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Tiande Chemical Holdings Limited
天德化工控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 609)

(1) RESIGNATION OF CHAIRMAN AND EXECUTIVE DIRECTORS; (2) APPOINTMENT OF CHAIRMAN AND AUTHORISED REPRESENTATIVE AND CHANGE IN COMPOSITION OF BOARD COMMITTEES; (3) APPOINTMENT OF NON-EXECUTIVE DIRECTORS AND SENIOR MANAGEMENT; AND (4) BREACH OF LOAN COVENANTS

The Board wishes to announce that with effect from 1 August 2018:

(1) Mr. Guo Feng has resigned as the Chairman, an executive Director, an authorised representative of the Company, a member of the Remuneration Committee and the chairman of the Nomination Committee;

(2) Mr. Zheng Mingguo has resigned as an executive Director, the general manager of the Company and the chairman of Safety and Environmental Protection Committee;

(3) Mr. Sun Zhenmin has resigned as an executive Director;

(4) Mr. Liu Yang has been appointed as the Chairman, a member of the Remuneration Committee, the chairman of Nomination Committee, the chairman of Safety and Environmental Protection Committee and an authorised representative of the Company;

(5) Each of Mr. Liu Hongliang and Mr. Guo Yucheng has been appointed as a non-executive Director; and

(6) Mr. Chen Xiaohua has been appointed as the general manager of the Company.

The Company as borrower entered into loan facilities with the Lender in respect of three-year fixed term loans in aggregate outstanding principal amount of approximately HK$64.2 million due September 2020 and November 2020 respectively. The Loans impose, inter alia, an undertaking from the Company that Mr. Gao shall be the Chairman. The Group is in the process of applying for relevant waiver from the Lender.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

RESIGNATION OF CHAIRMAN AND EXECUTIVE DIRECTORS

The board (the "**Board**") of directors (the "**Directors**") of Tiande Chemical Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that Mr. Gao Feng ("**Mr. Gao**") has resigned as the chairman of the Board (the "**Chairman**"), an executive Director, an authorised representative of the Company, a member of remuneration committee (the "**Remuneration Committee**") of the Board and the chairman of the nomination committee (the "**Nomination Committee**") of the Board with effect from 1 August 2018 as he would like to devote more time to his other personal and business commitments. Mr. Gao will remain as a director of subsidiaries of the Company.

Mr. Zheng Mingguo ("**Mr. Zheng**") has resigned as an executive Director, the general manager of the Company and the chairman of safety and environmental protection committee (the "**Safety and Environment Protection Committee**") of the Board with effect from 1 August 2018 as he needs to devote more time to his management function at a subsidiary of the Company. Mr. Zheng will remain as a director of a wholly-owned subsidiary of the Company.

Mr. Sun Zhenmin ("**Mr. Sun**") has resigned as an executive Director with effect from 1 August 2018 as he needs to devote more time to support the products development of the Group. Mr. Sun will remain as a member of Safety and Environmental Protection Committee and as a director of two wholly-owned subsidiaries of the Company.

Each of Mr. Gao, Mr. Zheng and Mr. Sun has confirmed that he is not aware of any matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company (the "**Shareholders**") or The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). He has also confirmed that he has no claim against the Company in respect of his resignation; and has no disagreement with the Board.

The Board would like to express its gratitude to Mr. Gao, Mr. Zheng and Mr. Sun for their contribution to the Group during their tenure of office.

APPOINTMENT OF CHAIRMAN AND AUTHORISED REPRESENTATIVE AND CHANGE IN COMPOSITION OF BOARD COMMITTEES

The Board announces that with effect from 1 August 2018, Mr. Liu Yang ("**Mr. Liu Y**"), an executive Director, has been appointed as the Chairman, a member of Remuneration Committee, the chairman of Nomination Committee, the chairman of Safety and Environmental Protection Committee and an authorised representative of the Company.

APPOINTMENT OF NON-EXECUTIVE DIRECTORS AND SENIOR MANAGEMENT

The Board further announces that, with effect from 1 August 2018, each of Mr. Liu Hongliang ("**Mr. Liu**") and Mr. Guo Yucheng ("**Mr. Guo**") has been appointed as a non-executive Director and Mr. Chen Xiaohua ("**Mr. Chen**") has been appointed as the general manager of the Company.

The biographical details of Mr. Liu

Mr. Liu, aged 62, is one of the founders of the Group. He is the father of Mr. Liu Y, an executive Director. Mr. Liu graduated from East China Petroleum Institute (華東石油學院) (now known as China University of Petroleum (中國石油大學(華東))) in 1982, majoring in basic organic chemistry. He spent more than ten years from 1982 to 1993 in Weifang New Technology Research Centre. After that, Mr. Liu established Weifang Tianhong Equity Investment Company Limited (formerly known as Weifang Tianhong Corporate Management and Consultancy Company Limited) with others in 1996. Mr. Liu was the Chairman from 2006 to 2015 and an executive Director from 2006 to 2016. Mr. Liu has over 30 years of experience in the chemical industry.

The Company has entered into a letter of appointment with Mr. Liu for an initial term of three years commencing on 1 August 2018, unless terminated by either party in accordance with the terms thereof. Mr. Liu shall hold office until the next annual general meeting of the Company and shall then be eligible for re-election in accordance with the articles of association of the Company. He is entitled to a basic salary of RMB10,000 per annum plus discretionary management bonus dependent on the performance of the Group. The emolument of Mr. Liu is determined by the Board with the recommendation of the Remuneration Committee by reference to the prevailing market situation, his experience, and his duties and responsibilities with the Company.

As at the date of this announcement, Mr. Liu is deemed to have interests in 221,920,000 shares of the Company (the "**Shares**") (representing 26.05% of the issued Share) through his 38.0% interests in Cheerhill Group Limited ("**Cheerhill**") which is the substantial Shareholder holding 584,000,000 Shares (representing 68.55% of the issued Share). Save as disclosed above, Mr. Liu does not have any interest in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**").

As at the date of this announcement and save as disclosed above, Mr. Liu has confirmed that (i) he does not hold any directorship in other public listed companies in Hong Kong or overseas in the past three years; (ii) he does not hold any other position with the Company or other members of the Group; and (iii) he does not have any relationship with any Directors, senior management or substantial or controlling Shareholders.

The biographical details of Mr. Guo

Mr. Guo, aged 61, he graduated from East China Petroleum Institute (華東石油學院) (now known as China University of Petroleum (中國石油大學(華東))) in 1982, majoring in basic organic chemistry. Prior to joining the Group in 2000, Mr. Guo had been working for Weifang Organic Chemicals Factory (濰坊有機化工廠) since 1982. He was accredited as a senior engineer by The Jury of Senior Title of Chemical Technical Post, Shandong Province in 1994. Mr. Guo joined the Group in December 2000. Mr. Guo was an executive Director from 2006 to 2015. Mr. Guo has over 30 years of experience in the chemical industry.

The Company has entered into a letter of appointment with Mr. Guo for an initial term of three years commencing on 1 August 2018, unless terminated by either party in accordance with the terms thereof. Mr. Guo shall hold office until the next annual general meeting of the Company and shall then be eligible for re-election in accordance with the articles of association of the Company. He is entitled to a basic salary of RMB10,000 per annum plus discretionary management bonus dependent on the performance of the Group. The emolument of Mr. Guo is determined by the Board with the recommendation of the Remuneration Committee by reference to the prevailing market situation, his experience, and his duties and responsibilities with the Company.

As at the date of this announcement, Mr. Guo is deemed to have interests in 37,960,000 Shares (representing 4.46% of the issued Share) through his 6.5% interests in Cheerhill which is the substantial Shareholder holding 584,000,000 Shares (representing 68.55% of the issued Share). Save as disclosed above, Mr. Guo does not have any interest in the securities of the Company within the meaning of Part XV of the SFO.

As at the date of this announcement and save as disclosed above, Mr. Guo has confirmed that (i) he does not hold any directorship in other public listed companies in Hong Kong or overseas in the past three years; (ii) he does not hold any other position with the Company or other members of the Group; and (iii) he does not have any relationship with any Directors, senior management or substantial or controlling Shareholders.

The biographical details of Mr. Chen

Mr. Chen, aged 41, was a deputy general manager of the Company and a director of Weifang Dekel Innovative Materials Co., Ltd., an indirect wholly-owned subsidiary of the Company, since January 2018. Mr. Chen graduated from Weifang Changwei Teachers College (濰坊市昌濰師範專科學校) majoring in chemical in July 1999. He joined the Group in March 2000. He has over 15 years of experience in the chemical industry.

Pursuant to the service agreement entered into between the Company and Mr. Chen, his term of services is three years from 1 August 2018. Mr. Chen is entitled to a basic salary of RMB320,000 per annum plus discretionary management bonus dependent on the performance of the Group and subject to annual review of the Remuneration Committee. The Company may provide Mr. Chen with other benefits, which may be determined from time to time by the Company.

As at the date of this announcement, Mr. Chen holds employee share options which entitle him to subscribe for a total of 460,000 Shares, and holds 72,000 Shares, in aggregate representing approximately 0.06% of the issued Share as at the date of this announcement. Save as disclosed above, Mr. Chen did not have any interest in the securities of the Company within the meaning of Part XV of the SFO.

As at the date of this announcement and save as described above, Mr. Chen has confirmed that (i) he does not hold any directorship in other public listed companies in Hong Kong or overseas in the past three years; (ii) he does not hold any other position with the Company or other members of the Group; and (iii) he does not have any relationship with any Directors, senior management or substantial or controlling Shareholders.

Save as disclosed above, the Board is not aware of any matter in relation to the appointments of each Mr. Liu, Mr. Guo and Mr. Chen that is required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(n) of the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange or any other matter that needs to be brought to the attention of the Shareholders in relation to their appointment.

BREACH OF LOAN COVENANTS

The following is made by the Company pursuant to Rule 13.19 of the Listing Rules and Inside Information Provisions under Part XIVA of the SFO.

The Company as borrower entered into loan facilities with The Hong Kong and Shanghai Corporation Bank Limited (the "**Lender**") in respect of three-year fixed term loans in aggregate outstanding principal amount of approximately HK$64.2 million due September 2020 and November 2020 respectively guaranteed by Weifang Parasia Chem Co. Ltd. and Dekel Investment Holdings Limited, which are indirect wholly-owned subsidiaries of the Company (the "**Loans**"). The Loans impose, inter alia, an undertaking from the Company that Mr. Gao shall remain as the Chairman. The Group is in the process of applying for relevant waiver from the Lender. Further announcement regarding the Loans and status of the waiver will be made as and when appropriate.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

By order of the Board
Tiande Chemical Holdings Limited
Liu Yang
Chairman

Hong Kong, 1 August 2018

As at the date of this announcement, the executive Directors are Mr. Liu Yang and Mr. Wang Zijiang; the non-executive Directors are Mr. Liu Hongliang and Mr. Guo Yucheng; whilst the independent non-executive Directors are Mr. Gao Baoyu, Mr. Leung Kam Wan and Mr. Liu Chenguang.