

香港聯合交易所有限公司
(香港交易及結算所有限公司全資附屬公司)

THE STOCK EXCHANGE OF HONG KONG LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

Listed issuers and directors must cooperate with any investigation by the Exchange. Any non-cooperation is viewed in an extremely serious light. The conduct of the Directors in this particular case is so serious that the Exchange publicly states that the retention of office by the Directors is prejudicial to the interests of investors.

The Listing Committee of The Stock Exchange of Hong Kong Limited (“Listing Committee”)

CENSURES:

- (1) **Ding He Mining Holdings Limited (“Company”)** (Stock Code: 705)

for breach of Rule 2.12A(2) of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (“**Exchange Listing Rules**”) for failing to provide the Exchange with information and documents for the purposes of an Exchange’s investigation;

AND CENSURES:

- (2) **Mr Wang Song Ling (“Mr Wang”)**, current Executive Director (“**ED**”) and Chairman of the Company;
- (3) **Ms Fan Hai Juan (“Ms Fan”)**, current independent non-executive director (“**INED**”) of the Company; and
- (4) **Mr Liu Fa (“Mr Liu”)**, current INED of the Company;

for breaching their obligations under the Declaration and Undertaking given to the Exchange in the form set out in Appendix 5B to the Exchange Listing Rules for failing to use their best endeavours to procure the Company’s compliance with the Exchange Listing Rules and failing to cooperate in the Exchange’s investigation (the directors identified at (2) to (4) above are collectively referred to as “**Relevant Directors**”).

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The Listing Committee further

STATES that, in the Exchange's opinion, the retention of office by the Relevant Directors is prejudicial to the interests of investors.

For the avoidance of doubt, the Exchange confirms that the sanctions and directions in this news release apply only to the Company and the Relevant Directors, and not to any other past or present members of the board of directors ("**Board**") of the Company.

HEARING

On 30 October 2019, the Listing Committee conducted a hearing into the conduct of the Company and the Relevant Directors in relation to their obligations under the Exchange Listing Rules and Appendix 5B to the Exchange Listing Rules.

FACTS

Mr Wang has been an ED and Chairman of the Company since 11 July 2018. Ms Fan and Mr Liu have both been an INED of the Company since 3 January 2019.

The Listing Department sought to conduct an investigation into whether the Relevant Directors breached the Exchange Listing Rules ("**Investigation**").

The Listing Department believed that the Relevant Directors had in their possession information directly relevant to and necessary for the Investigation. Since January 2019, the Listing Department sent an enquiry letter ("**Enquiry Letter**") and three reminder letters to the Company (the Enquiry Letter and the reminder letters, hereinafter "**Letters**"). The Letters were all copied to the Company Secretary. There were a number of conversations with the Company Secretary/an officer of the Company, to follow up on the Enquiry Letter. The Company Secretary confirmed that the Company received the Letters. On 1 April 2019, the Listing Department successfully contacted Mr Wang (after numerous unsuccessful attempts) on his last known telephone number on the Department's records. He confirmed that the Company and the Board had received the Letters and the Board was aware of the Investigation. Despite Mr Wang's confirmation of the Board's awareness of the Investigation and his assurances that the Company would make a submission, neither the Company nor the Relevant Directors provided a submission or applied for a time extension to provide a submission in response to the Enquiry Letter to date.

EXCHANGE LISTING RULE

Rule 2.12A(2) requires that a listed issuer must provide to the Exchange as soon as possible, or otherwise in accordance with time limits imposed by the Exchange, any information or explanation that the Exchange may reasonably require for the purpose of investigating a suspected breach of or verifying compliance with the Exchange Listing Rules.

Appendix 5B to the Exchange Listing Rules provides, among others, that directors are under an obligation to:

- (a) use their best endeavours to procure the Company to comply with the Exchange Listing Rules; and
- (b) cooperate in any investigation conducted by the Listing Department, including answering promptly and openly any questions addressed to them and promptly producing the originals or copies of any relevant documents.

LISTING COMMITTEE'S FINDINGS OF BREACH

The Listing Committee considered the written and/or oral submissions of the Listing Department, the Company and the Relevant Directors, and concluded as follows:

- (1) the Company breached its obligation under Rule 2.12A(2) by failing to provide a submission to the Listing Department for the Investigation;
- (2) the Relevant Directors breached their obligations in Appendix 5B to the Exchange Listing Rules by failing to procure the Company's compliance with the Exchange Listing Rules and failing to cooperate in the Exchange's investigation without reasonable grounds; and
- (3) the Company and the Relevant Directors had knowledge of the Listing Department's Investigation but chose not to make a submission or apply for a time extension to provide a submission in response to the Letters. The Relevant Directors' failure to discharge their responsibilities under the Exchange Listing Rules was wilful and serious and which had the effect of frustrating the Investigation.

REGULATORY CONCERN

The Listing Committee regards the breaches in this matter as serious:

- (1) The Company failed to assist the Listing Department with its investigation by not providing the information and documents requested. As a result, the Listing Department was unable to progress the Investigation;
- (2) A director's compliance with his obligations in Appendix 5B to the Exchange Listing Rules is of utmost importance in enabling the Exchange to discharge its function to ensure, so far as reasonably practicable, an orderly, informed and fair market in securities that are traded on the Exchange; and
- (3) The Company's and the Relevant Directors' breaches have an adverse impact on the Listing Department's ability to conduct an efficient and thorough investigation.

SANCTION

Having made the findings of breaches stated above, the Listing Committee decided to:

- (1) censure the Company for its breach of Rule 2.12A(2); and
- (2) censure the Relevant Directors for the breach of their obligations in Appendix 5B to the Exchange Listing Rules.

The Listing Committee further:

- (1) directed the Company/the Board to provide a submission to the Enquiry Letter within one week from the date of the Listing Committee's decision in respect of this matter; and
- (2) made a statement under Rule 2A.09(7) that in the Exchange's opinion, the retention of office by the Relevant Directors is prejudicial to the interests of investors.

Hong Kong, 20 December 2019