

Announcement of Unaudited Condensed Interim Financial Statements for First Half Year Ended 30 June 2025

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

		Unaudited 6 months ended (1H2025)	Unaudited 6 months ended (1H2024)	Changes
	<u>Note</u>	30 Jun 2025	30 Jun 2024	
		RMB'000	RMB'000	%
Revenue	4	83,124	47,483 ⁽¹⁾	74
Cost of sales		(131,978)	(98,565) ⁽¹⁾	34
Gross loss		(48,854)	(51,082)	(4)
Other income		5,857	5,429 ⁽¹⁾	8
Distribution costs		(1,267)	(1,656)	(23)
Administrative expenses		(11,947)	(14,922)	(20)
Other expenses		(137)	(854)	(84)
Reversal of impairment loss on financial assets		2,000	-	NM
Finance costs		(4,148)	(970)	328
Share of result of associated companies		(6,249)	(20,481)	(69)
Loss before tax	6	(64,746)	(84,536)	(23)
Tax expense		-	-	NM
Loss and total comprehensive income for the period attributable to equity holders of the Company		(64,746)	(84,536)	(23)
Loss per share for loss for the financial period attributable to equity holders of the Company (in RMB cents per share)				
Basic and diluted	7	(3.26)	(4.25)	

NM: Not meaningful

Footnote:

(1) The amount for 1H2024 differs from that disclosed in the 1H2024 results announcement, as revenue, cost of sales and other income related to the trading of chemical products were previously recognised on a gross basis. Following the finalisation of the FY2024 audit, the auditors concluded that the Group was acting in the capacity of a distribution agent in these transactions. Accordingly, revenue, cost of sales and other income for both 1H2024 and 1H2025 have now been recognised on a net basis.

B. Condensed Interim Statements of Financial Position

	<u>Note</u>	Group		Company	
		Unaudited	Audited	Unaudited	Audited
		30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024
		RMB'000	RMB'000	RMB'000	RMB'000
ASSETS					
Current assets					
Cash and cash equivalents	9	338,928	515,933	61,879	62,437
Trade and other receivables		162,287	87,008	248	476
Inventories		26,073	22,610	-	-
Total current assets		527,288	625,551	62,127	62,913
Non-current assets					
Property, plant and equipment	11	400,803	405,463	331	551
Investment in subsidiary companies		-	-	257,570	257,570
Investment in associated companies		8,531	14,781	21,000	21,000
Total non-current assets		409,334	420,244	278,901	279,121
Total assets		936,622	1,045,795	341,028	342,034
LIABILITIES AND EQUITY					
Current liabilities					
Bank borrowings	12	119,144	184,679	-	-
Trade and other payables		169,904	132,036	687	1,021
Contract liabilities		7,649	5,603	-	-
Lease liabilities		2,635	3,447	317	458
Income tax payables		836	836	836	836
Total current liabilities		300,168	326,601	1,840	2,315
Non-current liabilities					
Bank borrowings	12	82,550	99,350	-	-
Lease liabilities		647	1,841	-	118
Deferred tax liabilities		63	63	-	-
Total non-current liabilities		83,260	101,254	-	118
Total liabilities		383,428	427,855	1,840	2,433
Capital and reserves					
Share capital	13	709,977	709,977	709,977	709,977
Accumulated losses		(267,489)	(202,743)	(370,789)	(370,376)
Statutory reserve fund		110,706	110,706	-	-
Total equity attributable to equity holders of the Company		553,194	617,940	339,188	339,601
Total liabilities and equity		936,622	1,045,795	341,028	342,034

C. Condensed Interim Statements of Changes in Equity

		Share capital	Accumulated losses	Statutory reserve fund	Total equity attributable to equity holders of the Company
	Note	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 income for the financial period		-	(64,746)	-	(64,746)
Balance at 30 June 2025 (unaudited)		709,977	(267,489)	110,706	553,194
Balance at 1 January 2024 (audited)		709,977	(54,846)	110,706	765,837
Loss and total comprehensive income for the financial period		-	(84,536)	-	(84,536)
Balance at 30 June 2024 (unaudited)		709,977	(139,382)	110,706	681,301

C. Condensed Interim Statements of Changes in Equity

	<u>Note</u>	Share capital RMB'000	Accumulated losses RMB'000	Total equity RMB'000
Company				
Balance at 1 January 2025 (audited)		709,977	(370,376)	339,601
Loss and total comprehensive income for the financial period		-	(413)	(413)
Balance at 30 June 2025 (unaudited)		709,977	(370,789)	339,188
Balance at 1 January 2024 (audited)		709,977	(334,194)	375,783
Profit and total comprehensive income for the financial period		-	(4,596)	(4,596)
Balance at 30 June 2024 (unaudited)		709,977	(338,790)	371,187

D. Condensed Interim Consolidated Statement of Cash flows

	Group	
	Unaudited 6 months ended	Unaudited 6 months ended
Note	30 Jun 2025	30 Jun 2024
	RMB'000	RMB'000
Cash flows from operating activities		
Loss before tax	(64,746)	(84,536)
Adjustments for:		
Depreciation of property, plant and equipment	12,394	11,025
Financing bank charges	55	94
Interest expenses	4,093	876
Interest income	(2,333)	(3,701)
Reversal of impairment loss on financial assets, net	(2,000)	-
(Gain)/loss on disposal of property, plant and equipment, net	(128)	650
Share of result of associated companies	6,250	20,481
Operating cash flows before movement in working capital	(46,415)	(55,111)
Inventories	(3,463)	10,262
Receivables	(73,279)	44,881
Payables and contract liabilities	39,914	(107,881)
Cash used in operations	(83,243)	(107,849)
Interest received	2,333	3,701
Net cash used in operating activities	(80,910)	(104,148)
Cash flows from investing activities		
Advances to associated company, net	-	(200)
Proceed from disposal of property, plant and equipment	304	50
Purchase of property, plant and equipment	(7,910)	(80,354)
Net cash used in investing activities	(7,606)	(80,504)
Cash flows from financing activities		
Drawdown of bank borrowings	-	133,390
Repayment of lease liabilities	(2,006)	-
Repayment of bank borrowings	(21,260)	(21,270)
Increase in pledged bank deposits	34,487	27,934
Increase in bill payables to bank	(61,075)	(88,321)
Interest paid	(4,093)	(876)
Bank charges paid	(55)	(94)
Net cash (used in)/generated from financing activities	(54,002)	50,763
Net decrease in cash and cash equivalents	(142,518)	(133,889)
Cash and cash equivalents at beginning of period	459,499	598,066
Cash and cash equivalents at end of period	316,981	464,177

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E. Notes to the Condensed Interim 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 Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim consolidated financial statements as at and for the half-year ended 30 June 2025 comprise the Company and its subsidiary (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 condensed interim financial statements for the half-year ended 30 June 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 condensed interim 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 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 Renminbi (RMB), which is the functional currency of the Company, its subsidiary company and associated companies.

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.

E. Notes to the Condensed Interim Consolidated Financial Statements

2. Basis of preparation (cont'd)

2.2. Use of judgements and estimates

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

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

<u>1H2025</u>	Manufacturing and selling of chemical- based products RMB'000	Trading of chemical products RMB'000	Consolidated RMB'000
Revenue			
Sales to external customers	70,302	12,822	83,124
Segment (loss)/profit, net of tax	(65,406)	660	(64,746)
Depreciation of property, plant and equipment	12,394	-	12,394
Finance costs	4,148	-	4,148
Interest income	(2,333)	-	(2,333)
Gain on disposal of property, plant and equipment	(128)	-	(128)
Reversal of impairment loss on financial assets	(2,000)	-	(2,000)
Share of results of associated companies	6,250	-	6,250
Segment assets	924,657	7,150	931,807
Segment assets include:			
Investment in associated companies	8,531	-	8,531
Additions to non-current assets	7,910	-	7,910
Segment liabilities	377,714	-	377,714
Unallocated liabilities			899
Total liabilities			378,613

E. Notes to the Condensed Interim Consolidated Financial Statements

4. Segment and revenue information (cont'd)

1H2024	Manufacturing and selling of chemical- based products RMB'000	Trading of chemical products RMB'000	Consolidated RMB'000
Revenue			
Sales to external customers	46,531	952	47,483
Segment (loss)/profit, net of tax	(85,488)	952	(84,536)
Depreciation of property, plant and equipment	11,025	-	11,025
Finance costs	970	-	970
Interest income	(3,701)	-	(3,701)
Loss on disposal of property, plant and equipment	650	-	650
Share of results of associated companies	20,481	-	20,481
Segment assets	1,115,794	4,650	1,120,444
Segment assets include:			
Investment in associated companies	28,417	-	28,417
Additions to non-current assets	80,354	-	80,354
Segment liabilities	439,143	-	439,143
Unallocated liabilities			-
Total liabilities			439,143

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 and trading of goods, net of sales related taxes.

E. Notes to the Condensed Interim Consolidated Financial Statements

4. Segment and revenue information (cont'd)

Disaggregation of Revenue

The following table provides a disaggregation disclosure of the Group's revenue by major products of the Group.

	Group	
	Unaudited 1H2025 RMB'000	Unaudited 1H2024 RMB'000
Manufacturing and selling of chemical-based products		
Methylamine	69,983	39,099
DMF	-	7,045
Others	319	387
Trading of chemical products		
Methanol	11,955	-
Liquid ammonia	492	-
Methylamine, DMF, purified terephthalic acid, compound fertiliser and others	375	952
	83,124	47,483

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2025 and 31 December 2024:

	Group		Company	
	(Unaudited) 30 Jun 2025 RMB'000	(Audited) 31 Dec 2024 RMB'000	(Unaudited) 30 Jun 2025 RMB'000	(Audited) 31 Dec 2024 RMB'000
<i>Financial assets</i>				
At amortised cost	422,205	525,493	62,127	62,846
<i>Financial liabilities</i>				
At amortised cost	374,880	420,756	1,004	1,597

6. Loss before taxation

6.1 Significant items

	Group	
	(Unaudited) 1H2025 RMB'000	(Unaudited) 1H2024 RMB'000
Loss before tax is arrived at after charging/(crediting):		
Depreciation of property, plant and equipment	12,394	11,025
Interest expenses	4,093	876
Interest income	(2,333)	(3,701)
(Gain)/loss on disposal of property, plant and equipment	(128)	650
Net (gain)/loss on foreign exchange	(2,736)	204

E. Notes to the Condensed Interim Consolidated Financial Statements

6. Loss before taxation (cont'd)

6.2 Related party transactions

	Group (Unaudited) 1H2025 RMB'000	(Unaudited) 1H2024 RMB'000
<i>With associated companies (subsidiary companies of HNEC (as defined below))</i>		
Sales of goods	11,188	8,605
Purchases of goods and industrial steam	28,767	18,616
Rental expense	289	479
Advances given to	-	244
<i>With other subsidiary companies of HNEC (as defined below)</i>		
Sales of goods	3,229	1,944
Purchases of goods and industrial steam	44,329	11,499
Rental income	-	269
Rental expense	1,834	2,847

7. 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) 1H2025	(Unaudited) 1H2024
Loss for the financial period attributable to equity holders of the Company (RMB'000)	(64,746)	(84,536)
Weighted average number of ordinary shares ('000)	1,988,444	1,988,444
Loss per share (RMB cents)	(3.26)	(4.25)

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

8. Net Asset Value

	Group (Unaudited) 30 Jun 2025	(Audited) 31 Dec 2024	Company (Unaudited) 30 Jun 2025	(Audited) 31 Dec 2024
Net asset value per ordinary share (RMB cents)	27.82	31.08	17.06	17.08

Net asset value per ordinary share as at 30 June 2025 and 31 December 2024 have been computed based on total issued shares of 1,988,444,000.

E. Notes to the Condensed Interim Consolidated Financial Statements

9. Cash and cash equivalents

	Group		Company	
	(Unaudited) 30 Jun 2025	(Audited) 31 Dec 2024	(Unaudited) 30 Jun 2025	(Audited) 31 Dec 2024
	RMB'000	RMB'000	RMB'000	RMB'000
Cash on hand and at bank	247,996	400,414	2,894	3,352
Fixed deposits	80,932	115,406	58,985	59,085
	338,928	515,933	61,879	62,437
Pledged fixed deposits	(21,947)	(56,434)	-	-
Cash and cash equivalents in the consolidated statement of cash flows	316,981	459,499	61,879	62,437

11. Property plant and equipment

During the half-year ended 30 June 2025, the Group acquired property, plant and equipment amounting to RMB 7,910,000 (30 June 2024: RMB 80,354,000) and depreciation charges RMB 12,394,000 (30 June 2024: RMB 11,025,000).

12. Bank borrowings

	Group	
	(Unaudited) 30 Jun 2025 RMB'000	(Audited) 31 Dec 2024 RMB'000
<u>Amount repayable within one year or on demand</u>		
Bank borrowings	90,560	95,020
Bills payable to banks	28,584	89,659
	119,144	184,679
<u>Amount repayable after one year</u>		
Bank borrowings	82,550	99,350

Security for bank borrowings

As at 30 June 2025, there were RMB 45 million (31 December 2024: RMB 45 million) bank borrowings guaranteed by the Group's related party, Henan Energy and Chemical Industry Group Co., Ltd. ("HNEC"). The borrowings are payable in FY2025.

As at 30 June 2025, there were RMB 128.11 million (31 December 2024: RMB 149.37 million) bank borrowings 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 21.95 million (31 December 2024: RMB 85.96 million).

E. Notes to the Condensed Interim Consolidated Financial Statements

13. Share capital

	Group and Company 30 Jun 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 interim 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 2024 and 30 June 2025	1,988,444,000	709,976,678

There were no outstanding options, convertibles, treasury shares and subsidiary holdings as at 30 June 2025 and 30 June 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 30 June 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 2024 and 30 June 2025	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 period 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 period 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 figures have not been audited or 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 as the 1H2025 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 Independent Auditors provided an unmodified audit opinion for the latest audited financial statements as at 31 December 2024.

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****1H2025**

The Group recorded an increase in revenue in 1H2025 compared to 1H2024. This was mainly driven by the commencement of trial production at the new methylamine plant and sale of the produce in 2Q2025. In contrast, the Group had ceased production of its main products, namely Dimethylformamide ("DMF") and methylamine in 2Q2024 as part of its efforts to reduce losses amid weak market conditions. The resumption of production, along with ongoing trading of chemical products, contributed to the higher revenue for 1H2025.

Correspondingly, cost of sales increased in 1H2025 due to higher production and sales volumes from the trial production and expanded trading activities.

Despite the improvement in revenue, the Group recorded a gross loss in 1H2025. 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 the same period last year. 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.

F. Other Information Required by Listing Rule Appendix 7C**Commentaries on performance (cont'd)**

The increase in other income was mainly due to a net foreign exchange gain in 1H2025, in contrast to the net foreign exchange loss recorded in 1H2024, arising from the revaluation of certain monetary assets and liabilities denominated in Singapore dollars at the holding company level. This increase was partially offset by lower interest income during the financial period, resulting from lower average bank balances.

The decrease in distribution costs and administrative expenses was mainly due to management's efforts to reduce operating expenses during the financial period.

The decrease in other expenses was mainly due to loss from disposal of property, plant and equipment, and loss on foreign exchange in 1H2024 which were absent in 1H2025.

The reversal of impairment loss on financial assets in 1H2025 was primarily due to the recovery of receivables of RMB 2 million from a former subsidiary company.

The higher finance costs incurred were due to borrowing costs related to the construction of the new methylamine plant being expensed instead of capitalised, following the substantial completion of construction work in 2H2024.

The share of results of associated companies was derived from the Company's 49% interest in its associated company, Anyang Jiulong Chemical Co., Ltd. The significant decrease in the share of losses in 1H2025 was mainly due to the result of management's cost-reduction efforts during the financial period, as well as the cessation of loss-sharing from Anyang Jiujiu Chemical Co., Ltd., following the commencement of its liquidation process in 2H2024.

As a result of the above, the Group recorded a lower net loss of RMB64.75 million attributable to the Shareholders of the Company for 1H2025 as compared to 1H2024.

Commentaries on balance sheet

The Group's decrease in non-current assets was mainly due to depreciation of property, plant and equipment and share of loss from an associated company during the financial period.

The Group's decrease in current assets was largely attributed to:

- a) a decrease in cash and cash equivalents, due to cash used in operating, investing, and financing activities, as presented in the cash flow statements;
- b) a partial offset from an increase in trade and other receivables, as the Group commenced trial production at the new methylamine plant during the financial period, resulting in more trade bill receivables from customers with longer credit repayment periods; and
- c) a partial offset from an increase in inventories, also due to the commencement of trial production at the new methylamine plant, resulting in higher inventory levels as at 30 June 2025.

F. Other Information Required by Listing Rule Appendix 7C**Commentaries on balance sheet (cont'd)**

The Group's decrease in current liabilities was largely attributed to:

- a) a reduction in bills payable to banks, as fewer bills were issued during the financial period due to more trade bill receivables from customers being endorsed to suppliers instead;
- b) a decrease in bank borrowings and lease liabilities due to repayments during the financial period, partially offset by the reclassification from non-current liabilities;
- c) a partial offset from an increase in gross trade and other payables, arising from more trade bill receivables from customers with longer credit repayment periods being endorsed to suppliers;
- d) a partial offset from an increase in contract liabilities due to the commencement of trial production at the new methylamine plant, resulting in higher contract liabilities.

The Group's decrease in non-current liabilities was largely attributed the reclassification of bank borrowings and lease liabilities to current liabilities.

The Group is in a net current assets position of RMB 227.12 million as at 30 June 2025.

Commentaries on cash flow

Net cash used in operating activities in 1H2025 was mainly due to net losses generated in the financial period and net cash outflows arising from net working capital changes.

Net cash used in investing activities in 1H2025 was mainly due to purchase of property, plant and equipment.

Net cash used in financing activities in 1H2025 was mainly due repayment of bank borrowings, lease liabilities and bill payables to bank.

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.

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

China's chemical industry continues to face headwinds due to weaker domestic demand as a result of a challenging economy, and rising global trade uncertainties. The recent reintroduction of U.S. tariffs on some Chinese goods has further dampened market demand. At the same time, oversupply resulting from new market entrants has placed additional pressure on product pricing, particularly for our key chemicals such as DMF and methylamine.

The Group's financial performance remains under pressure from low selling prices across its main products. To manage losses and maintain financial stability, the Group has taken active steps to cut costs, including reducing or temporarily ceasing production when necessary. These efforts are focused on aligning production with current demand and improving internal efficiency.

Looking ahead, the business environment is expected to remain challenging due to ongoing trade tensions and geopolitical risks. The Group will continue to monitor market conditions closely and stay flexible in its business strategy to navigate uncertainties and work towards long-term, sustainable growth.

F. Other Information Required by Listing Rule Appendix 7C

7.Dividend information

- a. Whether an interim (final) ordinary dividend has been declared (recommended; and**
Not applicable
- b. (i) Amount per share (cents)**
Not applicable

(ii) previous corresponding period (cents)
Not applicable
- c. 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
- d. The date the dividend is payable.**
Not applicable
- e. 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.

No dividend has been declared or recommended for the interim results ended 30 June 2025 as the Group is currently loss making, and wishes to conserve its cash for operational needs and investments in the Synthetic Ammonia Project.

F. Other Information Required by Listing Rule Appendix 7C
9. Interested person transactions (“IPT”)

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 1H2025.

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)
	1H2025	1H2025
Anhua ⁽¹⁾	Security and fire protection service fees RMB 2.46 million	Sales of Repair Material, industrial steams and electricity RMB 3.85 million
		Purchase of Raw Materials I and II RMB 21.32 million
		Purchase of Repair Materials RMB 0.20 million
		Rental income of equipment RMB 0.32 million
		Rental expense of equipment RMB 2.71 million
Anyang Jiulong Chemical Co., Ltd ⁽²⁾	Nil	Sale of Dimethylamine, Repair materials and electricity RMB 11.19 million
		Purchase of Raw Materials I and II RMB 28.77 million
		Rental of equipment RMB 0.29 million
Henan Energy and Chemical Industry Group Chemical Sales Co., Ltd. (“HNEC Chemical sales”) ⁽³⁾	Purchase of Raw Materials (Methanol and Liquid Ammonia) RMB 21.62 million	Nil
Total	RMB 24.08 million	RMB 68.65 million

F. Other Information Required by Listing Rule Appendix 7C

10. Interested person transactions (“IPT”) (cont’d)

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.
- (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 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 7.7) 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

Not applicable. There are no such acquisition and realisation of Shares in 1H2025.

F. Other Information Required by Listing Rule Appendix 7C

12. 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		3,580	
- Directors' fee		1,017	
- Office rental		408	
- Professional fees		1,408	
- Other office expenses		783	
Total	9,967	7,196	2,771

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
 12 August 2025

Confirmation by the Board pursuant to Rule 705(5) of the Catalist Listing Manual

The directors of the Company do hereby confirm, 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 condensed interim financial statements of the Company and the Group for the first half ended 30 June 2025 to be false or misleading in any material respect.

On behalf of the Board of Directors

Xu Aijun
 Non-Executive and
 Non-Independent Chairman
 12 August 2025

Song Fudong
 Non-Executive and
 Non-Independent Director

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.

The contact person for the Sponsor is Ms Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.