

**IMPORTANT ANNOUNCEMENT TO THE BONDHOLDERS OF THE
265,000,000 6.250% Guaranteed Bonds due 2019 issued by
China Energy Reserve and Chemicals Group International Holding Limited (the "Issuer")
and unconditionally and irrevocably guaranteed by
China Energy Reserve and Chemicals Group Company Limited (中國國儲能源化工集團股份公司)
(the "Guarantor" or the "Company")
(ISIN: XS1524892939 Common Code: 152489293)
(the "Bonds")**

1. DEFINITIONS AND INTRODUCTION

- 1.1 This announcement is made by the Issuer and the Guarantor.
- 1.2 In this announcement, "**Bondholders**" means the holders of the Bonds.
- 1.3 In this announcement, the "**Group**" means the Guarantor and its consolidated subsidiaries, taken as a whole.

2. UPDATE ON REVISED UPDATED RESTRUCTURING PROPOSAL

- 2.1 The Group is currently in discussion with their independent financial advisors to present a further revised restructuring proposal to Bondholders. The Group expects to present a further revised restructuring proposal before December 2020. The Group's independent financial advisors are conducting a financial analysis of the Group's assets as at 30 September 2020. The terms of the further revised restructuring proposal will depend on the Group's discussion with their independent financial advisors and feedback from Bondholders.
- 2.2 The Group remains committed to try and effect a consensual restructuring of their debt, and will update Bondholders on the next steps of the restructuring in a further announcement.

3. CONTINUED SUSPENSION OF COUPON AND PRINCIPAL PAYMENTS

The Issuer and the Guarantor confirm that all interest and principal payments on the outstanding Bonds continue to be suspended pending further notice.

4. TRUSTEE DISCLAIMER

The Trustee takes no responsibility for the contents of this announcement.

By Order of the Boards of

**China Energy Reserve and Chemicals Group International Holding Limited
China Energy Reserve and Chemicals Group Company Limited**

17 November 2020

THIS ANNOUNCEMENT IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF BONDHOLDERS. IF BONDHOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK THEIR OWN FINANCIAL AND LEGAL ADVICE, INCLUDING AS TO ANY TAX CONSEQUENCES, IMMEDIATELY FROM THEIR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL OR LEGAL ADVISOR.

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