

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

VOLUNTARY ANNOUNCEMENT

BUSINESS UPDATES
IRONIC PHOSPHATE AND
CARBON NANOTUBE CONDUCTOR PASTE PROJECTS

Reference is made to the announcements of Tsaker Chemical Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) dated 28 April 2017 and 18 May 2017 respectively in relation to, among others, the application of the net proceeds raised from the placing of 21,000,000 new shares of the Company that was completed on 18 May 2017. This announcement is made by the Company on a voluntary basis to provide the shareholders and potential investors of the Company with the latest information on the recent development of the businesses of the Group.

The board of directors of the Company (the “**Board**”) is pleased to announce that the building of a new iron phosphate product production line in Cangzhou, Hebei province for the production of cathode materials for high-performance lithium ion batteries has been substantially completed recently, and the production line is now put into trial operation. This venture into the area of ionic phosphate further expanded the product range of the Group in the field of battery materials.

In addition, the building of a new carbon nanotube conductor paste product production line in Dongying, Shandong province for the production of additives for lithium-ion battery has been completed and put into trial operation recently. N-methylpyrrolidone (“**NMP**”), one of the Group’s existing products, is the raw material for producing carbon nanotube conductor paste. This venture into the area of conductive additives for lithium-ion battery further expanded the product range of the Group in the field of battery materials.

With the level of environmental protection awareness growing both domestically and internationally, the demand for battery materials grows rapidly, particularly in the market of high performance cathode materials for batteries. Iron phosphate is the core raw material for producing cathode materials for lithium ion batteries-ironic phosphate, which is finally used as cathode materials for lithium ion batteries and widely applied in the area of automotive power battery, energy storage battery, lithium battery for daily electronic products etc.. This product is expected to have very strong market synergy with NMP and carbon nanotube conductor pastes. The downstream of NMP and carbon nanotube conductor pastes is used as additives for lithium-ion battery. The Board believes that the Group will be able to leverage and take advantage of its advanced technology research and development, as well as its extensive production expertise accrued in the fine chemical industry, when starting production in this new business segment.

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

Beijing, the PRC, 26 October 2017

As at the date of this announcement, the Board comprises Mr. Ge Yi, Ms. Duan Weihua, Ms. Jin Ping and Mr. Bai Kun as executive directors, Mr. Xiao Yongzheng and Mr. Fontaine Alain Vincent as non-executive directors and Mr. Ho Kenneth Kai Chung, Mr. Zhu Lin and Mr. Yu Miao as independent non-executive directors.

* *For identification purpose only*