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)

DISCLOSEABLE TRANSACTION — POSTPONEMENT FOR THE SURRENDER OF THE VACANT POSSESSION OF THE LAND

Weifang Common and Weifang Sub-Bureau entered into the Compensation Agreement dated 6 November 2008 in respect of the Resumption. Pursuant to the Compensation Agreement, Weifang Common is required to surrender the vacant possession of the Land within 60 days after the completion of the subsequent transfer of the Land Use Rights by Weifang Municipal People's Government or not later than 1 July 2009, whichever is later. On 27 May 2009, Weifang Common has applied to Weifang Sub-Bureau for the Postponement which was approved by Weifang Sub-Bureau on 25 June 2009. Accordingly, Weifang Common is allowed to use the Land for production and surrender the vacant possession of the Land before 30 June 2010. Except for the Postponement, all other terms and conditions stated in the Compensation Agreement remain unchanged.

This announcement is made in compliance with Rule 14.36 of the Listing Rules.

Reference is made to the announcement of Tiande Chemical Holdings Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**") dated 18 November 2008 and the circular (the "**Circular**") of the Company dated 3 December 2008 regarding the entering into a Compensation Agreement dated 6 November 2008 by Weifang Common, an indirect wholly-owned subsidiary of the Company, with Weifang Sub-Bureau in respect of the Resumption. Pursuant to the Compensation Agreement, Weifang Common is required to surrender the vacant possession of the Land within 60 days after the completion of the subsequent transfer of the Land Use Rights by Weifang Municipal People's Government or not later than 1 July 2009, whichever is later.

Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as defined in the Circular.

Postponement for the surrender of the vacant possession of the Land (the "Postponement")

On 27 May 2009, Weifang Common has applied to Weifang Sub-Bureau for the Postponement which was approved by Weifang Sub-Bureau on 25 June 2009. Accordingly, Weifang Common is allowed to use the Land for production and surrender the vacant possession of the Land before 30 June 2010.

Reasons for the application of the Postponement

In order to meet the recent market development, the Group has to modify the production capacity of Weifang Common. The removal and relocation plans of Weifang Common for the Resumption was then revised and updated in order to tally with the business development of the Group as a whole. As additional time is required to re-organise the operation of removal and relocation as a result of such revision, Weifang Common has applied to postpone the surrender of the vacant possession of the Land to Weifang Sub-Bureau. Except for the Postponement, all other terms and conditions stated in the Compensation Agreement remain unchanged.

The board of directors (the "**Board**") of the Company believes that the Postponement will serve Weifang Common to achieve a more effective and efficient removal and relocation works and is in the interests of the Company and the Shareholders taken as a whole.

This announcement is made in compliance with Rule 14.36 of the Listing Rules.

By order of the Board
Liu Hongliang
Chairman

Hong Kong, 26 June 2009

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