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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
FOR THE YEAR ENDED 31 DECEMBER 2018

The board (the “**Board**”) of directors (the “**Directors**”) of Tsaker Chemical Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) 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 and information currently available to the Board, the Group is expected to record a significant increase in the net profit attributable to the Shareholders for the year ended 31 December 2018 of not less than RMB82 million, which would represent an increase of not less than 60% as compared with that of the same period in 2017.

The expected increase is mainly attributable to the increase in the volume and average sales price of the Group’s dye intermediates and the maintenance of the relatively high gross profit margin of such business segment.

Since January 2019, due to the continual rise in the price of dye intermediates in the international market as a result of insufficient market supply, the Group’s revenue derived from its dye intermediates business segment has further strengthened. As at the date of this announcement, the selling price of the Company’s core product, DSD Acid, has been adjusted to an average of approximately RMB68,300 per ton (exclusive of tax). In 2018, the average selling price of DSD Acid was approximately RMB25,500 per ton (exclusive of tax). Currently, it is uncertain as to whether the price level of dye intermediates in the international market will continue to rise or remain at a high level.

The information contained in this announcement is only based on the Board’s preliminary assessment with reference to information currently available including the unaudited consolidated management accounts of the Group, which have not been audited or reviewed by the Company’s auditors and are subject to possible adjustments arising from further review. Therefore, the actual results of the Group for the year ended 31 December 2018 may differ from the information contained in this announcement. Details of the Group’s financial information and performance will be disclosed in the annual results announcement of the Group for the year ended 31 December 2018 as soon as practicable in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Shareholders and potential investors 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, 22 January 2019

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 purpose only*