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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)

POSITIVE PROFIT ALERT

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 (the “**Listing Rules**”) 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 year ended 31 December 2021 (the “**Reporting Period**”), the net profit of the Group for the Reporting Period is expected to be not less than RMB220.0 million, which would represent a significant increase by not less than RMB75.4 million or 52.1% as compared with that of approximately RMB144.6 million for the year ended 31 December 2020. Such increase was mainly attributable to (i) the increase in sales volume of dye intermediates and pigment intermediates during the Reporting Period due to the increase in market demand and the reduced impact of COVID-19 on production suspension; and (ii) the Group’s completion of the upgrading of its production line for iron phosphate (a battery material) in June 2021, and such iron phosphate has been gradually mass-produced, coupled with the strong market demand, the production, sales volumes and market price of iron phosphate products increased significantly, which led to the increase in revenue and gross profit of the Group during the Reporting Period.

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 Reporting Period 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. Details of the Group’s financial information and performance will be disclosed in the annual results announcement of the Group for the Reporting Period in compliance with the Listing Rules.

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, 11 February 2022

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*