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## **Tsaker Chemical Group Limited**

**彩客化學集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1986)**

### **PROFIT WARNING**

This announcement is made by Tsaker Chemical Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021, the net profit of the Group for the six months ended 30 June 2021 is expected to be not less than RMB80.0 million, which would represent a significant decrease by not more than RMB58.7 million or 42.3%, as compared with that of approximately RMB138.7 million for the six months ended 30 June 2020. Such decrease was mainly attributable to the combined effect of (i) the decrease in average market price of DSD acid, the Group’s major dye intermediate products, due to market conditions including but not limited to the impact from the novel coronavirus (COVID-19) pandemic, which led to the decrease in the revenue and gross profit for the dye and agricultural chemical intermediates segment of the Group during the six months ended 30 June 2021 as compared with that in the same period in 2020, which in turn caused a great impact on the net profit of the Group; and (ii) the recovery of the sales volume of the Group’s DSD acid during the six months ended 30 June 2021 as compared with that in the same period in 2020, due to the gradual recovery of demand for such products in the market, which partially offset the aforementioned negative impact on the revenue, gross profit and net profit of the Group.

The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021 and information currently available to the Company, and is not based on any figures or information which have been audited or reviewed by the Company's auditors. Figures and information mentioned in this announcement are in the course of being considered and checked and are therefore subject to adjustments. The Shareholders and potential investors of the Company should refer to the Group's interim results announcement for the six months ended 30 June 2021, which is expected to be published by the end of August 2021, for details of the financial information and performance of the Group.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**Tsaker Chemical Group Limited**  
**Ge Yi**  
*Chairman*

Beijing, the PRC, 30 July 2021

*As at the date of this announcement, the Board comprises Mr. Ge Yi (Chairman), Mr. Bai Kun and Ms. Zhang Nan as executive Directors, Mr. Fontaine Alain Vincent as a non-executive Director, and Mr. Ho Kenneth Kai Chung, Mr. Zhu Lin and Mr. Yu Miao as independent non-executive Directors.*

\* *For identification purposes only*