
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or the offers referred to herein, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant, or other professional adviser.

If you have sold or transferred all your shares in Tsaker Chemical Group Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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This circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Group. The directors of the Company collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

**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)**

**PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES;
PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;
PROPOSED BONUS ISSUE OF SHARES;
RE-ELECTION OF DIRECTORS;
AND
NOTICE OF AGM**

A notice convening the annual general meeting of the Company to be held at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong at 10:00 a.m on Friday, 16 June 2017 is set out on pages 20 to 25 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit it with Tricor Investor Services Limited, the branch share registrar of the Company in Hong Kong, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding the meeting (no later than 10:00 a.m. on 14 June 2017 (Hong Kong time)) or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

* *for identification purposes only*

26 April 2017

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be convened and held at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong at 10:00 a.m. on Friday, 16 June 2017, the notice of which is set out on pages 20 to 25 of this circular, and any adjournment thereof
“Articles of Association”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Bonus Issue”	the proposed issue of Bonus Shares to the Shareholders whose names appear on the register of members of the Company as at the close of business on the Record Date on the basis of one Bonus Share for every one existing Share held on the Record Date
“Bonus Shares”	new Shares proposed to be issued by way of Bonus Issue on the terms set out in this circular
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Cavalli”	Cavalli Enterprises Inc., a company incorporated in the British Virgin Islands with limited liability wholly-owned by Mr. Ge Yi, an executive Director, and one of the controlling Shareholders of the Company
“CG Code”	Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules
“Companies Law”	the Companies Law (2013 Revision) of the Cayman Islands, as amended, consolidated or otherwise modified from time to time
“Company”	Tsaker Chemical Group Limited, a company incorporated in the Cayman Islands and the Shares of which are listed on the Stock Exchange
“controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Entitlement”	entitlement to the Bonus Issue

DEFINITIONS

“Extension Mandate”	a general and unconditional mandate to the Directors to extend the Issue Mandate by an amount representing the aggregate amount of Shares repurchased under the Repurchase Mandate
“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
“Increase in Authorised Share Capital”	the proposed increase in the authorised share capital of the Company from US\$10,000,000 (divided into 1,000,000,000 Shares) to US\$20,000,000 (divided into 2,000,000,000 Shares by creation of an additional 1,000,000,000 Shares)
“Issue Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares of up to a maximum of 20% of the aggregate number of issued Shares as at the date of passing of the relevant resolution
“Latest Practicable Date”	21 April 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Date”	3 July 2015, the date on which dealings in the Shares commenced on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company on the Record Date are outside Hong Kong
“PRC” or “China”	the People’s Republic of China, which for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Record Date”	Friday, 30 June 2017, being the date for determination of the Entitlement of each Shareholder

DEFINITIONS

“Repurchase Mandate”	a general and unconditional mandate to the Directors to enable them to repurchase Shares the aggregate nominal amount of which shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing of the relevant resolution
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shares”	shares of US\$0.01 each in the share capital of the Company
“Shareholders”	holder(s) of the Shares
“substantial Shareholders”	has the meaning ascribed to it under the Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

EXPECTED TIMETABLE

The following is a summary of the events in relation to the proposed Bonus Issue and the date upon which these events are currently expected to take place:

Latest time for lodging transfer of Shares in order to be entitled to attend and vote at the Annual General Meeting	4:30 p.m. on Tuesday, 13 June 2017
Closure of register of members of the Company for the entitlement to attend and vote at the Annual General Meeting	Wednesday, 14 June 2017 to Friday, 16 June 2017 (both days inclusive)
Latest time for lodging forms of proxy for the Annual General Meeting	10:00 a.m. on Wednesday, 14 June 2017
Record date for entitlement to attend and vote at the Annual General Meeting	Friday, 16 June 2017
Annual General Meeting	10:00 a.m. on Friday, 16 June 2017
Announcement of the results of the Annual General Meeting	Friday, 16 June 2017
Last day of dealings in Shares cum-entitlement to the final dividend and the Bonus Shares	Thursday, 22 June 2017
First day of dealings in Shares ex-entitlement to the final dividend and the Bonus Shares	Friday, 23 June 2017
Latest time for lodging transfer of Shares in order to be entitled to the final dividend and the Bonus Shares	4:30p.m. on Monday, 26 June 2017
Closure of register of members of the Company for the final dividend and the Bonus Issue	Tuesday, 27 June 2017 to Friday, 30 June 2017 (both days inclusive)
Record Date for determining entitlement to the final dividend and the Bonus Shares	Friday, 30 June 2017
Despatch of the share certificates of the Bonus Shares and the final dividend payment date	on or before Thursday, 13 July 2017
First date of dealings in the Bonus Shares	9:00 a.m. on Friday, 14 July 2017

EXPECTED TIMETABLE

Notes:

1. All times in this circular refer to Hong Kong local time and dates.
2. Date or deadlines specified in this circular are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be announced or notified to the Shareholders as and when appropriate.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Ge Yi (*Chairman and chief executive officer*)

Ms. Duan Weihua

Ms. Jin Ping

Mr. Bai Kun

Registered office:

P.O. Box 472

2nd Floor, Harbour Place

103 South Church Street, George Town

Grand Cayman KY1-1106

Cayman Islands

Non-executive Directors:

Mr. Xiao Yongzheng

Mr. Fontaine Alain Vincent

Head office in the PRC:

6th Floor, Building A

Jiahui International Centre

No.14 Jiqingli

Chaoyang District

Beijing

People's Republic of China

Independent non-executive Directors:

Mr. Ho Kenneth Kai Chung

Mr. Zhu Lin

Mr. Yu Miao

26 April 2017

To the Shareholders

Dear Sirs

**PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES;
PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL
PROPOSED BONUS ISSUE OF SHARES; AND
RE-ELECTION OF DIRECTORS**

INTRODUCTION

The primary purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting. Resolutions to be proposed at the Annual General Meeting include ordinary resolutions relating to the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of Directors, the declaration of final dividend and the Bonus Issue, and the Increase in Authorised Share Capital.

* For identification purpose only

LETTER FROM THE BOARD

ISSUE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be given the Issue Mandate. As at the Latest Practicable Date, a total of 501,125,000 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 100,225,000 Shares.

REPURCHASE MANDATE AND EXTENSION MANDATE

At the Annual General Meeting, an ordinary resolution will also be proposed to give the Directors the Repurchase Mandate.

In addition, an ordinary resolution regarding the Extension Mandate will be proposed at the Annual General Meeting providing that any Shares repurchased under the Repurchase Mandate (up to a maximum of 10% of the issued Shares as at the date of the grant of the Repurchase Mandate) will be added to the total number of Shares which may be allotted and issued under the Issue Mandate.

The Issue Mandate and the Repurchase Mandate would expire at the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the end of the period within which the Company is required by the Companies Law or the Articles of Association to hold its next annual general meeting; and
- (c) when revoked or varied by ordinary resolution(s) of the Shareholders in general meeting prior to the next annual general meeting of the Company.

Under the Listing Rules, the Company is required to give Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote in favour of or against the resolution in respect of the Repurchase Mandate at the Annual General Meeting. An explanatory statement for such purpose is set out in Appendix I to this circular.

RE-ELECTION OF DIRECTORS

In accordance with Article 16.2 of the Articles of Association, each of Mr. Bai Kun and Ms. Duan Weihua shall hold office until the Annual General Meeting and be eligible, to offer himself/herself for re-election as the Director by the Shareholders at the Annual General Meeting.

In accordance with Article 16.19 of the Articles of Association, each of Mr. Ge Yi, Mr. Zhu Lin and Mr. Yu Miao will retire as the Director by rotation at the Annual General Meeting and, being eligible, will offer himself for re-election as the Director by the Shareholders at the Annual General Meeting.

LETTER FROM THE BOARD

Brief particulars of each of the abovementioned Directors are set out in Appendix II to this circular.

DECLARATION OF FINAL DIVIDEND AND BONUS ISSUE

Declaration of final dividend

As set out in to the announcement of annual results of the Company for the year ended 31 December 2016 dated 29 March 2017, the Board recommended the payment of a final dividend of RMB0.073 per Share for the year ended 31 December 2016. The proposed payment of final dividend is subject to the approval of the Shareholders at the Annual General Meeting. If the resolution for the proposed payment of final dividend is passed at the Annual General Meeting, the final dividend will be payable on 13 July 2017 to the Shareholders whose names appear on the register of members of the Company on 30 June 2017.

Basis of the Bonus Issue

As set out in the announcement of annual results of the Company for the year ended 31 December 2016 dated 29 March 2017, the Directors resolved to recommend the Bonus Issue on the basis of one Bonus Share for every one existing Share held by Shareholders (except for Overseas Shareholders) whose names appear on the register of members of the Company on the Record Date for the payment of the final dividend of RMB0.073 per Share for the year ended 31 December 2016.

On the basis of 501,125,000 Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or repurchased before the Record Date, the Bonus Shares will be credited as fully paid by way of capitalisation of an application of an amount of approximately US\$5,011,250 in the share premium account of the Company.

Effect of the Bonus Issue to the shareholding

On the basis of 501,125,000 Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or repurchased before the Record Date, 501,125,000 Bonus Shares will be issued pursuant to the Bonus Issue. Immediately after completion of the Bonus Issue, there will be a total of 1,002,250,000 Shares in the enlarged issued share capital of the Company.

Status of the Bonus Shares

The Bonus Shares will rank *pari passu* in all respects with the existing Shares from their date of issue except that they are not entitled to the proposed dividend for the year ended 31 December 2016 and will not rank for the Bonus Issue.

LETTER FROM THE BOARD

Fractions of the Bonus Shares

The Company will not allot any fractions of Bonus Shares. Fractional Entitlements, if any, to the Bonus Shares will not be allotted to the Shareholders and will be aggregated and sold and the benefit will be accrued for the Company.

Application for listing

Application will be made to the Listing Committee for the listing of, and permission to deal in the Bonus Shares.

The Shares are not listed or dealt in on any stock exchange other than the Stock Exchange. The Directors do not intend to apply for listing of and permission to deal in the Bonus Shares on any stock exchange other than the Stock Exchange.

Conditions of the Bonus Issue

The Bonus Issue is conditional upon:

- (i) the approval of the Bonus Issue by the Shareholders at the Annual General Meeting;
- (ii) the Listing Committee granting listing of, and permission to deal in, the Bonus Shares; and
- (iii) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of the Cayman Islands and the Articles of Association to effect the Bonus Issue.

Reasons for the Bonus Issue

The Board believes that the Bonus Issue will, on the one hand, enable the Group to maintain its cash position for future development, and on the other hand, allow the Shareholders to enjoy a pro-rata increase in the number of Shares held by them in the Company without incurring any significant cost to them and enhance the liquidity of the Shares in the market.

The Bonus Issue will increase the number of Shares to be held by the Shareholders, reduce the share price and reduce the trading price of each board lot. The closing price per Share as quoted on the Stock Exchange as at the Latest Practicable Date is HK\$4.84 and the market value per board lot is HK\$2,420. The high board lot value sets a high entry fee for investors and compromises the liquidity of the trading of the Shares. As the Bonus Issue will double the number of Shares to be held by the Shareholders, by increasing the number of Shares to be held by the Shareholders, the market value per board lot will decrease and the trading volume and the liquidity of the Shares on the market are expected to be improved. In addition, the Board expects the Bonus Issue will afford the Shareholders with more flexibility in managing their own investment portfolios such as giving them more convenience in disposing of a portion of their Shares and realising a cash return to meet the

LETTER FROM THE BOARD

individual Shareholders' financial needs under good market conditions. With such additional number of Shares in issue as a result of the Bonus Issue, the trading volume and the liquidity of the Shares on the market are expected to be improved.

Having considered the simple administrative procedures to be involved and comparatively low costs to be incurred for the Bonus Issue, and to preserve cash for the Group's future development, the Directors consider that the Bonus Issue is a more appropriate way of achieving the abovementioned purposes taking into account the interests of the Company and the Shareholders as a whole.

Trading arrangements

Subject to the (i) granting of the listing of and permission to deal on the Stock Exchange; and (ii) compliance with the stock admission requirements of HKSCC, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date on which dealings in the Bonus Shares with board lot size of 500 Shares commence on the Main Board of the Stock Exchange or such other date as shall be determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Settlement of transactions between members of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter.

Subject to fulfillment of the conditions of the Bonus Issue as mentioned above, it is expected that certificates for the Bonus Shares will be despatched to the Shareholders (except the Overseas Shareholders) at their own risk on Thursday, 13 July 2017 and the first day of dealing in the Bonus Shares will be on or about Friday, 14 July 2017.

Stamp duty in Hong Kong will be payable in respect of dealings in the Bonus Shares.

Overseas Shareholders

As at the Latest Practicable Date and based on information provided by Tricor Investor Services Limited, the Hong Kong branch share registrar of the Company, none of the Shareholders as recorded on the register of members of the Company had address(es) which is/are outside Hong Kong.

Should there be any Overseas Shareholders on the Record Date, the Company will make enquiry regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange for considering whether to exclude such Overseas Shareholders from the Bonus Issue and it may only exclude such Overseas Shareholders on the basis that, having made such enquiry, it would be necessary or expedient to do so. If any such Overseas Shareholder is excluded, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Overseas Shareholders to be sold in the market as soon as practicable after dealings commence, if a premium, net of expenses, can be obtained. Any net proceeds of such sale for each Overseas Shareholder, after deduction of expenses, of HK\$100 or more will be distributed in Hong

LETTER FROM THE BOARD

Kong dollars to the relevant Overseas Shareholders, by post at his/her/its own risk, unless the amount falling to be distributed to any such person is less than HK\$100 in which case it will be retained for the benefit of the Company.

INCREASE IN AUTHORISED SHARE CAPITAL

The Company has an authorised share capital of US\$10,000,000 Shares of which 501,125,000 Shares were in issue as at the Latest Practicable Date. The Board proposed to increase the authorised share capital of the Company from US\$10,000,000 divided into 1,000,000,000 Shares to US\$20,000,000 divided into 2,000,000,000 Shares by the creation of an additional 1,000,000,000 Shares. The new Shares shall rank pari passu with the existing Shares upon issue. Save as the proposed Bonus Issue and equity financing (if any) for the Proposed Transaction (as defined below), the Directors have no present intention of issuing any part of the new Shares.

Reasons for the Increase in Authorised Share Capital

As at the Latest Practicable Date, only 498,875,000 Shares are left unissued and available for further allotment and issue by the Company.

In order to (i) facilitate the proposed Bonus Issue; and (ii) provide the Company with greater flexibility to raise funds by allotting and issuing Shares in the future as and when necessary, the Directors put forward the proposal for the Increase in Authorised Share Capital.

As disclosed in the announcement of the Company dated 10 February 2017 (the “**Announcement**”), the Company entered into a legally binding memorandum of understanding (the “**MOU**”) with Mr. Liu Zhixun (劉至尋) (the “**Seller**”) and Ynnovate Sanzheng (Yingkou) Fine Chemicals Co., Ltd.* (營創三征(營口)精細化工有限公司) (the “**Target Company**”), pursuant to which the Company intends to (or through its designated subsidiary to) purchase, and the Seller intends to sell or procure to sell, 75% equity interest in the Target Company held by the Seller (the “**Proposed Transaction**”). Pursuant to the MOU and subject to the terms of formal agreement regarding the Proposed Transaction (the “**Formal Agreement**”), the consideration will be RMB567 million, which comprises (a) RMB280 million in cash; and (b) RMB287 million to be settled by the issue of new Shares to the Seller by the Company. As disclosed in the Announcement, the Group intends to finance the Proposed Transaction by way of equity financing, bank loans and internal resources. Should the Formal Agreement be entered into between the Company, the Seller and the Target Company, the Company may raise funds for payment of part of the consideration for the Proposed Transaction through subscription of Shares. As at the Latest Practicable Date, the Company, the Seller and the Target Company were in the negotiation regarding the terms of the Formal Agreement. For further details regarding the Proposed Transaction, please refer to the Announcement.

Condition of the Increase in Authorised Share Capital

The Increase in Authorised Share Capital is conditional upon the passing of an ordinary resolution by the Shareholders at the Annual General Meeting.

LETTER FROM THE BOARD

As none of the Shareholders or their associates would have any interest in the Increase in Authorised Share Capital, no Shareholder would be required to abstain from voting in favour of the resolution(s) relating to the Increase in Authorised Share Capital at the Annual General Meeting.

ANNUAL GENERAL MEETING

At the Annual General Meeting, ordinary resolutions will be proposed to approve, among other matters, the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of Directors, the declaration of the final dividend and the Bonus Issue. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

A notice of the Annual General Meeting is set out on pages 20 to 25 of this circular.

Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and, in any event not later than 48 hours before the time for the Annual General Meeting (no later than 10:00 a.m. 14 June 2017 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

RESPONSIBILITY STATEMENT

This circular, for which the Board collectively and individually accepts full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Board, having made all reasonable enquiries, confirm that, to the best of its knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this circular or this circular misleading.

RECOMMENDATION

The Directors believe that the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of Directors, the declaration of the final dividend and the Bonus Issue are beneficial to the Company and the Shareholders as a whole.

The Directors believe that an exercise of the Issue Mandate will enable the Company to take advantage of market conditions to raise additional capital for the Company.

The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be exercised when the Directors believe that repurchases of Shares will benefit the Company and the Shareholders.

LETTER FROM THE BOARD

Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolutions approving the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of Directors and the declaration of the final dividend at the Annual General Meeting.

For the reasons stated under the paragraph headed “Bonus Issue”, the Directors also recommend the Shareholders to vote in favour of the ordinary resolution for the proposed Bonus Issue and the proposed Increase in Authorised Share Capital.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from 14 June 2017 to 16 June 2017, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the AGM, during which period no share transfers will be registered. To be eligible to attend the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 4:30 p.m. on 13 June 2017.

The register of members of the Company will also be closed from 27 June 2017 to 30 June 2017, both days inclusive, in order to determine the entitlement of the Shareholders to receive the final dividend and the Entitlement, during which period no share transfers will be registered. To qualify for the final dividend and the Entitlement, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 4:30 p.m. on 26 June 2017.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular and the notice of the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board of
Tsaker Chemical Group Limited
Ge Yi
Chairman

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to enable you to make an informed decision whether to vote in favour of or against the resolution to approve the grant of the Repurchase Mandate to the Directors.

Listing Rules relating to the repurchase of securities

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which is summarised below. The Company is empowered by its memorandum of association and the Articles of Association to repurchase its own securities.

Share capital

As at the Latest Practicable Date, the issued share capital of the Company comprised 501,125,000 Shares.

Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no Shares are allotted and issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 50,112,500 Shares.

Reasons for the repurchase

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders. An exercise of the power of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Such an exercise will only be made if the Directors believe that a repurchase of Shares will benefit the Company and the Shareholders.

Funding of repurchases

Repurchase made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association, the Articles of Association, the Companies Law and other applicable laws of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Companies Law, repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose or, if so authorised by the Articles of Association and subject to the provisions of the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of capital.

Taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Group as compared with that as at 31 December 2016, being the date of its latest published audited consolidated accounts. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements and/or the gearing position of the Group which in the opinion of the Directors are from time to time appropriate for the Group.

Share prices

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during each of the 12 calendar months immediately precedent the Latest Practicable Date were as follows:

	Price per Share	
	Highest HK\$	Lowest HK\$
2016		
April	3.93	3.65
May	3.94	3.63
June	4.01	3.74
July	5.17	3.89
August	5.87	4.98
September	5.58	4.60
October	5.28	4.75
November	5.95	5.24
December	6.54	5.34
2017		
January	6.30	5.50
February	6.29	5.00
March	5.70	4.84
April (<i>Note</i>)	5.36	4.75

Note: up to the Latest Practicable Date

Disclosure of interests

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their associates (as defined in the Listing Rules), have any present intention to sell to the Company or its subsidiaries any of the securities in the Company if the grant of the Repurchase Mandate is approved at the Annual General Meeting and exercised.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed resolution regarding the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the regulations set out in the memorandum of association of the Company and the Articles of Association.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

The Directors are not aware of any consequences which would give rise to an obligation for it to make a mandatory offer under Rule 26 of the Takeovers Code. As at the Latest Practicable Date, none of the Shareholders or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required under the Listing Rules.

As at the Latest Practicable Date, no connected person of the Company had notified the Company that he/she/it had a present intention to sell any securities of the Company nor had such connected person undertaken not to sell any of the securities held by him/her/it to the Company in the event that the Repurchase Mandate is granted.

Securities repurchase made by the Company

The Company has not purchased any of the Shares (whether on the Stock Exchange or otherwise) during the six months immediately preceding the date of this circular.

PARTICULARS OF DIRECTORS FOR RE-ELECTION

The particulars of the Directors eligible for re-election at the Annual General Meeting are set out below:

Executive Directors

Mr. GE Yi, aged 35, is an executive Director, the Chief Executive Officer and the Chairman of the Company, being responsible for overall business strategy and major business decisions of the Group. Mr. Ge joined the Group in February 2007 and has more than 9 years experience in the chemical industry. Mr. Ge obtained a master's degree in International Business Management for China from Middlesex University in the United Kingdom in February 2007 and completed studies in chemical engineering from Tianjin University in the PRC in July 2004.

In the three years immediately preceding the Latest Practicable Date, Mr. Ge had not held any directorship in listed public companies or other major appointments and qualifications.

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Ge was the sole beneficial owner of Cavalli, one of the controlling Shareholders, and was deemed to be interested in 345,058,500 Shares, representing approximately 68.86% of the total issued Shares. Save as disclosed above, Mr. Ge was not interested in any Shares or underlying Shares or its associated corporations pursuant to Part XV of the SFO. Mr. Ge is the son of Mr. Ge Jianhua, the founder of the Group. Save as disclosed above, Mr. Ge was not related to any other Directors, senior management, substantial Shareholders or controlling Shareholders as at the Latest Practicable Date.

Mr. Ge has entered into a service contract with the Company for a term of three years commencing from the Listing Date, which may be terminated in accordance with the terms of the service contract. Mr. Ge is entitled to RMB1,212,000 per annum as service fee for his appointment as an executive Director.

Ms. DUAN Weihua, aged 48 is an executive Director. Ms. Duan has served as the chief development officer of the Group since June 2016. Ms. Duan is responsible for industry research, development planning and investment project research. She joined the Group in 1995 and has over 20 years of experience in the chemical industry.

In the three years immediately preceding the Latest Practicable Date, Ms. Duan had not held any directorship in listed public companies or other major appointments and qualifications.

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Duan does not have any interests in the securities of the Company within the meaning of Part XV of the SFO. Ms. Duan does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders as at the Latest Practicable Date.

Ms. Duan has entered into a service contract with the Company for a term of three years commencing from her date of appointment on 25 August 2016, which may be terminated in accordance with the terms of the service contract. Ms. Duan is entitled to RMB320,000 per annum as service fee for her appointment as an executive Director.

Mr. Bai Kun, aged 40, is an executive Director and the chief financial officer of the Company, being responsible for the financial operations of the Group. Mr. Bai joined the Group in September 2014 as the chief financial officer. His work experience includes acting as manager for the Tianjin branch of PricewaterhouseCoopers from September 2002 to February 2010 and the financial controller of Tianjin Walkman Biomaterial Co., Ltd, which is principally engaged in the development, manufacture and marketing of medical devices in the PRC, from February 2010 to August 2014. Mr. Bai is a Certified Public Accountant of China. Mr. Bai obtained a master's degree in Technoeconomics and Management in March 2002 and a bachelor's degree in Technoeconomics in July 1999 from Tianjin University.

In the three years immediately preceding the Latest Practicable Date, Mr. Bai had not held any directorship in listed public companies or other major appointments and qualifications.

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Bai does not have any interests in the securities of the Company within the meaning of Part XV of the SFO. Mr. Bai does not have any relationship with any directors, senior management, substantial Shareholders or controlling Shareholders as at the Latest Practicable Date.

Mr. Bai has entered into a service contract with the Company for a term of three years commencing from his date of appointment on 25 August 2016, which may be terminated in accordance with the terms of the service contract. Mr. Bai is entitled to RMB1,049,600 per annum as service fee for his appointment as an executive Director.

Independent non-executive Directors

Mr. ZHU Lin, aged 43, is an independent non-executive Director, being responsible for overseeing the management of the Group independently. Mr. Zhu is also a partner of Beijing Legendhouse CPAs (北京潤衡會計師事務所) and a director of Beijing Run Qin Consulting Co. Ltd. (北京潤勤諮詢有限公司). Mr. Zhu has been a non-executive director of Beijing Chexun Internet Company Limited (北京車訊互聯網股份有限公司), a company whose shares are listed on the Over the Counter Bulletin in the PRC (新三板), since July 2016. Mr. Zhu obtained a bachelor's degree in Overseas Financial Accounting (會計系外國財務會計專門化) from Central Institute of Finance and Banking (currently known as Central University of Finance and Economics) in the PRC in June 1995. Mr. Zhu has been a member of the Chinese Institute of Certified Public Accountants since February 2000.

Save as disclosed above, in the three years immediately preceding the Latest Practicable Date, Mr. Zhu had not held any directorship in listed public companies or other major appointments and qualifications.

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Zhu does not have any interests in the securities of the Company within the meaning of Part XV of the SFO. Mr. Zhu does not have any relationship with any directors, senior management, substantial Shareholders or controlling Shareholders as at the Latest Practicable Date.

Mr. Zhu has signed a letter of appointment with the Company for a term of three year commencing from the Listing Date, which may be terminated in accordance with the terms of the letter of appointment. Mr. Zhu is entitled to RMB150,000 per annum as service fee for his appointment as an independent non-executive Director.

Mr. YU Miao, aged 40, is an independent non-executive Director, being responsible for overseeing the management of the Group independently. Mr. Yu is also a partner of Global Law Office. Mr. Yu has been a non-executive director of Beijing Chexun Internet Company Limited (北京車訊互聯網股份有限公司), a company whose shares are listed on the Over the Counter Bulletin in the PRC (新三板), since July 2016. Mr. Yu obtained a postgraduate diploma in International Law from The University of Nottingham in the United Kingdom in December 2001, and a bachelor's degree in Economic Law from Heilongjiang University in the PRC in July 1999. Mr. Yu has been a qualified lawyer in the PRC since March 2000.

Save as disclosed above, in the three years immediately preceding the Latest Practicable Date, Mr. Yu had not held any directorship in listed public companies or other major appointments and qualifications.

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Yu does not have any interests in the securities of the Company within the meaning of Part XV of the SFO. Mr. Yu does not have any relationship with any directors, senior management, substantial Shareholders or controlling Shareholders as at the Latest Practicable Date.

Mr. Yu has signed a letter of appointment with the Company for a term of three year commencing from the Listing Date, which may be terminated in accordance with the terms of the letter of appointment. Mr. Yu is entitled to RMB150,000 per annum as service fee for his appointment as an independent non-executive Director.

General

Save as disclosed above, the Directors consider that there is no information to be disclosed pursuant to any requirement of Rule 13.51(2) of the Listing Rules (in particular, paragraphs (h) to (v) of that Rule) and that there are no other matters in relation to the re-election of Directors at the Annual General Meeting which need to be brought to the attention of the Shareholders.

NOTICE OF AGM



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)

NOTICE IS HEREBY GIVEN that the annual general meeting of Tsaker Chemical Group Limited (“**Company**”) will be held at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong at 10:00 a.m. on Friday, 16 June 2017 to transact the following ordinary businesses:

1. to receive and approve the audited consolidated financial statements and the reports of the directors of the Company and the Company’s auditors for the year ended 31 December 2016;
2. to declare a final dividend of RMB0.073 per share (each a “**Share**”) of US\$0.01 each in the capital of the Company for the year ended 31 December 2016;
3. to consider and approve, each as a separate resolution, if thought fit, the following resolutions:
 - (a) to re-elect Mr. Ge Yi as an executive director of the Company (the “**Director**”);
 - (b) to re-elect Ms. Duan Weihua as an executive Director;
 - (c) to re-elect Mr. Bai Kun as an executive Director;
 - (d) to re-elect Mr. Zhu Lin as an independent non-executive Director;
 - (e) to re-elect Mr. Yu Miao as an independent non-executive Director;
 - (f) to authorise the board of directors to fix the Directors’ remuneration;
4. to re-appoint the Company’s auditors and to authorise the board of directors to fix their remuneration;

* *for identification purposes only*

NOTICE OF AGM

and, as special businesses, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

5. “**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules (“**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the exercise by the Directors during the Relevant Period of all the powers of the Company to allot, issue or otherwise deal with unissued shares in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for shares in the Company, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of any options granted under all share option schemes of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangements including the Scrip Dividend Scheme (as defined in resolution numbered 2 set out in the notice convening this meeting) providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate number of issued Shares on the date of the passing of this resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate number of Shares purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate number of issued Shares on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

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(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (“**Companies Law**”) or any other applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for shares in the Company open for a period fixed by the Directors to holders of shares in the Company on the Company’s register of members on a fixed record date in proportion to their then holdings of shares in the Company (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

6. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period of all powers of the Company to purchase Shares on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or any other stock exchange on which shares in the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Law and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate number of issued Shares as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

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- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law or any other applicable law of the Cayman Islands to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
7. “**THAT** conditional on the passing of resolutions numbered 5 and 6 above, the general mandate granted to the Directors pursuant to paragraph (a) of resolution numbered 5 above be and it is hereby extended by the addition to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to or in accordance with such general mandate of an amount representing the aggregate number of Shares purchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 6 above.”
8. “**THAT** upon the recommendation of the Directors and conditional upon the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Bonus Shares (as defined in paragraph (a) of this resolution below) to be issued pursuant to this resolution:
- (a) an amount standing to the credit of the share premium account of the Company as would be required to be applied in paying up in full at par new Shares, such Shares, credited as fully paid, to be allotted and distributed (subject as referred to in paragraph (b) below) among members of the Company whose names appear on the register of members of the Company (except for Overseas Shareholders (as defined in the circular of the Company dated 26 April 2017) on Friday, 16 June 2017 (the “**Record Date**”) in the proportion of one new Share (the “**Bonus Share**”) for every one existing Share then held, be capitalised and applied in such manner and the Directors be and are hereby authorised to allot and issue such Bonus Shares;
 - (b) in the case where there are any Overseas Shareholder(s) on the Record Date and upon making relevant enquiries, the Directors consider the exclusion of such Overseas Shareholders (the “**Non-Qualifying Shareholders**”) but shall be aggregated and sold in the market as soon as practicable after dealings in the Bonus Shares commence. Any net proceeds of sale, after deduction of the related expenses, of HK\$100.00 or more, if any, pro-rata to their respective shareholdings and remittances therefor will be posted to them, at

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their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company;

- (c) no fractional Bonus Shares shall be allotted to members of the Company and fractional entitlements (if any) will be aggregated and sold and the benefit accrued for the Company;
- (d) the Bonus Shares to be issued pursuant to paragraph (a) above shall rank pari passu in all respects with the existing issued and unissued Shares as at the date of issue of such Bonus Shares except that they will not be entitled to the proposed final dividend of the Company for the financial year ended 31 December 2016 nor rank for the Bonus Issue; and
- (e) the Directors be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the issue of the Bonus Shares referred to in paragraph (a) of this resolution, including but not limited to determining the amount to be capitalised out of the share premium account and the number of Bonus Shares to be allotted and distributed in the manner referred to in paragraph (a) of this resolution.”

9. **“THAT**

the authorised share capital of the Company be increased from US\$10,000,000 divided into 1,000,000,000 Shares to US\$20,000,000 divided into 2,000,000,000 Shares by the creation of an additional 1,000,000,000 new Shares (the **“Increase in Authorised Share Capital”**); and any one or more of the Directors be and is/ are hereby authorised to do all such acts and things and execute all such documents which he/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Increase in Authorised Share Capital.”

By order of the board of directors of
Tsaker Chemical Group Limited
Ge Yi
Chairman

Hong Kong, 26 April 2017

Registered office:
P.O. Box 472
2nd Floor, Harbour Place
103 South Church Street, George Town
Grand Cayman KY1-1106
Cayman Islands

Head office in the PRC:
6th Floor, Building A
Jiahui International Centre
No.14 Jiqingli
Chaoyang District
Beijing
People’s Republic of China

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Notes:

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person as his/her/its proxy to attend and vote in his/her/its stead. A member who is the holder of two or more shares and entitled to attend and vote at the meeting convened by the above notice is entitled to appoint more than one proxy to represent him/her/it and vote on his behalf. A proxy need not be a member of the Company.
2. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the offices of the Company's Hong Kong branch registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 48 hours before the time of the meeting (i.e. no later than 10:00 a.m. on 14 June 2017 (Hong Kong time)) or any adjourned meeting.
3. In relation to proposed resolutions numbered 5 and 7 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares under the Listing Rules. Save as disclosed in the circular of the Company dated 26 April 2017, the Directors have no immediate plans to issue any new shares of the Company.
4. In relation to proposed resolution numbered 6 above, the Directors wish to state that they will exercise the powers conferred thereby to purchase shares in circumstances which they deem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited will be set out in a separate document to be despatched to the shareholders.
5. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto. If more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
7. As at the date of this notice, the board of Directors comprises Mr. Ge Yi, Ms. Duan Weihua, Ms. Jin Ping and Mr. Bai Kun as executive Directors, Mr. Xiao Yongzheng and Mr. Fontaine Alain Vincent as non-executive Directors, and Mr. Ho Kenneth Kai Chung, Mr. Zhu Lin and Mr. Yu Miao as independent non-executive Directors.
8. The register of members of the Company will be closed for the following periods:
 - (a) For the purpose of determining shareholders who are eligible to attend and vote at the AGM, the register of members of the Company will be closed from 14 June 2017 to 16 June 2017, both days inclusive, during which period no transfer of shares will be registered. In order for the shareholders to be eligible to attend and vote at the AGM, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 13 June 2017 for registration.
 - (b) For the purpose of determining shareholders who qualify for the final dividend and the Bonus Issue, the register of members of the Company will also be closed from 27 June 2017 to 30 June 2017, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and the Bonus Issue, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 26 June 2017 for registration.



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)

Form of proxy for use by shareholders at the annual general meeting to be convened at 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 16 June 2017 at 10:00 a.m. (or any adjournment thereof)

I/We ^(note a) _____
of _____
being the registered holder(s) of ^(note b) _____ shares of US\$0.01 each in the capital of Tsaker Chemical Group Limited (the “**Company**”) hereby appoint the Chairman of the Meeting^(note c) or _____
of _____

to act as my/our proxy at the annual general meeting (the “**Meeting**”) of the Company to be held at 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 16 June 2017 at 10:00 a.m. or at any adjournment thereof and to vote on my/our behalf as directed below.

Please make a mark in the appropriate boxes to indicate how you wish your vote(s) to be cast.^(note d)

RESOLUTIONS		FOR	AGAINST
1.	To receive and approve the audited consolidated financial statements and the reports of the directors of the Company (the “ Directors ”) and auditors of the Company for the year ended 31 December 2016		
2.	To declare a final dividend for the year ended 31 December 2016 of RMB0.073 cents per share		
3.	(a) To re-elect Mr. GE Yi as an executive Director		
	(b) To re-elect Ms. Duan Weihua as an executive Director		
	(c) To re-elect Mr. Bai Kun as an executive Director		
	(d) To re-elect Mr. ZHU Lin as an independent non-executive Director		
	(e) To re-elect Mr. YU Miao as an independent non-executive Director		
	(f) To authorise the board of Directors to fix the Directors’ remuneration		
4.	To re-appoint the auditors and to authorise the board of Directors to fix their remuneration		
5.	To grant a general mandate to the directors to allot, issue or otherwise deal with the Company’s shares		
6.	To grant a general mandate to the directors to repurchase the Company’s shares		
7.	To extend the general mandate granted to the directors to issue the Company’s shares by the number of shares repurchased		
8.	To approve the bonus issued of shares on the basis of one (1) bonus share for every one (1) existing share		

Signature(s) ^(notes e, f, g and h) _____ Date: _____

Notes:

- Full name(s) and address(es) are to be inserted in **BLOCK LETTERS**. The names of all joint registered holders should be stated.
- Please insert the number of shares registered in your name(s) to which this form of proxy relates. If no number is inserted, this form of proxy will be deemed to relate to all the shares in the capital of the Company registered in your name(s).
- A proxy need not be a member of the Company. If you wish to appoint a person other than the Chairman of the Meeting as your proxy, please delete the words “the Chairman of the Meeting or” and insert the name and address of the person appointed as your proxy in the space provided.
- If you wish to vote for any of the resolutions set out above, please tick (“✓”) the boxes marked “For”. If you wish to vote against any resolutions, please tick (“✓”) the boxes marked “Against”. If the form returned is duly signed but without specific direction on any of the proposed resolutions, the proxy will vote or abstain at his discretion in respect of all resolutions; or if in respect of a particular proposed resolution there is no specific direction, the proxy will, in relation to that particular proposed resolution, vote or abstain at his discretion. A proxy will also be entitled to vote at his discretion on any resolution properly put to the Meeting other than those set out in the notice convening the Meeting.
- In the case of joint registered holders of any share, this form of proxy may be signed by any joint registered holder, but if more than one joint registered holder is present at the Meeting, whether in person or by proxy, that one of the joint registered holders whose name stands first on the register of members in respect of the relevant jointly registered share shall alone be entitled to vote in respect thereof to the exclusion of the votes of the other joint registered holders.
- The form of proxy must be signed by a shareholder, or his attorney duly authorised in writing, or if the shareholder is a corporation, either under its Common Seal or under the hand of an officer or attorney so authorised.
- To be valid, this form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be deposited at the offices of the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 48 hours before the time of the Meeting (i.e. no later than 10:00 a.m. on 14 June 2017 (Hong Kong time)) or any adjournment thereof.
- Any alteration made to this form should be initialled by the person who signs the form.
- Completion and return of this form of proxy will not preclude you from attending and voting in person at the Meeting or any adjournment thereof if you so wish, but the appointment of the proxy will be revoked if you attend in person at the Meeting.

* For identification purpose only