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)

PROFIT WARNING

This announcement is made by Tiande Chemical Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that based on the information currently available to the Board and the preliminary assessment of the unaudited consolidated management accounts of the Group, the Group recorded a net loss attributable to the owners of the Company of approximately RMB57 million for the ten months ended 31 October 2018. It is expected that the Group will record a net loss for the year ending 31 December 2018 as compared with net profit in 2017.

Such expected full-year loss is mainly attributable to (i) the reduction in sales quantities and pricing of the Group's key products, the cyanide and its derivative product segment, in the face of the slowdown in customers' demand and intensified market competition; (ii) the relatively high raw material costs which persists in the second half of 2018; and (iii) a one-off loss induced by written-off of certain property, plant and equipment in the first half of 2018.

The information contained in this announcement is only based on the information currently available to the Board and the preliminary assessment of the unaudited consolidated management accounts of the Group for the ten months ended 31 October 2018, which may be subject to further adjustments. The unaudited consolidated management accounts of the Group have not been audited or reviewed by the independent auditor of the Company and have not been confirmed by the audit committee of the Company. The actual financial results of the Group for the year ending 31 December 2018 may be different from the information disclosed herein. Further details of the Group's financial results for the year ending 31 December 2018 will be published in due course 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
Tiande Chemical Holdings Limited
Liu Yang
Chairman

Hong Kong, 3 December 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.