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## **Hebei Yichen Industrial Group Corporation Limited\***

**河北翼辰實業集團股份有限公司**

*(A joint stock limited liability company incorporated in the People's Republic of China)*

**(Stock Code: 1596)**

### **(1) RESIGNATION OF AUDITOR; (2) FURTHER DELAY IN PUBLICATION OF THE 2018 ANNUAL RESULTS; AND (3) DELAY IN DESPATCH OF THE 2018 ANNUAL REPORT**

This announcement is made by Hebei Yichen Industrial Group Corporation Limited (the “**Company**”; together with its subsidiaries, the “**Group**”) pursuant to rules 13.09(2)(a) and 13.51(4) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

#### **RESIGNATION OF AUDITOR**

The Board hereby announces that PricewaterhouseCoopers (“**PwC**”) has tendered its resignation (the “**Resignation Letter**”) as the auditor of the Company with effect from 26 April 2019. The Company held certain unlisted financial instruments which were recognised as financial assets at fair value through profit or loss in the draft consolidated financial statements of the Group as at 31 December 2018. Up to the date of the Resignation Letter, PwC had been unable to obtain sufficient appropriate audit evidence they considered necessary to ascertain the existence, classification and valuation of such financial instruments. Given that the Company and PwC could not reach an agreement on the resolution of the matter, PwC had agreed to resign as the auditor of the Company with effect from the date of the Resignation Letter. PwC has confirmed in the Resignation Letter that other than the foregoing matter, there were no circumstances connected with their resignation that they considered should be brought to the attention of the Company’s shareholders (the “**Shareholders**”) or creditors.

In accordance with Article 17.4 of the Articles of Association of the Company, where there exists a vacancy for the auditor position, the Board shall be entitled to appoint an accounting firm to fill the vacancy before any shareholders’ meeting is held. Accordingly, the Board is in the process of identifying and engaging a new auditor following the resignation of PwC. The Company will publish further announcement(s) in relation to the appointment of a new auditor as and when appropriate.

## **FURTHER DELAY IN PUBLICATION OF THE 2018 ANNUAL RESULTS AND DELAY IN DESPATCH OF THE 2018 ANNUAL REPORT**

Reference is made to the announcement of the Company dated 29 March 2019 in relation to, among others, the delay in publication of the 2018 Annual Results Announcement and the postponement of the meeting of the Board for the purpose of considering and, if thought fit, approving the 2018 Annual Results Announcement for publication (among others) (the “**Board Meeting**”), and the announcement of the Company dated 18 April 2019 in which it was stated that the Board Meeting had been scheduled to be held on 26 April 2019 and the 2018 Annual Results Announcement was expected to be published on 26 April 2019 after the Board Meeting.

As a result of the resignation of PwC and the change of auditor, the Board currently expects that there will be a further postponement of the Board Meeting and a further delay in the publication of the 2018 Annual Results Announcement. In addition, the Board also expects that the annual report of the Company for the year ended 31 December 2018 (the “**2018 Annual Report**”) will not be ready for publication by 30 April 2019 and the despatch of the 2018 Annual Report to the Shareholders will be delayed.

The Board acknowledges that any delay in the despatch of the 2018 Annual Report will constitute non-compliance with rule 13.46(2)(a) of the Listing Rules. The Company will use its best endeavours to assist and cooperate with the new auditor after its appointment in its performance of the required audit work, so that the 2018 Annual Results Announcement and the 2018 Annual Report can be finalised, approved and published and/or despatched (as the case may be) as soon as practicable. The Company will publish further announcement(s) to inform the Shareholders of material updates (if any) and the date of the Board Meeting as and when appropriate.

The Board wishes to state that the operations of the Group have not been affected as a result of the above delay

Pursuant to rule 13.50 of the Listing Rules, the Stock Exchange will normally require suspension of trading in an issuer’s securities if an issuer fails to publish periodic financial information in accordance with the Listing Rules. As a result of the delay in publication of the 2018 Annual Results, trading in the H shares of the Company on the Stock Exchange has been suspended with effect from 9:30 a.m. on 29 March 2019. The trading suspension will remain in force until the publication of the requisite financial information in accordance with rule 13.50 of the Listing Rules.

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Hebei Yichen Industrial Group Corporation Limited\***  
**ZHANG Haijun**  
*Chairman*

Shijiazhuang, The PRC, 26 April 2019

*As at the date of this announcement, the executive Directors are Mr. Zhang Haijun, Mr. Zhang Ligang, Mr. Wu Jinyu, Mr. Zhang Chao, Mr. Zhang Lihuan and Ms. Fan Xiulan; and the independent non-executive Directors are Mr. Jip Ki Chi, Mr. Wang Qi and Mr. Zhang Ligu.*

\* For identification purpose only