
EMPHASIS OF MATTER ON THE MATERIAL UNCERTAINTY RELATED TO GOING CONCERN BY INDEPENDENT AUDITOR ON THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

In compliance with Rule 704(4) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Board of Directors (the “**Board**”) of Jiutian Chemical Group Limited (the “**Company**”, and together with its subsidiary, the “**Group**”) wishes to announce that the Group’s Independent Auditors, Baker Tilly TFW LLP (the “**Auditors**”), had, without qualifying its audit opinion, included an emphasis of matter on the material uncertainty related to going concern in their audit report (the “**Independent Auditor’s Report**”) in the audited financial statements of the Group for the financial year ended 31 December 2025 (the “**FY2025 Audited Financial Statements**”).

The relevant extracts of the Independent Auditor’s Report and Note 3 to the FY2025 Audited Financial Statements are attached to this announcement.

The opinion of the Auditors remains unqualified. The audited consolidated financial statements of the Group and the statement of financial position of the Company as at 31 December 2025 are properly drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International).

In the opinion of the Directors, the Group will be able to continue as a going concern, having regard to the factors described in Note 3 to the FY2025 Audited Financial Statements. For further details, please refer to the extracts of the Independent Auditors’ Report and Note 3 to the FY2025 Audited Financial Statements, as annexed to this announcement.

The Independent Auditor’s Report and the FY2025 Audited Financial Statements form part of the Company’s Annual Report for FY2025 (the “**FY2025 Annual Report**”) which will be published on the SGXNet in due course. Shareholders and potential investors are advised to read and consider the Independent Auditor’s Report and the FY2025 Audited Financial Statements in their entirety.

Shareholders and investors are reminded to exercise caution when dealing or trading in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

By Order of the Board,

Xu Aijun
Non-Executive and Non-Independent Chairman
7 April 2026

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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
JIUTIAN CHEMICAL GROUP LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Jiutian Chemical Group Limited (the "Company") and its subsidiary company (the "Group") as set out on pages 10 to 62 which comprise the statements of financial position of the Group and the Company as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3 to the financial statements with respect to the Group's ability to continue as a going concern. During the financial year ended 31 December 2025, the Group incurred a net loss of RMB239,630,000 (2024: RMB147,897,000) and the Group reported net cash used in operating activities of RMB122,621,000 (2024: RMB80,953,000). These factors indicate the existence of material uncertainties that may cast significant doubt on the ability of the Group to continue as a going concern.

In the preparation of the financial statements, the Board of Directors of the Company believes that the use of going concern assumption is appropriate after taking into consideration of the factors as disclosed in Note 3 to the financial statements. In the event that the Group is unable to continue in operational existence for the foreseeable future, the Group may be unable to realise its assets and discharge its liabilities in the ordinary course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the ordinary course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the consolidated statement of financial position of the Group. In addition, the Group may have to provide for further liabilities that may arise and to reclassify the non-current assets and liabilities to current assets and liabilities respectively. No such adjustments have been made to the financial statements. Our opinion is not modified in respect of this matter.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
JIUTIAN CHEMICAL GROUP LIMITED (cont'd)**

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the "Material Uncertainty Related to Going Concern" paragraph of this report, the other key audit matter identified in our audit of the financial statements of the current period is described below.

Impairment assessment of property, plant and equipment ("PPE")

Description of key audit matter:

The Group has significant PPE with net carrying amounts of RMB292,807,000 (2024: RMB405,463,000) as at 31 December 2025. The PPE are primarily from the division of manufacturing and selling of chemical-based products ("manufacturing division"). During the financial year ended 31 December 2025, continued weak market conditions and sustained pressure on selling prices affected the manufacturing division. Furthermore, the manufacturing division has incurred a net loss for the financial year ended 31 December 2025. Management has determined that there are indications that the Group's PPE relating to the manufacturing division may be impaired.

Accordingly, the Group performed an impairment assessment to determine the recoverable amount of the PPE. The PPE have been allocated to the cash-generating unit ("CGU") identified as Anyang Jiutian Fine Chemical Co., Ltd.'s manufacturing division. Management has determined the recoverable amount based on the fair value less costs of disposal ("FVLCD") of the PPE. The valuation methodologies applied to derive the FVLCD of the PPE are described in Note 3 to the financial statements.

Based on the impairment assessment performed, an impairment loss of RMB84,042,000 (2024: RMB4,279,000) on PPE was recognised in the Group's profit or loss during the current financial year.

Management's assessment of the recoverable amount of the CGU is significant to our audit due to the magnitude of the net carrying amounts of the PPE being tested for impairment and related impairment loss recognised in the Group's profit or loss and the significant management's estimates applied in determination of the CGU's recoverable amount. Accordingly, we have identified this as a key audit matter.

The significant estimates applied in the impairment assessment of PPE and disclosures for key assumptions used are included in Note 3 to the financial statements.

Our procedures to address the key audit matter:

We obtained an understanding of management's impairment assessment process including identifying indicators of impairment and assessing the recoverable amount, and tested the design and implementation of relevant key internal controls. We have obtained and reviewed management's assessment of indication of impairment with respect to the PPE.

For right-of-use assets classified within PPE other than leasehold lands, we obtained management's determination of fair value less costs of disposal and assessed the valuation methodology used and assumptions and estimates applied by management.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
JIUTIAN CHEMICAL GROUP LIMITED (cont'd)**

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matter (cont'd)

Impairment assessment of property, plant and equipment ("PPE") (cont'd)

Our procedures to address the key audit matter (cont'd):

For leasehold lands and other PPE, we obtained the valuations prepared by the independent professional external valuer engaged by the Group and assessed the independence, competence, capabilities and objectivity of the valuer. We held discussions with the valuer to obtain an understanding of the valuation methodology and significant assumptions and estimates applied by the valuer. We involved our internal valuation specialists in evaluating the appropriateness of the valuation methodology and the reasonableness of the significant assumptions and estimates applied by the valuer.

We obtained and assessed management's determination of the recoverable amount and reviewed management's allocation of impairment loss to the underlying assets of the CGU. We performed retrospective review of management's assessment made in the previous financial year to actual results to evaluate the reasonableness of management's assumptions and estimates.

We reviewed the adequacy and appropriateness of the disclosures concerning the impairment assessment of the PPE in the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report 2025, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the the Companies Act 1967 and Singapore Financial Reporting Standards (International), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
JIUTIAN CHEMICAL GROUP LIMITED (cont'd)**

Report on the Audit of the Financial Statements (cont'd)

Responsibilities of Management and Directors for the Financial Statements (cont'd)

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
JIUTIAN CHEMICAL GROUP LIMITED (cont'd)**

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lim Kok Heng.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

7 April 2026

3 Critical accounting judgements and key sources of estimation uncertainty

Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 2, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are addressed in subsequent paragraphs).

Going concern assumption

During the financial year ended 31 December 2025, the Group incurred a net loss of RMB239,630,000 (2024: RMB147,897,000) and the Group reported net cash used in operating activities of RMB122,621,000 (2024: RMB80,953,000). These factors indicate the existence of material uncertainties that may cast significant doubt on the ability of the Group to continue as a going concern.

In assessing the appropriateness of the going concern assumption of the Group, the Board of Directors of the Company is of the view that the use of going concern assumption to prepare the financial statements is appropriate based on the following factors:

- a) the Group expects that it is able to receive the value-added tax recoverable within the next twelve months from the date of authorisation of these financial statements;
- b) the Group has obtained an additional financing facility of RMB48,000,000 in March 2026 and expects to utilise this facility to fund its working capital requirements, in particular, for payments to suppliers relating to trading of chemical products;
- c) the Group is actively seeking buyers to purchase its under-utilised property, plant and equipment and has received indicative interest from a prospective buyer; and
- d) the continual support from the Group's creditors and suppliers who extended their credit terms to the Group.

Based on the above, the Board of Directors is of the opinion that the Group is able to operate as a going concern and able to meet its obligations as they fall due and the Group's working capital is sufficient to meet its present requirements at least for the next twelve months from the date of authorisation of these financial statements.

In the event that the Group is unable to continue in operational existence for the foreseeable future, the Group may be unable to realise its assets and discharge its liabilities in the ordinary course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the ordinary course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the consolidated statement of financial position of the Group. In addition, the Group may have to provide for further liabilities that may arise and to reclassify the non-current assets and liabilities to current assets and liabilities respectively. No such adjustments have been made to these financial statements.