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中國秦發集團有限公司  
**CHINA QINFA GROUP LIMITED**

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

**(Stock code: 00866)**

**PROFIT WARNING**

This announcement is made by China Qinfa Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) 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).

The board (the “**Board**”) of directors of the Company (the “**Directors**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on information currently available to the Company and the preliminary review on the Group’s unaudited consolidated management accounts for the year ended 31 December 2018, the Group is expected to record a profit attributable to equity shareholders of the Company for the year ended 31 December 2018 not less than RMB1.5 billion, as compared to profit attributable to equity shareholders of the Company of approximately RMB3.16 billion for the year ended 31 December 2017. While operating result remained stable, the Group recorded a gain on debt restructuring mainly due to the debt reduction, details of which have been disclosed in the announcement of the Company dated 25 January 2019. Notwithstanding the positive effect mentioned above, the consolidated profit attributable to equity shareholders of the Company for the year ended 31 December 2018 decreased mainly due to decrease in the reversal of impairment losses on property, plant and equipment and coal mining rights.

The Group’s annual results for the year ended 31 December 2018 have yet to be finalised. Hence, the information contained in this announcement is only a preliminary assessment performed by the management of the Company and is not based on any figures or information which has been audited or reviewed by the Company’s auditor. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2018, which is expected to be published before the end of March 2019 in accordance with requirements under the Listing Rules.

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**China Qinfra Group Limited**  
**Mr. XU Da**  
*Chairman*

Guangzhou, 1 March 2019

*As at the date of this announcement, the Board comprises Mr. XU Da, Mr. BAI Tao, Ms. WANG Jianfei and Mr. FUNG Wai Shing as the executive Directors and Mr. HUANG Guosheng, Mr. LAU Sik Yuen and Mr. SHA Zhenquan as the independent non-executive Directors.*