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**RESPONSE TO SGX QUERY IN RESPECT OF THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

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The Board of Directors (the “Board”) of Jiutian Chemical Group Limited (the “Company” or the “Group”) would like to respond to the following query raised by SGX on 6 May 2015 (“SGX Query”) in respect of the Company’s Annual Report for the financial year ended 31 December 2014 as follows:-

**SGX Query:**

For the Exchange’s consideration under Rule 1303(3)(c) and noting the Independent Auditor’s findings on “Going concern”, please provide the following information:-

- a) The Board’s opinion if the Company will be able to operate as going concern and basis for the Board’s view.
- b) The Board’s confirmation that all material disclosures have been provided for trading of the Company’s shares to continue.

**Company’s response:**

- a) The Board is of the opinion that the Company and the Group will be able to operate as a going concern after taking into consideration the following factors:
  - (i) The Group has obtained continuing financial support from Anhua and Anyang Jiulong where it was agreed that Anhua and Anyang Jiulong would not demand for the payments of the trade and other payables owing to them as at 31 December 2014 totalling RMB351.03 million till the Group is able to settle its other liabilities;
  - (ii) Continuously seek improvements in the production efficiency of the Group’s production facilities through technological enhancements and system re-engineering in order to further reduce the costs of production; and
  - (iii) Continuously source for new customers and held discussions with the Group’s major customers to seek higher sales volume and negotiate for better prices.
- b) The Board confirms that, to the best of their knowledge, all material disclosures have been provided for trading of the Company’s share to continue.

By Order of the Board,

Sun Zhiqiang  
Acting Chief Executive Officer  
7 May 2015