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## **CHINA FIRST CHEMICAL HOLDINGS LIMITED**

**一化控股(中國)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2121)**

**(I) PROGRESS ON APPOINTMENT OF  
INDEPENDENT NON-EXECUTIVE DIRECTOR,  
(II) FURTHER DELAY IN PUBLICATION OF INTERIM RESULTS AND  
DESPATCH OF INTERIM REPORT  
FOR THE SIX MONTHS ENDED 30 JUNE 2018  
AND  
(III) CONTINUAL SUSPENSION OF TRADING OF SHARES**

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules and 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).

Reference is made to the announcements of the Company dated 15 August 2018, 21 August 2018 and 31 August 2018 in relation to, among other things:

- (1) the resignation of Dr. Wang Xin as an independent non-executive Director and the chairman of the Audit Committee with effect from 15 August 2018 and the non-compliance with Rule 3.10, Rule 3.10A and Rule 3.21 of the Listing Rules;
- (2) the delayed in the publication of the 2018 Interim Results and the non-compliance with Rule 13.49(6) of the Listing Rules; and
- (3) the continuing suspension of trading in the Shares.

**(I) PROGRESS ON APPOINTMENT OF INDEPENDENT NON-EXECUTIVE  
DIRECTOR**

As announced by the Company on 15 August 2018, after the resignation of Dr. Wang Xin, the Company's number of independent non-executive directors as well as the composition of the Audit Committee failed to meet the requirements under Rule 3.10, Rule 3.10A and Rule 3.21 of the Listing Rules. Pursuant to Rule 3.11 of the Listing

Rules, the Company is required to appoint a suitable independent non-executive Director within three months from the date of the resignation of Dr. Wang Xin in order to meet the requirements under the Listing Rules.

As at the date of this announcement, the Audit Committee does not have an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise and as such, commencing from 15 August 2018, the Audit Committee lacks a member who has appropriate professional qualifications or accounting or related financial management expertise and is unable to function as normal in accordance with its terms of reference.

The Company shall make its best endeavors in identifying suitable candidate to fill the vacancy as soon as practicable, with the relevant appointment to be made by 14 November 2018 to comply with the requirements of the Listing Rules.

## **(II) FURTHER DELAY IN PUBLICATION OF 2018 INTERIM RESULTS AND DELAY IN DESPATCH OF THE 2018 INTERIM REPORT**

As announced by the Company, the meeting of the Board to approve the 2018 Interim Results had been postponed to a date to be fixed by the Board and the Company delayed the publication of the 2018 Interim Results to a date on or before 30 October 2018.

The Company is in the process of appointing an investigating accountant to review the information and documents in relation to receivables from a co-operative partner of a subsidiary of the Company of approximately RMB231 million for the purpose of the 2018 Interim Results. It is expected that the appointment will be made as soon as the independent non-executive Director with appropriate professional qualifications or accounting or related financial management expertise is appointed so that the Board can draw on his/her experience and knowledge. It is expected that the appointment of the investigating accountant will take place before end of November 2018. The Company expects that upon completion of the review by the investigating accountant, the Company will proceed to the process of the publication of the 2018 Interim Results involving the review by the Audit Committee and the approval by the Board.

As a result of the delay in the publication of the 2018 Interim Results, the Company is unable to despatch the 2018 Interim Report within three months from 30 June 2018. The Board acknowledges that the delay in publication of the 2018 Interim Results and despatch of the 2018 Interim Report will constitute non-compliance of Rule 13.49(6) and Rule 13.48(1) of the Listing Rules respectively.

The Company will publish further announcement(s) to inform the Shareholders the date of meeting of the Board and the publication of the 2018 Interim Results, the expected date of despatch of the 2018 Interim Report as well as any other material information as and when appropriate.

### **(III) CONTINUAL SUSPENSION OF TRADING OF SHARES**

As a result of the delay in publication of the 2018 Interim Results and the requirements under Rule 13.50 of the Listing Rules, trading in the Shares on the Stock Exchange has been suspended since 9:00 a.m. on 31 August 2018, pending the publication of the 2018 Interim Results and will remain suspended until further notice.

**Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.**

#### **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“2018 Interim Results”	the interim results of the Group for the six months ended 30 June 2018
“2018 Interim Report”	the interim report of the Group for the six months ended 30 June 2018
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Company”	China First Chemical Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong Special Administrative Region
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“RMB”	Renminbi yuan, the lawful currency of the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares of the Company

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

By order of the Board of  
**China First Chemical Holdings Limited**  
**Liem Djiang Hwa**  
*Chairman and non-executive Director*

The People’s Republic of China, 30 October 2018

*As at the date of this announcement, the board of Directors comprises the chairman and non-executive Director namely Mr. Liem Djiang Hwa, the executive Directors namely Mr. Chen Hong, Ms. Miao Fei and Mr. Lam Wai Wah and the independent non-executive Directors namely Dr. Lin Zhang and Dr. He Peipei.*