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葉氏化工
YIP'S CHEMICAL

Yip's Chemical Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 408)

POSITIVE PROFIT ALERT

This announcement is made by Yip's Chemical Holdings Limited (the "Company" and, together with its subsidiaries, the "Group") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the "SFO").

The board of directors of the Company (the "Board") wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that based on preliminary assessment of the unaudited consolidated management accounts of the Group for the three months ended 31 March 2021 and the information currently available to the Board, performance of major core businesses is better than that of the corresponding period in 2020. The Group is expecting to record an increase in net profit by over 110% for the three months ended 31 March 2021 as compared with that of the six months ended 30 June 2020 while results of the first half of last year were adversely affected by the COVID-19 pandemic and expenses related to the proposed spin-off and separate listing of Bauhinia Ink Company Limited on the Shenzhen Stock Exchange.

The Group's solvents business recorded substantial profit in the three months ended 31 March 2021. Selling prices of our solvents products have surged to near historical high level as a result of the continued increase of the raw materials' prices in the chemical commodity market, which in turn is attributable to the prevailing demand and supply situation of the underlying market. Our solvents team, leveraging on their expertise and their leading market position, have captured such market opportunity to enjoy substantial improvement in profitability.

The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available. Such information has not been audited or reviewed by the Company's auditor or audit committee. The abovementioned information relates to the performance of the Group in the three months ended 31 March 2021 only and is not directly comparable with the Group's historical performances. The actual results of the Group for the six months ending 30 June 2021 will be subject to, among other things, the business performances of the Group by then. Details of the financial information of the Group for the six months ending 30 June 2021 will be published pursuant to the requirements of the Listing Rules.

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

By Order of the Board
Yip's Chemical Holdings Limited
Ip Chi Shing
Chairman

Hong Kong, 28 April 2021

As at the date of this announcement, the Board comprises the following:-

Non-executive Directors:
Mr. Ip Chi Shing *(Chairman)*
Mr. Wong Yuk*
Mr. Ho Pak Chuen, Patrick*
Mr. Ku Yee Dao, Lawrence*

Executive Directors:
Mr. Yip Tsz Hin *(Deputy Chairman and Chief Executive Officer)*
Mr. Ip Kwan *(Deputy Chief Executive Officer)*
Mr. Ho Sai Hou *(Chief Financial Officer)*

* *Independent Non-executive Directors*