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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)

INSIDE INFORMATION
FURTHER REVISION ON REVISED REPAYMENT SCHEDULE AND PROVISION OF CORPORATE GUARANTEE

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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Reference is made to the announcement of the Company dated 9 August 2018 ("**Announcement**"). Unless the context requires otherwise, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

As at the date of this announcement, the Group and the Current Creditor agreed to a further revision on the Revised Repayment Schedule (the "**Revised Repayment Schedule 2020**"). According to the Revised Repayment Schedule 2020, the final instalment repayment due on 20 March 2022 was extended to 20 December 2023. The original remaining repayments of RMB326,936,200, RMB797,327,500 and RMB1,797,752,200 in year 2020, 2021 and 2022 were revised to RMB106,499,200, RMB345,728,700, RMB522,133,400 and RMB2,394,258,500 in year 2020, 2021, 2022 and 2023 respectively.

The Board wishes to emphasis that the Company continues to provide guarantee to its subsidiaries (the "**Guaranteed Parties**") on the Revised Repayment Schedule 2020 (the "**Corporate Guarantee**").

BASIC INFORMATION OF THE GUARANTEED PARTY

Name of subsidiary	Zhuhai Qinfa Logistics Co., Ltd
Scope of business:	Coal trading
Relationship between the guaranteed party and the Company	A wholly-owned subsidiary of the Company

Name of subsidiary	Shanxi Shuozhou Pinglu District Huameiao Xingtao Coal Co., Ltd
Scope of business:	Coal mining
Relationship between the guaranteed party and the Company	A partially-owned subsidiary of the Company

Name of subsidiary	Shuozhou Guangfa Energy Investment Co.,Ltd
Scope of business:	Investment holding
Relationship between the guaranteed party and the Company	A wholly-owned subsidiary of the Company

Name of subsidiary	Shanxi Huameiao Energy Group Company Ltd
Scope of business:	Investment holding
Relationship between the guaranteed party and the Company	A partially-owned subsidiary of the Company

Name of subsidiary	Yangyuan Guotong Coal Trading and Transportation Co Ltd
Scope of business:	Coal trading
Relationship between the guaranteed party and the Company	A wholly-owned subsidiary of the Company

Name of subsidiary	Baotou Danghui Materials Trading Co.,Ltd
Scope of business:	Coal trading
Relationship between the guaranteed party and the Company	A wholly-owned subsidiary of the Company

Name of subsidiary	Qinhuangdao Development Zone Qinfa Trading Co., Ltd
Scope of business:	Coal trading
Relationship between the guaranteed party and the Company	A wholly-owned subsidiary of the Company

Name of subsidiary	Shanxi Shuozhou Pinglu District Huameiao Fengxi Coal Co., Ltd
Scope of business:	Coal mining
Relationship between the guaranteed party and the Company	A partially-owned subsidiary of the Company

Name of subsidiary	Shanxi Shuozhou Pinglu District Huameiao Chongsheng Coal Co., Ltd
Scope of business:	Coal mining
Relationship between the guaranteed party and the Company	A partially-owned subsidiary of the Company

Name of subsidiary	Datong Xiejiazhuang Jinfa Trading and Transportation Co Ltd
Scope of business:	Coal trading
Relationship between the guaranteed party and the Company	A wholly-owned subsidiary of the Company

REASONS FOR CONTINUOUSLY PROVIDING THE CORPORATE GUARANTEE

The Corporate Guarantee is provided continuously as a security to enable the Guaranteed Parties to revise the repayment schedule with the Current Creditor in order to support its normal commercial operation and fulfill its financial needs. The Company is of the view that the terms of the Corporate Guarantee are on normal commercial terms, are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The financial impact of debt restructuring that will arise from the calculation of the actual amortised cost of Current Debt is in the process of assessment by the management and will be audited by the Group's auditors upon finalization of the consolidated financial statements of the Group for the year ending 31 December 2020. **Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

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

Guangzhou, 22 December 2020

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. LAU Sik Yuen, Prof. SHA Zhenquan and Mr. JING Dacheng as the independent non-executive Directors.