

**This Guarantee Agreement (“Agreement”)** is made on 5 June 2025

**BETWEEN:**

1. **China Qinfa Group Limited**, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00866) (the “**Company**”); and
2. **Perpetual Goodluck Limited**, a company incorporated in Hong Kong with limited liability (BRN: 38314055), with a principal address at Suite 5703, 57/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong (“**Perpetual Goodluck**”).

**WHEREAS:**

- A. It is contemplated that the Vendor will dispose of its entire shareholding in Perpetual Goodluck to the Purchaser pursuant to the terms and subject to the conditions of the SPA entered into by them.
- B. As a condition precedent to the completion of the Disposal under the SPA, the Purchaser requires the Guarantors, which are members of the Remaining Group, to continue to provide the Corporate Guarantees (as defined hereinunder) after completion of the Disposal.
- C. As of the date of this Agreement, Huameiao Energy, a member of the Disposal Group, has outstanding bank loans obtained from three domestic banks in an aggregate principal amount of RMB389,500,000 as at 31 May 2025 (the “**Existing Bank Loans**”), which are guaranteed by the Guarantors as at 31 May 2025, as follows:
  - (i) a loan with outstanding principal amount of RMB185,000,000 extended by Jinshang Bank Taiyuan Bing Zhou Branch (晉商銀行太原并州支行) to Huameiao Energy, a member of the Disposal Group, under loan agreement dated 14 March 2025, with a maturity date of 13 March 2026 and guarantee agreements dated 12 March 2025;
  - (ii) a loan with outstanding amount of RMB186,000,000 extended by Shanxi Bank Shuozhou Branch (山西銀行朔州分行) to Huameiao Energy under loan agreement dated 6 February 2025, with a maturity date of 6 February 2026, second loan agreement dated 7 February 2025 with a maturity date of 7 February 2026 and guarantee agreements dated 5 February 2025; and
  - (iii) a loan with outstanding amount of RMB18,500,000 extended by China Everbright Bank Taiyuan Branch (光大銀行太原分行) to Huameiao Energy under loan agreement entered into in September 2023, with a maturity date of 3 September 2026 (“**China Everbright Bank Loan Agreement**”) and guarantee agreement entered into in September 2023.
- D. To secure the continued provision of guarantees by the Guarantors for the Existing Bank Loans, Perpetual Goodluck agreed to provide a loan of RMB417,000,000 to the Company upon completion of the Disposal.

**NOW, THEREFORE**, the Parties agree as follows:

## **1. INTERPRETATION**

1.1. In this Agreement (including the Recitals), unless the context otherwise requires or permits, the following words and expressions shall have the meanings ascribed to each of them respectively below:

“Banks”	Jinshang Bank Taiyuan Bing Zhou Branch(晋商银行太原并州支行), Shanxi Bank Shuozhou Branch (山西银行朔州分行) and China Everbright Bank Taiyuan Branch (光大银行太原分行)
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Conditions Precedent”	the conditions precedent specified under Clause 2.1
“Corporate Guarantees”	having the meaning ascribed to it under Clause 3.1
“Disposal”	the disposal of entire shareholding in Perpetual Goodluck to the Purchaser pursuant to the terms of the SPA
“Disposal Group”	Perpetual Goodluck and its subsidiaries
“Existing Guarantee Agreements”	the guarantee agreements entered into between the Company and Qinfa Logistics and (i) Jinshang Bank Taiyuan Bing Zhou Branch dated 12 March 2025, (ii) Shanxi Bank Shuozhou Branch dated 5 February 2025, and (iii) China Everbright Bank Taiyuan Branch in September 2023, respectively
“Group”	the Company and its subsidiaries
“Guarantors”	the Company and Qinfa Logistics
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Huameiao Energy”	Shanxi Huameiao Energy Group Company Limited (山西华美奥能源集团有限公司), a limited liability company established under the laws of the PRC and a partially-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Loan Agreement”	the loan agreement with a principal amount of RMB417,000,000 (interest-free) to be entered into between Perpetual Goodluck as lender and the Company as borrower, which shall include the following terms: (i) the maturity date of the loan shall be the date on which the corporate guarantees provided by the Guarantors under the Existing Guarantee Agreements are fully released; and (ii) the Company shall have the right to use the loan amount to fully indemnify the Guarantors for all liabilities and obligations which may be borne by the Guarantors under the Existing Guarantee Agreements
“Long Stop Date”	31 December 2025 or such other date as may be agreed by the Parties in writing
“Mr. XU”	Mr. XU Jihua, a controlling shareholder of the Company (as defined under the Listing Rules)
“Parties”	the parties to this Agreement and a “Party” means any of them
“PRC”	the People’s Republic of China
“Purchaser”	Add Harmony Group Limited, a company incorporated in the British Virgin Islands with limited liability, which is directly wholly-owned by Mr. XU
“Qinfa Logistics”	Zhuhai Qinfa Logistics Co., Ltd (珠海秦发物流有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company
“Remaining Group”	the Group other than the Disposal Group
“RMB”	Renminbi, the lawful currency of the PRC
“SPA”	the sale and purchase agreement dated 5 June 2025 entered into by the Vendor and the Purchaser in relation to the sales and purchase of entire shareholding in Perpetual Goodluck
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Term”	having the meaning ascribed to it under Clause 4.1
“Vendor”	Hong Kong Qinfa International Trading Limited (香港秦發國際貿易有限公司) (Business Registration no:37924504), a company incorporated in Hong Kong

## 2. CONDITIONS PRECEDENT

- 2.1. This Agreement shall only come into full force and effect upon the satisfaction of both of the following conditions (the “**Conditions Precedent**”):
- (a) the passing of the resolution(s) by the independent shareholders of the Company at an extraordinary general meeting of the Company approving this Agreement and the transactions contemplated hereunder in accordance with the Listing Rules; and
  - (b) Perpetual Goodluck and the Company having entered into the Loan Agreement.
- 2.2. In the event the conditions set out above are not satisfied by the Company on or before the Long Stop Date, this Agreement shall cease and terminate, and thereafter neither party shall have any obligations and liabilities hereunder save for any antecedent breaches of the terms of this Agreement.

## 3. GUARANTEE

- 3.1. Subject to the terms and conditions of this Agreement, the Company agrees to continue to provide, and procure Qinfu Logistics to continue to provide, corporate guarantees in favour of the relevant Banks in respect of the Existing Bank Loans with an aggregated principal amount of up to RMB417,000,000 under the Existing Guarantee Agreements (the “**Corporate Guarantees**”) during the Term.

## 4. TERMS OF CORPORATE GUARANTEES

- 4.1. Subject to the fulfillment of the Conditions Precedent, the term of the provision of the Corporate Guarantees under this Agreement shall commence on the date of completion of the Disposal and expire on, (i) with respect to the Existing Bank Loans obtained from Jinshang Bank Taiyuan Bing Zhou Branch (晉商銀行太原并州支行), the date falling three years after the date of fulfillment of the last repayment obligation under the relevant loan agreement (which is expected to be 13 March 2029); (ii) with respect to the Existing Bank Loans obtained from Shanxi Bank Shuozhou Branch (山西銀行朔州分行), the date falling three years after the date of fulfillment of the last repayment obligation under the relevant loan agreement (which is expected to be 5 February 2029); and (iii) with respect to the Existing Bank Loans obtained from China Everbright Bank Taiyuan Branch (光大銀行太原分行), the date falling three years after the date of fulfillment of the last repayment obligation under the China Everbright Bank Loan Agreement (which is expected to be 3 September 2029) (the “**Term**”).

## 5. UNDERTAKING

- 5.1. Perpetual Goodluck undertakes to provide an interest-free loan of RMB417,000,000 to the Company as security upon completion of the Disposal. The maturity date of the loan will be the date on which the Corporate Guarantees provided by the Guarantors under the Existing Guarantee Agreements are fully released. Perpetual Goodluck agrees that the Company shall have the right to use the loan amount to fully indemnify the Guarantors for all liabilities, obligations, losses, costs and expenses that may be borne by the Guarantors under or in connection with the Existing Guarantee Agreements

(including principal, interest, fees and enforcement costs). For the avoidance of doubt, the Guarantors shall have the right to use the loan amount to repay the relevant Banks directly. Any portion of the loan amount used to indemnify the Guarantors or settle repayments to the relevant Banks will be deemed to have been repaid.

**6. CONDITIONS FOR ENFORCEMENT**

- 6.1. The Banks may demand payment or performance from the Guarantors only if the Disposal Group defaults on its repayment obligations.

**7. TERMINATION**

- 7.1. This Agreement terminates upon the end of the Term of the Corporate Guarantees as set out in Clause 4.1 or at such earlier date as mutually agreed by the Parties in writing.

**8. GOVERNING LAW AND JURISDICTION**

- 8.1. This Agreement shall be governed by and construed in accordance with the laws of Hong Kong.
- 8.2. The Parties hereto hereby irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong.

**Execution Page**

IN WITNESS whereof this Agreement has been duly executed by all Parties hereto the day and year first above written.

**The Company**

SIGNED by BAI Tao  
for and on behalf of  
**China Qinfa Group Limited**  
in the presence of:

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**Perpetual Goodluck**

SIGNED by XU Da  
for and on behalf of  
**Perpetual Goodluck Limited**  
in the presence of:

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