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)

RESIGNATION OF EXECUTIVE DIRECTOR AND CHANGE OF CHAIRMAN OF THE BOARD

RESIGNATION OF EXECUTIVE DIRECTOR

The board (the "**Board**") of directors (the "**Directors**") of China Qinfa Group Limited (the "**Company**") announces that Mr. XU Jihua ("**Mr. XU**") resigned as an executive Director and the chairman of the Board (the "**Chairman**") of the Company with effect from 8 December 2016 as a result of his retirement.

Mr. XU has confirmed that he has no disagreement with the Board and that there is no other matter in relation to his resignation that needs to be brought to the attention of the shareholders of the Company and The Stock Exchange of Hong Kong Limited.

The Board would like to extend its sincere gratitude and appreciation to Mr. XU for his valuable contribution towards the Company during his tenure of office.

CHANGE OF CHAIRMAN OF THE BOARD

Following Mr. XU's resignation, Mr. XU Da, an executive Director, has been appointed as the acting Chairman in place of Mr. XU with effect from 8 December 2016.

Brief biographical details of Mr. XU Da is as follows:

Mr. XU Da, an executive Director, aged 31, achieved a bachelor degree in 2008. Mr XU Da has more than 6 years of working experience in thermal coal procurement operation from overseas. He joined the Company and its subsidiaries (together the "**Group**") as import and export manager in 2009.

Save as disclosed above, Mr. XU Da did not hold any major appointment or professional qualification nor directorship in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years, nor does he hold any other positions with the Company and other members of the Group.

As at the date of this announcement, Mr. XU Da is beneficially interested in 45,135,251 shares of the Company, representing approximately 1.81% of the total number of issued share of the Company. In addition, Mr. XU Da is the son of Mr. XU, the controlling shareholder of the Company.

Save as disclosed above, Mr. XU Da confirmed that there is no other information that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor any other matters that need to be brought to the attention of the shareholders of the Company in relation to his appointment.

By order of the Board of
China Qinfa Group Limited
XU Da
Chairman of the Board

Hong Kong, 8 December 2016

As at the date of this announcement, the Board comprises Ms. WANG Jianfei, Mr. XU Da and Mr. BAI Tao as the executive directors, and Mr. HUANG Guosheng, Mr. LAU Sik Yuen and Mr. XING Zhiying as the independent non-executive directors.