

*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.*



**同方康泰產業集團有限公司**  
**Tongfang Kontafarma Holdings Limited**

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

**(Stock Code: 1312)**

**ANNOUNCEMENT**  
**DERIVATIVE ACTION INVOLVING THE MANAGING DIRECTOR**

This announcement is made by Tongfang Kontafarma Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51B(2) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited in relation to a change of particulars of Mr. Ng Qing Hai (“**Mr. Ng**”), being a managing director of the Company, under Rule 13.51(2)(u) of the Listing Rules based on the information provided by Mr. Ng to the Company on 15 September 2017.

Reference is made to the announcement of the Company dated 6 July 2017 regarding a petition involving Mr. Ng in his capacity as a former non-executive director of China Shanshui Cement Group Limited (“**Shanshui Cement**”), filed in the Court of First Instance in the High Court of Hong Kong (the “**Petition**”). Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the aforementioned announcement.

The Company was notified by Mr. Ng that on 6 September 2017, Shanshui Cement was served with a Writ of Summons filed in the Grand Court of the Cayman Islands in which Asia Cement Corporation (and eleven of its wholly owned subsidiaries) (the “**Plaintiffs**”) have articulated a claim which they seek to bring derivatively on behalf of Shanshui Cement (the “**Derivative Action**”). The Derivative Action names Tianrui Group Company Limited and fourteen past and present directors and officers of Shanshui Cement (including Mr. Ng) as defendants (the “**Defendants**”).

According to the announcement of Shanshui Cement dated 11 September 2017 (the “**Shanshui Cement Second Announcement**”) and confirmed by Mr. Ng, the Petition and the Derivative Action are substantially similar and rehearse many of the same allegations in different jurisdiction, including those of misconduct by the former and present directors of Shanshui Cement, breaching the Listing Rules, the Hong Kong Code on Takeover and Mergers, and fiduciary duties. Relief is sought in the name of Shanshui Cement as against the Defendants, including mandatory orders and indemnities for the benefit of Shanshui Cement.

Based on the confirmation provided by Mr. Ng (the “**Confirmation**”), he was appointed as a non-executive director of Shanshui Cement for about two months only from 1 December 2015 to 2 February 2016 during which he had not been actively involved in the day-to-day operations of Shanshui Cement. According to the Confirmation and the Shanshui Cement Second Announcement, the board of directors of Shanshui Cement is seeking legal advice on the claims in the Derivative Action and strictly reserves all its rights.

The Derivative Action is not in relation to the Group nor in connection with the performance of duties by Mr. Ng to the Group. To the best knowledge of the directors of the Company (the “**Directors**”) based on the available information as at the date of this announcement, the Directors are not aware of any impact on the current operation of the Group in any material aspect as a result of the Derivative Action.

The Company will make further announcement in compliance with the Listing Rules as and when further developments should arise.

By order of the Board of  
**Tongfang Kontafarma Holdings Limited**  
**Huang Yu**  
*Chairman*

Hong Kong, 15 September 2017

*As at the date of this announcement, the Board of the Company comprises three executive directors, namely Mr. Huang Yu (Chairman), Mr. Ng Qing Hai (Managing Director) and Mr. Zhang Yi; and three independent non-executive directors, namely Mr. Chan Sze Chung, Mr. Zhang Ruibin and Mr. Zhang Junxi Jack.*