increase in revenue in FY2025 compared to FY2024. This was mainly driven by the commencement of trial production at the 100,000-ton new methylamine plant (the "New Plant") and sale of the produce in 2Q2025 and 4Q2025. The resumption of production, along with ongoing trading of chemical products, contributed to the higher revenue for FY2025.

Correspondingly, cost of sales increased in FY2025, primarily attributable to higher sales volumes arising from trial production and expanded trading activities. In addition, the depreciation of the New Plant contributed to higher production costs during the year. However, the cessation of production of its main products, namely Dimethylformamide (DMF) and methylamine since 2Q2024 as part of its efforts to reduce losses amid continued weak market conditions also contributed to a manageable level cost of sales that contributed to significant improvement in gross loss margin in FY2025.

F. Other Information Required by Listing Rule Appendix 7C

Commentaries on performance (cont'd) **FY2025 vs FY2024**

Despite the improvement in revenue, the Group recorded a higher gross loss in FY2025. This was largely attributable to continued pressure on selling prices, which remained below production cost levels. The challenging pricing environment stemmed from an industry-wide softening in demand, driven by China's weak economic situation, and was further impacted by an oversupply situation in the market.

However, the Group's gross loss margin improved significantly compared to FY2024. This improvement reflects the positive impact of operational efficiencies and production refinements undertaken during the prior production pause. While the Group continues to face market challenges, the reduction in gross loss margin demonstrates progress in managing costs and enhancing competitiveness amid ongoing market pressures.

Other income decreased primarily due to lower interest income from reduced bank balances in FY2025.

The decrease in distribution costs and administrative expenses was mainly due to the management's efforts made in reducing operating costs during FY2025.

The Group's share of losses in FY2025 relates to its 49% interest in Anyang Jiulong Chemical Co., Ltd., which incurred losses arising from low revenue and capacity utilisation amid a challenging market environment. The Group's recognition of such losses is limited to the carrying amount of its investment, which has been fully impaired, resulting in a lower reported share of loss in FY2025.

The increase in other expenses in FY2025 was mainly due to a higher impairment loss provided for property, plant, and equipment arising from the Group's continued losses and limited utilisation of its facilities amid challenging market environment compared to FY2024.

The impairment loss on financial assets in FY2025 was primarily due to provision of impairment loss for trade receivables that are assessed to be potentially uncollectible partially offset with the recovery of receivables of RMB 2 million from a former subsidiary company for which impairment provision was previously made.

The increase in finance costs compared to FY2024 was due to borrowing costs for the New Plant, which had been capitalised during construction, and were expensed off following the New Plant's substantial completion in 2H2024.

As a result of the above, the Group recorded a net loss of RMB 166.97 million attributable to Shareholders for FY2025.

Commentaries on balance sheet

The Group's year on year decrease in non-current assets as at 31 December 2025 was mainly due to:

- a) a decrease in property, plant and equipment was attributable to depreciation charges and an impairment loss recognised during the year.
- b) a decrease in investment in an associated company due to the Group's share of losses from the associated company in FY2025.

F. Other Information Required by Listing Rule Appendix 7C

Commentaries on balance sheet

The Group's year on year decrease in current assets as at 31 December 2025 was largely attributed to:

- a) a decrease in cash and cash equivalents largely due to cash used in operating activities, investing activities and financing activities as presented in the consolidated statement of cash flows.
- b) an increase in trade and other receivables was mainly attributable to an increase in trade bill receivables with a six-month maturity period received from customers during FY2025.
- c) a decrease in inventories mainly due to lower unit costs of inventories as compared to the previous year.

The Group's year on year decrease in current liabilities as at 31 December 2025 was largely attributed to:

- a) a decrease in trade and other payables attributable to accelerated repayments throughout FY2025.
- b) a decrease in bank borrowings mainly due to repayment of bank borrowings of RMB 95.02 million and lesser bill payables to banks during the financial year and partially offset with the reclassification of bank loans from non-current to current liabilities amounting to RMB 50.02 million
- c) a repayment of lease liabilities partially offset with the reclassification of lease liabilities from non-current liabilities.
- d) partially offset by an increase in contract liabilities following the Group's resumption of production in 4Q2025.

The Group's decrease in non-current liabilities was primarily due to reclassification of bank borrowings and lease liabilities payable within 1 year to current liabilities.

The Group is in a net current assets position as at 31 December 2025 of RMB 135.24 million.

Commentaries on cash flow

Net cash used in operating activities in FY2025 was mainly due to net losses generated in the financial year.

Net cash used in investing activities in FY2025 was mainly attributable to payments made for payables relating to construction works for the New Plant.

Net cash used in financing activities in FY2025 was primarily attributable to the repayment of bank borrowings, settlement of bill payables to banks, repayment of lease liabilities and payment of finance costs, partially offset by drawdowns of bill payables to banks and a reduction in pledged fixed deposits.

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.

F. Other Information Required by Listing Rule Appendix 7C

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

As at the date of this announcement, the operating environment for China's chemical industry remains challenging. Weaker domestic demand, ongoing global trade uncertainties and the recent reintroduction of certain U.S. tariffs on Chinese goods have continued to dampen market sentiment. At the same time, additional capacity from new market entrants has led to supply-demand imbalances, exerting sustained downwards pricing pressure on key products, including DMF and methylamine.

Against this backdrop, the Group's financial performance continues to be affected by relatively low average selling prices across its principal products. In response, the Group has implemented cost optimisation measures, including adjusting production levels, streamlining operations and enhancing internal efficiency, with the objective of aligning output with prevailing demand conditions, mitigating losses and preserving financial stability.

Looking ahead at the next operating period and the next 12 months, industry conditions are expected to remain challenging amid macroeconomic uncertainties, geopolitical risks, fluctuating input costs and evolving regulatory requirements. The Group will continue to exercise prudent cost management, maintain stable and compliant operations, and preserve liquidity, while closely monitoring market developments and adapting its business strategies as appropriate to navigate uncertainties and support long-term sustainable growth.

7.Dividend information

7a. Whether an interim (final) ordinary dividend has been declared (recommended; and No final dividends have been declared or recommended for the financial year ended 31 December 2025.

7b. (i) Amount per share (cents)
Not applicable

7b. (ii) previous corresponding period (cents)
Not applicable

7c. 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

7d. The date the dividend is payable.
Not applicable

7e. 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.

The Board does not recommend any final dividend for FY2025 as the Group wishes to reserve adequate resources for the Group's ongoing projects and to allow the Group to respond to any adverse changes in the macroeconomic environment.

F. Other Information Required by Listing Rule Appendix 7C
9. Interested person transactions

The Company had at its annual general meeting held on 25 April 2025 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 FY2025.

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)
	FY2025	FY2025
Anyang Chemical Industry Group Co., Ltd ("Anhua") ⁽¹⁾	Security and fire protection service fees RMB 4.82 million	Sales of Repair Material, industrial steams and electricity RMB 5.75 million
	Project consultation fees RMB 0.96 million	Purchase of Raw Materials I and II RMB 38.97 million
	Construction works RMB1.58 million	Purchase of Repair Materials RMB 0.25 million
		Rental income of equipment RMB 0.95 million
		Rental expense of equipment RMB 5.39 million
Anyang Jiulong Chemical Co., Ltd ("Anyang Jiulong") ⁽²⁾	Nil	Sale of Dimethylamine, Repair Materials and electricity RMB 18.72 million
		Purchase of Raw Materials I and II RMB 41.65 million
		Rental of equipment RMB 0.46 million
Henan Energy and Chemical Industry Group Chemical Sales Co., Ltd. ("HNEC Chemical sales") ⁽³⁾	Purchase of Raw Materials (Methanol and Liquid Ammonia) RMB 21.33 million	Nil
Total	RMB 28.69 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

9. Interested person transactions (cont'd)

- (3) HNEC Chemical Sales is a subsidiary of HNEC. HNEC is the ultimate holding company of Anyang Longyu and Anhua.

Accordingly, HNEC Chemical Sales is considered an interested person under Rule 904(4) of the Catalist Rules. However, HNEC Chemical Sales is not one of the interested persons covered under the Company's existing general mandate for interested person transactions, which was last approved by the shareholders at the annual general meeting of the Company held on 25 April 2025 (the "IPT Mandate"). As such, transactions with HNEC Chemical Sales do not fall within the scope of the IPT Mandate and are subject to the requirements under Rules 905 and 906 of the Catalist Rules.

The Company made an announcement in relation to the IPT with HNEC Chemical Sales pursuant to Rule 905(2) of the Catalist Rules on 27 May 2025.

10. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) 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 Catalist Rule 706A

Pursuant to Catalist Rule 706A, the Company did not, during FY2025, undertake any acquisition or realisation of shares which resulted in any entity becoming or ceasing to be a subsidiary or an associated company of the Group, nor were there any changes in the Company's shareholding interests in its existing subsidiary.

12. A breakdown of sales

The following table shows the breakdown of sales and net profit during the first and second halves of FY2025 and FY2024.

Group	FY2025 RMB'000	FY2024 RMB'000	% (decrease)
a) Sales reported for first half year	77,554	47,483	63
b) Operating loss after tax before deducting non-controlling interests reported for first half year	64,746	84,536	(23)
c) Sales reported for second half year	29,920	3,085	870
d) Operating loss after tax before deducting non-controlling interests reported for second half year	102,222	63,361	61

F. Other Information Required by Listing Rule Appendix 7C

13. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

The Board of Directors confirms that there is no person occupying managerial position in the Company or any of its principal subsidiaries who is a relative of a director, executive officer or substantial shareholder of the Company during the financial year and up to the date of this announcement.

14. 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:

Purpose	Amount allocated (S\$'000)	Net proceeds utilised as at the date of announcement (S\$'000)	Balance unutilised (S\$'000)
<u>Working Capital</u>			
- Wages and staff related cost		3,946	
- Directors' fee		1,099	
- Office rental		460	
- Professional fees		1,504	
- Other office expenses		877	
Total	<u>9,967</u>	<u>7,886</u>	<u>2,081</u>

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
25 February 2026

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 announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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