

## **News release**

### **Jiutian clocked in record quarterly net profit for 2Q2020 since listing in 2006**

The Board of Directors of Jiutian Chemical Group Limited (“Jiutian”) is pleased to announce that the unaudited net profit for 2Q2020 came in at RMB 32.6 million, compared to a loss of RMB 7 million in the corresponding quarter of 2Q2019. This was also a significant jump from RMB 2.8 million profit reported in the preceding quarter of 1Q2020.

The positive results are due to a combination of:

- a) A recovering China economy from the depth of the COVID-19 crisis;
- b) A generally depressed market for energy and related commodities, resulting in low price levels of our raw materials; and
- c) A robust demand in our main product of Methylamine and DMF which benefited from the recovering economy and permanent closure of one of our largest competitor due to their environmental reason.

Jiutian’s Chairman, Han Lianguo, said, “We are pleased to see a significant improvement in our operating results, and in achieving a record quarterly net profit, after persevering through a very difficult FY2019. We are especially glad that various cost cutting and loss containment measures taken since 2H2019 have put us on a firmer footing, which allowed us to continue to operate efficiently and profitably focusing on products with robust demand and firm prices, taking advantage of the low raw material prices. Going forward, barring any significant resurgence of COVID-19 in China, we are hopeful that such conducive operating environment will continue for the rest of 2020 and we will continue to be very focused in maintaining the current momentum of the Company.”

This announcement has been prepared by the Company and its contents have been reviewed by the sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) for compliance with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST 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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