
VOLUNTARY DISCLOSURE – QUARTERLY UPDATE ON FINANCIAL PERFORMANCE FOR THE FIRST QUARTER ENDED 31 MARCH 2021

Jiutian Chemical Group Limited (the “Company”, and together with its subsidiaries, the “Group”) is no longer required to announce its financial statements for each of the first three quarters of its financial year in compliance with Rule 705(2)(e). The Board wishes to inform the shareholders that the Company will adopt voluntary quarterly reporting and announce such Q1 and Q3 financial results by not later than forty-five (45) days after the end of the relevant financial period. In the announcements, the Company will provide interim business performance updates of the Group.

The Group recorded revenue of RMB 439.25 million in the three months ended 31 March 2021 (“1Q2021”), representing an increase of 120% as compared with RMB 199.39 million for the three months ended 31 March 2020 (“1Q2020”). Revenue increase mainly due to increase in both sales volume and average selling prices of our main products, Dimethylformamide (“DMF”) and Methylamine.

For 1Q2021, average selling prices of DMF and Methylamine were RMB9,344 per tonne and RMB 9,272 per tonne respectively, which were 98% and 38% higher than that for 1Q2020. The sales volume of DMF and Methylamine in 1Q2021 were 65% and 32% higher than that 1Q2020. The increase in sales volume and average product prices was mainly due to the continuing recovery of China’s economy from the depth of the COVID -19 crisis and surge in demand for our main products from downstream users, who in turn are experiencing strong growth in both local and export markets for their products.

Year on year, the capacity utilisation of our DMF plant increased from 56% to 69% whilst capacity utilisation rate of our methylamine plant increased from 89% to full capacity.

Gross profit increased by 910% mainly due to increase in average selling price of our products. As a result the foregoing, gross profit margin increased from 7% in 1Q2020 to 32% in 1Q2021.

As a result of the above, the Group’s net profit attributable to Shareholders for 1Q2021 increased from RMB 2.87 million to RMB 90.31 million.

Key Financial Highlights
Table 1: Extract of Consolidated statement of Profit and Loss and Other Comprehensive Income

	Unaudited Group 3 months ended 31 Mar 2021 RMB ‘000	Unaudited Group 3 months ended 31 Mar 2020 RMB ‘000	Change %
Revenue	439,254	199,387	120
Gross profit	138,149	13,673	910
Profit before tax	121,366	3,992	2,940
Profit attributable to Shareholders	90,313	2,870	3,047

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Table 2: Extract of statement of Financial Position

	Unaudited Group 31 Mar 2021 RMB'000	Audited Group 31 Dec 2020 RMB'000
Current assets	1,086,077	1,158,136
Non-current assets	270,820	276,684
Current liabilities	(738,721)	(906,843)
Non-current liabilities	(5,090)	(5,090)
Net assets	613,086	522,887
Equity		
Share capital	709,977	709,977
Reserve Fund	22,764	13,733
Accumulated losses	(117,691)	(198,971)
Non-controlling interests	(1,964)	(1,852)
Total Equity	613,086	522,877

BY ORDER OF THE BOARD

Name: Han Lianguo
 Designation: Non-executive and Non-independent Chairman
 Date: 28 April 2021

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.

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