

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



China Gem Holdings Limited

中國中石控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1191)

(I) ADDITIONAL RESUMPTION GUIDANCE ; AND

(II) CONTINUED SUSPENSION OF TRADING

This announcement is made by the board of directors (the “Board”) of China Gem Holding Limited (the “Company”) pursuant to Rule 13.09 and Rule 13.25 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 11 July 2022, 23 September 2021, (the “Announcements”) with respect to, among others, the resumption guidance (the “Resumption Guidance”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise stated.

(l) Resumption Guidance

1. On 28 April 2022, the Company was notified by the Stock Exchange of the additional resumption guidance for the Company:

The Stock Exchange refer to:

(i) the resumption guidance issued by the Stock Exchange on 7 September 2021; and

(ii) the Company's announcements of 17 July 2020, 23 October 2020 and 11 January 2021 on resignation of independent non-executive directors (INED) of the Company (the Announcements).

Delay in publication of 2021 annual results

Under Rule 13.49(1), the Company must publish its preliminary results for each financial year not later than three months after the financial year end. To date, the Company has not published its annual results for the year ended 31 December 2021 (the 2021 Results), and therefore, did not comply with Rule 13.49(1).

Insufficient number of INEDs

Further, following the resignation of Ms. Chan Chu Hoi as an INED with effect from 17 July 2020, the Company is unable to satisfy the below requirements concerning the composition of the Company's board and the audit committee. The Announcements disclosed that the Company would use its best endeavors to identify suitable candidates to fill up the vacancies of INEDs to meet the requirements under the Listing Rules as soon as practicable.

As a result, the Company is not in compliance with the requirements of:

(a) a minimum of three INEDs as required under Rule 3.10(1), and with at least one of the INEDs to have appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2); and

(b) with at least one member of the audit committee being an INED with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2), and the audit committee chaired by an INED as required under Rule 3.21.

ADDITIONAL RESUMPTION GUIDANCE

Given the above, The Stock Exchange consider it appropriate to set out the following additional resumption guidance for the Company:

publish all outstanding financial results and address any audit modification(s)

re-comply with Rules 3.10 and 3.21.

As stated in their letter of 7 September 2021, The Stock Exchange may modify or supplement the resumption guidance that has been given and/or give further guidance if the Company's situation changes.

announce the above additional resumption guidance by 4 May 2022

2. On 4 May 2022, the Company was notified by the Stock Exchange of the additional resumption guidance for the Company:

the Division considers that the Company has failed to comply with Rule 2.12A(2). The Division also considers that the Company's current directors have all failed to comply with their undertakings pursuant to Form B of Appendix 5 to the Listing Rules by failing to cooperate in the Division's investigation and to use their best endeavours to procure the Company's compliance with Rule 2.12A(2).

The above gives rise to an issue that the directors of the Company might have failed to fulfil fiduciary duties and/or duties of skill, care and diligence as required under Rule 3.08 and might not have the character, integrity and be able to demonstrate a standard of competence as required under Rule 3.09.

On 21 April 2022, Listing Enforcement issued a notice of disciplinary action to the Company and its directors.

Additional Resumption Guidance

Given the above, the Stock Exchange consider it appropriate to set out the following additional resumption guidance for the Company:

Demonstrate that each of the Company's directors fulfils the requirements under Rule 3.09 and has the ability to meet the duties set out in Rule 3.08.

The Stock Exchange may modify the resumption guidance and/or give further guidance as and when appropriate.

The Stock Exchange has indicated that the above additional resumption guidance by 10 May 2022.

3. On 17 May 2022, the Company was notified by the Stock Exchange of the additional resumption guidance for the Company:

Delay in Results Publication and Additional Resumption Guidance

The Stock Exchange write further to:

1. The email of 22 April 2022 on delay in publication of the annual results for the year ended 31 December 2021 (the Results Delay);
2. The letter of 28 April 2022 on additional resumption guidance on publication of all outstanding financial results and address any audit modification(s) and re-compliance with Rules 3.10 and 3.21; and
3. The letter of 4 May 2022 on additional resumption guidance on demonstration of fulfilment of requirements under Rule 3.09 and the ability to meet the duties set out in Rule 3.08 by each director of the Company.

In these correspondence, The Stock Exchange asked the Company to provide reply to these enquiries on the Results Delay by 28 April 2022 and announce the giving of the additional resumption guidance by 4 May 2022 or 10 May 2022, as the case may be. However, the Company has failed to do so.

In the circumstances, the Stock Exchange require the Company to:

- (i) announce the additional resumption guidance by 19 May 2022; and
- (ii) provide reply to these enquiries on the Results Delay and give the Stock Exchange a full explanation as to the reasons for delay in reply to these enquiries on the Results Delay and publication of the additional resumption guidance by 24 May 2022.

The Stock Exchange remind the directors of the Company of their undertakings pursuant to Form B of Appendix 5 to the Listing Rules. The undertaking requires that each director must comply to the best of his ability with the Listing Rules from time to time in force, and use his best endeavours to procure that the Company shall so comply. All directors must understand their obligations and be familiar with the Listing Rule requirements.

4、 On 26 May 2022, the Company was notified by the Stock Exchange of the additional resumption guidance for the Company:

Directors ' Undertakings, Delay in Results Publication and Additional Resumption Guidance

(1) the failure of the Company to procure the directors to lodge a declaration and undertaking in the form set out in Form B of Appendix 5 to the Listing Rules (the Directors ' Undertakings) with the Stock Exchange as soon as practicable after their appointment under Rule 13.51(2) and their subsequent reminders on phone;

(2) the email of 22 April 2022 on delay in publication of the annual results for the year ended 31 December 2021 (the Results Delay);

(3) the letter of 28 April 2022 on additional resumption guidance on publication of all outstanding financial results and address any audit modification(s) and re-compliance with Rules 3.10 and 3.21;

(4) the letter of 4 May 2022 on additional resumption guidance on demonstration of fulfilment of requirements under Rule 3.09 and the ability to meet the duties set out in Rule 3.08 by each director of the Company; and

(5) the email of 17 May 2022 to remind the Company to reply to our enquiry on the Results Delay and publish an announcement to disclose the additional resumption guidance set out in our letters of 28 April and 4 May 2022.

The Stock Exchange note that despite their request and reminder, the Company has yet to submit the Directors ' Undertakings, reply to their enquiries on the Results Delay and announce the giving of the additional resumption guidance (the Inaction). The Company also did not explain the reasons for the Inaction.

In the circumstances, the Stock Exchange require the Company to complete the followings by 27 May 2022:

(i) submit the Directors ' Undertakings;

(ii) announce the additional resumption guidance;

(iii) provide reply to their enquiries on the Results Delay; and

(iv) give them a full explanation as to the reasons for the Inaction. The Stock Exchange remind the directors of the Company of their obligations under the Directors ' Undertakings. The Directors ' Undertakings require that each director must comply to the best of his ability with the Listing Rules from time to time in force, and use his best endeavours to procure that the Company shall so comply. All directors must understand their obligations and be familiar with the Listing Rule requirements. The Stock Exchange reserve the right to draw the attention of the Listing Committee to the Inaction for consideration at the disciplinary proceedings as set out in the notice of disciplinary action of 21 April 2022. Further, the Inaction may be taken into consideration when the Stock Exchange assess whether the Company has fulfilled the resumption guidance and the Listing Rules when the remedial period expires on 28 February 2023.

The Stock Exchange has indicated that the resumption guidance may be further modified or supplemented if the Company ' s situation changes.

(II) CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in its shares on the Stock Exchange has been suspended with effect since 9:00 am on 31 August 2021, and will continue to be suspended until the release of the audited 2021 annual results and the approval of resuming trading from the Stock Exchange.

By order of the Board
China Gem Holding Limited
Zhong Ling

Executive Director

Hong Kong, 12 July 2022

As at the date of this announcement, the Board comprises Mr. Zhong Ling and Mr. Wu Yijie being executive Directors; Mr. Kan Chi Ming being non-executive Director; and Mr. Warren Lee Primhak and Mr. Li Haibo being independent non-executive Director.