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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) UPDATE ON DELAY OF PUBLICATION OF  
THE 2018 INTERIM RESULTS, 2018 ANNUAL RESULTS AND  
2019 INTERIM RESULTS AND DESPATCH OF THE 2018 INTERIM REPORT,  
2018 ANNUAL REPORT AND 2019 INTERIM REPORT;  
(2) PROGRESS ON APPOINTMENT OF  
INDEPENDENT NON-EXECUTIVE DIRECTOR;  
(3) BUSINESS UPDATE; AND  
(4) CONTINUED SUSPENSION OF TRADING IN SHARES**

This announcement is made by China First Chemical Holdings Limited pursuant to Rules 13.09(2) and 13.24A of the Listing Rules.

- (1) UPDATE ON DELAY OF PUBLICATION OF THE 2018 INTERIM RESULTS,  
2018 ANNUAL RESULTS AND 2019 INTERIM RESULTS AND DESPATCH OF  
THE 2018 INTERIM REPORT, 2018 ANNUAL REPORT AND 2019 INTERIM  
REPORT (“RELEVANT RESULTS AND REPORTS”)**

References are made to (1) the announcements of the Company dated 15 August 2018, 21 August 2018, 31 August 2018, 30 October 2018, 5 December 2018, 20 December 2018, 11 January 2019, 1 February 2019, 28 February 2019, 26 April 2019, 31 May 2019, and 30 August 2019 respectively, informing the Shareholders of the Company and potential investors, among other things, the continued suspension of trading in the Shares pending the publication and despatch of the relevant results and reports; and (2) the progress on the appointment of investigating accountant in respect of the Independent Investigation, the business update of the Group, and the announcement of the Company dated 9 November 2018 in relation to the Resumption Guidance.

Unless otherwise defined, terms used in this announcement shall have the same meanings as those defined in the Company’s announcement dated 30 August 2019.

As announced by the Company on 30 August 2019, the publication and despatch of the relevant results and reports have been delayed pending the results of the Independent Investigation.

The Board acknowledges that the delay in the publication and despatch of the relevant results and reports constitutes non-compliance of Rule 13.46(1)(a) and 13.48(1) of the Listing Rules.

As at the date of this announcement, information required for the Independent Investigation has been consistently provided to Grant Thornton, and the Independent Investigation may take longer than expected. The Company is now working closely with Grant Thornton to complete the Independent Investigation and to publish the announcement of the findings of the Independent Investigation and the remedial actions taken by the Company as soon as practicable.

The Company expects that upon completion of the Independent Investigation, the Company will proceed to the publication and despatch of the relevant results and reports subject to the audit and review by the Audit Committee and the approval by the Board.

As at the date of the announcement, attention was brought to the Board that the Audit Committee lacks an independent non-executive director with the suitable professional qualification or accounting or related financial management expertise following the resignation of Mr. Lam on 28 October 2019, and therefore the Audit Committee will be unable to carry out normal operation within the terms of reference.

The Company will publish further announcement(s) to inform the Shareholders and potential investors the date of the meeting of the Board and the date of publication and despatch of the relevant results and reports as well as any other material information as and when appropriate.

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

As announced by the Company on 28 October 2019, following resignation of Mr. Lam Tak Yam (“Mr. Lam”) on 28 October 2019, the number of independent non-executive directors of the Company and the composition of the Audit Committee of the Company (the “Audit Committee”) fail to meet the requirements of Rules 3.10, 3.10A and 3.21 of the Listing Rules. In accordance with Rule 3.11 of the Listing Rules, the Company shall appoint an appropriate independent non-executive director within three months upon resignation of Mr. Lam to comply with the requirements of the Listing Rules. The Company will make its best endeavours to identify a suitable candidate to fill the vacancy as soon as practicable, with the relevant appointment to be made before 24 January 2020 to meet the requirements of the Listing Rules.

## **(3) BUSINESS UPDATE**

The Company is carrying out business and operation activities as usual, which is not affected by suspension of trading in the Shares of the Company.

#### (4) CONTINUED SUSPENSION OF TRADING IN SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:00 am on 31 August 2018 and will remain suspended pending satisfaction of the Resumption Guidance as referred to in the announcement of the Company dated 9 November 2018.

The Company is taking appropriate steps to resolve the issues causing the suspension of trading in the Shares and to fully satisfy the Resumption Guidance to the Stock Exchange's satisfaction. The Company will seek to resume trading in the Shares as soon as possible.

The Company will keep its shareholders and potential investors informed of any material development in connection with the above matters, including but not limited to any material change to the resumption progress, by way of publication of the quarterly announcements under Rule 13.24A of the Listing Rules and/or further announcements as and when appropriate.

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, 20 December 2019

As at the date of this announcement, the directors of the Company are:

*Non-executive director:*

Mr. Liem Djiang Hwa (*Chairman*)

*Executive directors:*

Mr. Chen Hong

Ms. Miao Fei

Mr. Lam Wai Wah

*Independent non-executive directors:*

Dr. Lin Zhang

Dr. He Peipei