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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)

ANNOUNCEMENT PURSUANT TO RULE 13.09 OF THE LISTING RULES

**AUDITORS OF THE COMPANY NOT SEEKING
RE-APPOINTMENT AT THE FORTHCOMING
ANNUAL GENERAL MEETING**

This announcement is made pursuant to rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors (the “**Directors**”) of China Qinfa Group Limited (the “**Company**”, together with its subsidiaries the “**Group**”) wishes to announce that on 13 June 2014, KPMG informed the Board that they would not seek re-appointment as the auditors of the Company at the forthcoming annual general meeting (the “**AGM**”) of the Company to be held on 30 June 2014. Further information on the AGM is set forth in the notice of the AGM issued by the Company on 29 May 2014.

The following matters should be brought to the attention of the shareholders of the Company:

1. KPMG would not seek re-appointment as the auditors of the Company at the forthcoming AGM as the Company could not reach agreement with KPMG on the audit fee for the 2014 audit.
2. In their auditor’s report dated 31 March 2014 for the year ended 31 December 2013, KPMG expressed a disclaimer opinion arising from limitations of scope, and also made an emphasis of matter relating to going concern, details of which are set out in the Company’s 2013 annual report.

The Board also confirms that, save as the matters referred above, there are no other matters or circumstances in respect of KPMG not seeking re-appointment that should be brought to the attention of the shareholders of the Company.

KPMG have not commenced the review of the interim results of the Group for the six months ending 30 June 2014. No audit work has been commenced by KPMG in respect of the audit of the Group's financial statements for the year ending 31 December 2014.

The Board has been confirmed that Moore Stephens would be prepared to accept the appointment as the auditors of the Group, subject to the approval by the shareholders of the Company at an extraordinary general meeting (the "EGM"). Pursuant to article 152(1) of the articles of association of the Company, the EGM, which will be held for the purpose of approving the appointment of new auditors of the Company, will be held on 30 June 2014 immediately after the conclusion or the adjournment of the AGM.

By order of the Board
China Qinfra Group Limited
XU Jihua
Chairman

Guangzhou, 13 June 2014

As of the date of this announcement, the Board comprises Mr. XU Jihua, Ms. WANG Jianfei, Ms. LIU Xiaomei and Mr. WENG Li as the executive Directors, and Mr. HUANG Guosheng, Mr. LAU Sik Yuen and Mr. XING Zhiying as the independent non-executive Directors.