

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)

DISCLOSEABLE TRANSACTION
PROPOSED SUBSCRIPTION FOR SHARES IN THE IPO OF
CHINA RISUN GROUP LIMITED

On 4 March 2019, the Company placed the Order to subscribe for the Allocated Shares in the IPO of China Risun to the extent of the maximum subscription amount of RMB50,000,000 (equivalent to approximately HK\$58,563,000), exclusive of the brokerage, the Stock Exchange trading fee and the SFC transaction levy payable in connection with such subscription.

As some of the applicable percentage ratios under Chapter 14 of the Listing Rules exceed 5% but are less than 25% assuming a maximum subscription amount of RMB50,000,000, the Transaction constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Board is pleased to announce that on 4 March 2019, the Company placed the Order to subscribe for the Allocated Shares in the IPO of China Risun.

THE SUBSCRIPTION

The Board is pleased to announce that on 4 March 2019, the Company placed the Order to subscribe for the Allocated Shares in the IPO of China Risun to the extent of the maximum subscription amount of RMB50,000,000 (equivalent to approximately HK\$58,563,000), exclusive of the brokerage, the Stock Exchange trading fee and the SFC transaction levy payable in connection with such subscription.

The Order is subject to final allocation of the China Risun Shares in the IPO of China Risun and the Company may or may not be allocated with any China Risun Shares in the IPO. The Company will issue a further announcement when the number of the Allocated Shares and the final amount of subscription money payable by the Company has been determined.

Offer Price

As disclosed in the China Risun Prospectus, the Offer Price is expected to be between HK\$2.76 and HK\$3.18 per China Risun Share.

The total Offer Price payable by the Company shall be determined by multiplying the final number of the Allocated Shares and the final Offer Price plus SFC transaction levy at 0.0027%, the Stock Exchange trading fee at 0.005% and brokerage commission at 1%.

The Company will fund the total subscription price for the Allocated Shares from its internal resources and/or external financing.

Completion of the Transaction

Based on the IPO timetable as stated in the China Risun Prospectus, the final Offer Price is expected to be determined no later than 13 March 2019 and the date of listing of the China Risun Shares on the Stock Exchange is expected to be on or about 15 March 2019. Completion of the Transaction and the payment of the subscription monies shall occur on or before the date of listing of the China Risun Shares on the Stock Exchange. There are no restrictions on the subsequent sales of the China Risun Shares subscribed by the Company.

INFORMATION ON CHINA RISUN

According to the China Risun Prospectus, the China Risun Group is an integrated coke, coking chemical and refined producer and supplier in China.

Details of the business of China Risun are set out in the China Risun Prospectus, which has been published on the website of the Stock Exchange on 28 February 2019.

Set out below is the audited consolidated financial information of China Risun for each of the years ended 31 December 2015, 2016 and 2017, which has been extracted from the China Risun Prospectus:

	For the year ended 31 December 2015 <i>RMB'000</i>	For the year ended 31 December 2016 <i>RMB'000</i>	For the year ended 31 December 2017 <i>RMB'000</i>
Net (loss)/profit before taxation	(580,817)	390,836	845,943
Net (loss)/profit after taxation	(507,116)	354,961	765,573

According to the China Risun Prospectus, as at 31 December 2015, 2016 and 2017, the audited consolidated net asset value of China Risun was approximately RMB1,876.9 million, RMB2,711.7 million, and RMB3,109.7 million respectively.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, China Risun and its respective ultimate beneficial owner are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE TRANSACTION

According to the China Risun Prospectus, the China Risun Group held leading positions in a number of refined chemical sectors in China or globally, and its business consists of three segments, namely coke and coking chemicals, refined chemicals and trading. As the Group is also in the similar industry, the Company is able to have a better understanding of the business of the China Risun Group. Having considered the information relating to the China Risun Group in the China Risun Prospectus including information on its business model as well as its financial information and business prospects, the Company considers that the Transaction is an attractive investment and can generate potential investment returns for the Group.

The Directors consider that the terms of the Order are on normal commercial terms which are fair and reasonable and the entering into of the Order are in the best interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As some of the applicable percentage ratios under Chapter 14 of the Listing Rules exceed 5% but are less than 25% assuming a maximum subscription amount of RMB50,000,000, the Transaction constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the meanings as set out below:

“Allocated Shares”	the China Risun Shares as shall be allocated to the Company
“Board”	the board of Directors
“China Risun”	China Risun Group Limited, a company incorporated under the laws of the Cayman Islands with limited liability
“China Risun Group”	China Risun and its subsidiaries
“China Risun Prospectus”	the prospectus dated 28 February 2019 issued by China Risun in relation to its IPO
“China Risun Share(s)”	the ordinary shares to be issued by China Risun, which are to be subscribed for and traded in Hong Kong dollars and to be listed on the Stock Exchange
“Company”	Tsaker Chemical Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 1986)
“connected persons”	has the meaning as ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IPO”	initial public offering of the China Risun Shares
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Offer Price”	the offer price for the China Risun Shares, which will be a maximum of HK\$3.18 per China Risun Share and expected to be not less than HK\$2.76 per China Risun Share
“Order”	the order to subscribe for China Risun Shares with a total subscription amount not exceeding RMB50,000,000 (equivalent to approximately HK\$58,563,000) placed by the Company on 4 March 2019 to China Risun through Guotai Junan Securities (Hong Kong) Limited (being one of the joint lead managers, joint bookrunners and underwriters in connection with the China Risun IPO as disclosed in the China Risun Prospectus) in relation to the Transaction
“percentage ratios”	the percentage ratios calculated based on the requirements under Rule 14.07 of the Listing Rules
“PRC” or “China”	the People’s Republic of China
“SFC”	Securities and Futures Commission of Hong Kong
“Shares”	ordinary shares in the share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the proposed subscription of the Allocated Shares by the Company pursuant to the Order
“%”	per cent.

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

Beijing, the PRC, 6 March 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.

In this announcement, RMB has been converted to HK\$ at the rate of RMB0.85 = HK\$1 for illustration purpose only. No representation is made that any amounts in RMB or HK\$ have been, could have been or could be converted at the above rate or at any other rates or at all.

* For identification purpose only