

News release

Jiutian clocked in record yearly net profit for FY2020 since listing in 2006

The Board of Directors of Jiutian Chemical Group Limited (“Jiutian”) is pleased to announce that the unaudited net profit for FY2020 improved to RMB 173.1 million from a loss of RMB 278.93 million in FY2019.

The significant improvement in the results was mainly attributed to improvement in gross profit, other income and the absence of impairment losses made in FY2019. The improvement in gross profit was due to increases in selling prices of our main products and a generally depressed market for energy and related commodities, resulting in low price levels of our raw materials. The average selling prices of Dimethylformamide (“**DMF**”) and Methylamine were RMB 5,983 per tonne and RMB 7,525 per tonne respectively, which were 34% and 3% higher than that for FY2019.

Jiutian’s Chairman, Han Lianguo, said, “2020 was an extraordinary year for us. Despite the global market uncertainty caused by the COVID-19 pandemic, we are pleased to see a significant improvement of our operating results in FY2020 compared to the corresponding previous year. The positive results are due to the continuing recovery of China’s economy from the depth of the COVID-19 crisis and a surge in demand for our main products of DMF and methylamine from downstream users, who in turn are experiencing strong growth in both local and export markets for their products. Going forward, to meet the rising demand for our methylamine products from users in sectors experiencing high growth rates including electric-vehicle batteries, semiconductor, pharmaceuticals and animal feeds, we are in the process of finalising an expansion plan comprising a new 100,000 ton methylamine plant adjacent to our current 120,000 ton methylamine/DMF facility. Details of the proposed expansion plan will be announced in due course.”

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

The contact person for the Sponsor is Ms Lim Hui Ling, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.