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**Q I N F A**

**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 the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2023 and the information currently available to the Board, the Group is expected to record a profit after taxation of not more than RMB200 million during the year ended 31 December 2023 as compared with a profit after taxation of approximately RMB490 million for the year ended 31 December 2022.

The decrease in the profit after taxation was mainly due to the net effect of:

- (i) the decrease in the average coal selling price by approximately 21% in 2023 as compared with 2022;
- (ii) the increase in the coal handling and trading volume by approximately 15% in 2023 as compared with 2022; and
- (iii) impairment losses on property, plant and equipment and coal mining rights due to decrease in average coal selling price.

The Group's annual results for the year ended 31 December 2023 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 2023, which is expected to be published by the end of March 2024 in accordance with requirements under the Listing Rules.

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

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

Guangzhou, 15 March 2024

*As at the date of this announcement, the Board comprises Mr. XU Da, Mr. BAI Tao and Mr. ZHAI Yifeng as the executive Directors and Prof. SHA Zhenquan, Mr. JING Dacheng and Mr. HO Ka Yiu Simon as the independent non-executive Directors.*