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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)

**(1) RESUMPTION GUIDANCE;
(2) UPDATE ON DELISTING FRAMEWORK
UNDER THE LISTING RULES;
AND
(3) CONTINUAL SUSPENSION OF TRADING OF SHARES**

This announcement is made by China First Chemical Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2)(a) and 13.24A 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 (Cap. 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 15 August 2018, 21 August 2018, 31 August 2018 and 30 October 2018 respectively, in relation to, among other things, the suspension of trading in the shares of the Company pending the publication of the interim results of the Group for the six months ended 30 June 2018 and the despatch of the interim report of the Group for the six months ended 30 June 2018.

RESUMPTION GUIDANCE

On 6 November 2018, the Company has been notified by the Stock Exchange of the following resumption guidance (the “**Resumption Guidance**”) for the Company:

- (i) conduct an appropriate investigation into the issues identified by the auditor of the Company, announce the findings, address the auditor’s concerns and take appropriate remedial actions;
- (ii) publish all outstanding financial results and address any audit modifications; and
- (iii) inform the market of all material information for shareholders and investors to appraise the Company’s position.

In addition, the Stock Exchange required the Company to remedy the issues causing its trading suspension and fully comply with the Listing Rules to the Stock Exchange's satisfaction before the trading in its securities is allowed to resume and the Company was reminded of its primary responsibility to devise its action plan for resumption.

The Stock Exchange has indicated that it might modify or supplement the Resumption Guidance if the Company's situation changes.

UPDATE ON DELISTING FRAMEWORK UNDER THE LISTING RULES

Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of the Company if trading in its shares has been suspended for a continuous period of 18 months.

The 18 month period expires on 29 February 2020 (the "**Deadline**"). If the Company fails to remedy the issues causing its trading suspension and fully comply with the Listing Rules to the Stock Exchange's satisfaction and resume trading in its shares by the Deadline, the Listing Department will recommend the Listing Committee to proceed with the cancellation of the Company's listing. Under Rules 6.01 and 6.10 of the Listing Rules, the Stock Exchange also has the right to impose a shorter specific remedial period, where appropriate.

The Company is now taking appropriate steps to resolve the issues causing its trading suspension and to fully comply with the Listing Rules to the Stock Exchange's satisfaction. The Company will seek to resume trading of its shares as soon as possible.

CONTINUED SUSPENSION OF TRADING IN SHARES

Trading in the shares of the Company on the Stock Exchange has been suspended since 9:00 a.m. on 31 August 2018 and will remain suspended pending fulfilment of the Resumption Guidance.

Further announcement(s) will be made by the Company to inform the Shareholders and potential investors of any material development relating to the captioned matters as and when appropriate.

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

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, 9 November 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.