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China Singyes New Materials Holdings Limited

中國興業新材料控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 8073)

PROFIT WARNING

This announcement is made by China Singyes New Materials Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company would like 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 2020, the Group expects to record a significant decrease in profit attributable to owners of the Company in the range of approximately 90% to 99% for the year ended 31 December 2020 as compared with the profit attributable to owners of the Company of approximately RMB18.2 million for the year ended 31 December 2019.

The Board considers that the decrease was mainly attributable to (i) the decrease in revenue due to delays or cancellations of sales orders and the reduction of demand and selling price for new sales orders during the year as a result of the Coronavirus disease 2019 (COVID-19) outbreak and related measures imposed in China; and (ii) the decrease in gross profit margin due to higher per-unit fixed costs charged to cost of sales as a result of the decrease in production volume.

As the Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2020, the information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the information currently available and the unaudited consolidated management accounts of the Group for the year ended 31 December 2020, which have not been audited or reviewed by the Group's auditor or the audit committee of the Board, and may be subject to adjustments. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company, which is expected to be published in late March 2021.

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
China Singyes New Materials Holdings Limited
Zhang Chao
Chairman

Hong Kong, 10 March 2021

As at the date of this announcement, the executive Directors of the Company are Mr. Zhang Chao (Chairman), Mr. Du Peng and Mr. Nie Yuanzhou; the non-executive Director of the Company is Mr. Liu Hongwei; and the independent non-executive Directors of the Company are Ms. Pan Jianli, Mr. Pan Jianguo and Dr. Li Ling.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website (www.hkgem.com) for at least 7 days from the date of its publication and on the website of the Company (www.syeamt.com).