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SINOFERT HOLDINGS LIMITED

中化化肥控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 297)

ANNOUNCEMENT

FINANCIAL DATA OF SINOCHEM FERTILIZER FOR THE SIX MONTHS ENDED 30 JUNE 2019

This announcement is made by Sinofer Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the announcements of the Company dated 25 April, 26 April, 17 July, 18 July, 21 August and 22 August 2019 in relation to the issue of the super & short-term commercial paper for the year of 2019 by Sinochem Fertilizer Company Limited (“**Sinochem Fertilizer**”), an indirect wholly-owned subsidiary of the Company.

According to the relevant PRC regulations, Sinochem Fertilizer is required to publish its financial data on a quarterly basis on the website of Shanghai Clearing House at www.shclearing.com and the website of China Money at www.chinamoney.com.cn during the term of the above debts. Set out below are the unaudited financial data of Sinochem Fertilizer and its subsidiaries on a consolidated basis and the unaudited financial data of Sinochem Fertilizer for the six months ended 30 June 2019, which are prepared in accordance with the China Accounting Standards for Business Enterprises, and have no material difference from those prepared in accordance with the Hong Kong Financial Reporting Standards. The financial data contained herein have been consolidated into the financial statements of the Group for the six months ended 30 June 2019 published by the Company on 27 August 2019.

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

For and on behalf of the Board
SINOFERT HOLDINGS LIMITED
Qin Hengde
Executive Director and Chief Executive Officer

Hong Kong, 27 August 2019

As at the date of this announcement, the executive directors of the Company are Mr. Qin Hengde (Chief Executive Officer) and Mr. Harry Yang; the non-executive director of the Company is Mr. Yang Lin; and the independent non-executive directors of the Company are Mr. Ko Ming Tung, Edward, Mr. Lu Xin and Mr. Tse Hau Yin, Aloysius.

** For identification purposes only*

Sinochem Fertilizer Company Limited

Balance Sheet

30 June 2019

RMB Yuan

Item	30 June 2019	31 December 2018
Current Assets		
Cash at bank and on hand	2,170,030,478.02	921,062,434.18
Financial assets held for trading	116,420,000.00	197,725,163.74
Bills and accounts receivable	501,399,529.59	597,487,742.33
Prepayments	1,399,296,072.88	2,313,799,549.98
Other receivables	221,178,116.70	182,673,340.21
Inventories	4,070,258,826.18	4,027,292,182.07
Other current assets	3,774,409,109.51	4,284,368,405.04
Non-current assets due within one year	471,806,016.38	473,814,260.00
Total Current Assets	12,724,798,149.26	12,998,223,077.55
Non-Current Assets		
Investments in other equity instruments	382,565,948.00	382,565,948.00
Long-term equity investments	5,873,010,567.99	5,516,079,262.34
Fixed assets	125,314,119.67	127,356,076.43
Intangible assets	13,768,985.95	14,554,483.06
Long-term deferred expenses	1,534,342.51	1,861,075.80
Deferred tax assets	43,737,861.42	43,737,861.42
Other non-current assets	-	7,500,000.00
Total Non-Current Assets	6,439,931,825.54	6,093,654,707.05
TOTAL ASSETS	19,164,729,974.80	19,091,877,784.60

Sinochem Fertilizer Company Limited

Balance Sheet (continued)

30 June 2019

RMB Yuan

Item	30 June 2019	31 December 2018
Current Liabilities		
Short-term loans	1,992,334,600.00	971,582,800.00
Bills and accounts payable	3,743,612,536.60	2,861,362,718.12
Contract liabilities	1,301,575,508.67	3,002,132,886.82
Employee benefits payable	39,535,166.89	9,670,480.05
Taxes payable	24,950,982.10	80,461,955.33
Other payables	330,389,360.16	326,301,157.44
Non-current liabilities due within one year	3,499,309,999.30	3,560,184,999.32
Total Current Liabilities	10,931,708,153.72	10,811,696,997.08
Non-Current Liabilities		
Long-term borrowings	-	267,500,000.00
Deferred tax liabilities	19,761,686.97	19,761,686.97
Deferred income	2,583,500.00	2,583,500.00
Total Non-Current Liabilities	22,345,186.97	289,845,186.97
TOTAL LIABILITIES	10,954,053,340.69	11,101,542,184.05
Owners' Equity		
Paid-in capital	10,600,000,000.00	10,600,000,000.00
Capital reserves	744,745,753.41	744,745,753.41
Other comprehensive income	(30,673,397.58)	(30,673,397.58)
Surplus reserve	498,894,604.32	498,894,604.32
Accumulated loss	(3,602,290,326.04)	(3,822,631,359.60)
TOTAL OWNERS' EQUITY	8,210,676,634.11	7,990,335,600.55
TOTAL LIABILITIES AND OWNERS' EQUITY	19,164,729,974.80	19,091,877,784.60

Sinochem Fertilizer Company Limited

Income Statement

The first Half of 2019

RMB Yuan

Item	H1 2019	H1 2018
Operating income	13,410,053,741.85	12,350,906,274.01
Less: Operating costs	12,853,533,937.16	11,738,699,953.77
Taxes and levies	4,229,089.59	4,522,601.97
Selling expenses	289,007,141.36	287,389,633.42
Administrative expenses	123,780,338.52	119,564,164.85
Finance expenses	52,343,276.58	111,081,121.15
Credit losses	3,382,392.00	-
Impairment losses	-	3,143,641.26
Add: Investment income	135,611,299.62	164,671,505.65
Gain on disposal	7,707.08	-
Operating profit	219,396,573.34	251,176,663.24
Add: Non-operating income	1,033,039.06	1,199,595.53
Less: Non-operating expenses	88,578.84	143,118.78
Total amount of profit	220,341,033.56	252,233,139.99
Less: Income tax expenses	-	-
Net profit	220,341,033.56	252,233,139.99
Other comprehensive income	-	-
Total comprehensive income	220,341,033.56	252,233,139.99

Sinochem Fertilizer Company Limited

Cash Flow Statement

The first Half of 2019

RMB Yuan

Item	H1 2019	H1 2018
1. Cash flows from operating activities		
Cash receipts from the sales of goods and the rendering of services	13,981,604,778.98	12,470,044,374.73
Proceeds from other operating activities	66,922,085.98	13,205,187.14
Sub-total of cash inflows	14,048,526,864.96	12,483,249,561.87
Payment for goods and services	13,301,505,286.22	13,753,885,503.23
Payment to and for employees	202,952,420.94	184,224,599.00
Payment of various taxes	20,674,310.05	19,238,100.70
Payment for other operating activities	255,292,888.99	733,974,479.92
Sub-total of cash outflows	13,780,424,906.20	14,691,322,682.85
Net cash flows from operating activities	268,101,958.76	(2,208,073,120.98)
2. Cash flows from investing activities		
Proceeds from disposal of investments	3,273,127,561.12	6,562,463,123.89
Investment returns received	97,686,704.68	122,877,430.12
Net proceeds from disposal of fixed assets, and intangible assets	5,931,339.41	5,629,525,589.96
Sub-total of cash inflows	3,376,745,605.21	12,314,866,143.97
Payment for acquisition of fixed assets, intangible assets and other long-term assets	8,704,553.25	22,457,707.80
Payment for acquisition of investments	3,062,642,919.95	7,110,424,121.10
Sub-total of cash outflows	3,071,347,473.20	7,132,881,828.90
Net cash flows from investing activities	305,398,132.01	5,181,984,315.07
3. Cash flows from financing activities		
Proceeds from borrowings	4,211,394,000.00	1,971,000,000.00
Sub-total of cash inflows	4,211,394,000.00	1,971,000,000.00
Repayments of borrowings	3,520,442,200.00	3,994,298,500.00
Payment for dividends, profit distributions or interest	15,484,584.46	35,460,517.69
Sub-total of cash outflows	3,535,926,784.46	4,029,759,017.69
Net cash flows from financing activities	675,467,215.54	(2,058,759,017.69)
4. Effect of foreign exchange rate changes on cash and cash equivalents	737.53	4,428.65
5. Net increase in cash and cash equivalents	1,248,968,043.84	915,156,605.05
Plus: Cash and bank balances at 1 January	921,062,434.18	194,037,660.27
6. Cash and bank balances at 30 June	2,170,030,478.02	1,109,194,265.32

Sinochem Fertilizer Company Limited

Consolidated Balance Sheet

30 June 2019

RMB Yuan

Item	30 June 2019	31 December 2018
Current Assets		
Cash at bank and on hand	2,237,074,362.17	1,039,375,220.02
Financial assets held for trading	116,420,000.00	197,725,163.74
Bills and accounts receivable	686,803,069.80	525,497,993.18
Prepayments	1,145,549,180.47	1,909,883,407.59
Other receivables	232,688,654.80	115,541,263.91
Inventories	4,793,160,785.15	4,975,520,379.79
Other current assets	1,925,053,491.17	2,328,107,292.20
Total Current Assets	11,136,749,543.56	11,091,650,720.43
Non-Current Assets		
Investments in other equity instruments	386,565,948.00	386,565,948.00
Long-term equity investments	899,727,042.57	926,508,216.71
Fixed assets	1,981,173,264.47	2,060,705,544.72
Construction in progress	595,044,662.06	412,763,768.83
Intangible assets	1,040,937,869.52	1,057,954,449.19
Goodwill	531,073,744.64	531,073,744.64
Long-term deferred expenses	30,215,796.71	28,961,186.33
Deferred tax assets	55,055,077.14	57,113,766.61
Total Non-Current Assets	5,519,793,405.11	5,461,646,625.03
TOTAL ASSETS	16,656,542,948.67	16,553,297,345.46

Sinochem Fertilizer Company Limited
Consolidated Balance Sheet (continued)
30 June 2019
RMB Yuan

Item	30 June 2019	31 December 2018
Current Liabilities		
Short-term loans	1,637,534,600.00	928,082,800.00
Bills and accounts payable	4,037,464,282.61	3,409,490,166.21
Contract liabilities	1,381,147,415.54	2,937,487,123.83
Employee benefits payable	103,962,438.99	67,230,926.58
Taxes payable	55,369,614.04	90,868,000.45
Other payables	539,708,921.07	553,414,330.57
Non-current liabilities due within one year	3,029,309,999.30	3,027,884,999.32
Total Current Liabilities	10,784,497,271.55	11,014,458,346.96
Non-Current Liabilities		
Long-term employee benefits payable	41,782,637.11	53,757,499.04
Provisions	50,224,549.54	50,224,549.55
Deferred tax liabilities	209,336,828.42	215,321,316.11
Deferred income	21,268,224.88	25,574,222.03
Total Non-Current Liabilities	322,612,239.95	344,877,586.73
TOTAL LIABILITIES	11,107,109,511.50	11,359,335,933.69
Owners' Equity		
Paid-in capital	10,600,000,000.00	10,600,000,000.00
Capital reserves	637,750,108.76	662,010,569.14
Other comprehensive income	(30,673,397.58)	(30,673,397.58)
Special reserves	19,859,947.53	14,497,011.06
Surplus reserves	487,741,563.04	487,741,563.04
Accumulated loss	(6,103,180,547.63)	(6,438,647,226.38)
Total equity attributable to owners of the Company	5,611,497,674.12	5,294,928,519.28
Non-controlling interests	(62,064,236.95)	(100,967,107.51)
TOTAL OWNERS' EQUITY	5,549,433,437.17	5,193,961,411.77
TOTAL LIABILITIES AND OWNERS' EQUITY	16,656,542,948.67	16,553,297,345.46

Sinochem Fertilizer Company Limited

Consolidated Income Statement

The first Half of 2019

RMB Yuan

Item	H1 2019	H1 2018
Operating income	14,075,841,703.72	13,052,879,687.05
Less: Operating costs	13,055,812,635.26	12,016,030,570.05
Taxes and levies	17,970,276.79	19,663,883.13
Selling expenses	427,808,945.19	465,321,179.87
Administrative expenses	256,391,150.28	267,156,225.75
Finance expenses	39,418,337.89	112,391,727.81
Impairment losses	615,295.02	3,102,354.99
Credit losses	2,382,392.00	-
Add: Other income	4,752,495.79	4,448,834.68
Investment income	78,469,881.98	57,517,594.88
Gain/(Loss) on disposal	(170,438.13)	4,854,461.81
Operating profit	358,494,610.93	236,034,636.82
Add: Non-operating income	5,215,445.67	3,115,860.43
Less: Non-operating expenses	802,192.71	1,144,280.01
The total amount of profit	362,907,863.89	238,006,217.24
Less: Income tax expenses	7,435,838.49	(353,494.20)
Net profit	355,472,025.40	238,359,711.44
Attributable to:		
Owners of the Company	340,829,615.22	228,149,187.02
Non-controlling interests	14,642,410.18	10,210,524.42
Other comprehensive income, net of tax	-	-
Total comprehensive income	355,472,025.40	238,359,711.44
Attributable to:		
Owners of the Company	340,829,615.22	228,149,187.02
Non-controlling interests	14,642,410.18	10,210,524.42

Sinochem Fertilizer Company Limited

Consolidated Cash Flow Statement

The first Half of 2019

RMB Yuan

Item	H1 2019	H1 2018
1. Cash flows from operating activities		
Cash receipts from the sales of goods and the rendering of services	14,755,426,586.27	13,095,371,370.87
Proceeds from other operating activities	119,391,257.45	68,716,402.01
Sub-total of cash inflows	14,874,817,843.72	13,164,087,772.88
Payment for goods and services	13,677,198,466.12	13,812,078,893.35
Payment to and for employees	386,234,297.48	329,076,244.79
Payment of various taxes	53,228,422.58	49,692,451.31
Payment for other operating activities	470,786,903.95	953,402,158.19
Sub-total of cash outflows	14,587,448,090.13	15,144,249,747.64
Net cash flows from operating activities	287,369,753.59	(1,980,161,974.76)
2. Cash flows from investing activities		
Proceeds from disposal of investments	2,390,000,000.00	6,562,463,123.89
Investment returns received	46,723,516.93	52,914,628.90
Net proceeds from disposal of fixed assets, and intangible assets	5,766,167.73	5,666,450,398.69
Sub-total of cash inflows	2,442,489,684.66	12,281,828,151.48
Payment for acquisition of fixed assets, intangible assets and other long-term assets	247,775,050.88	130,540,699.93
Payment for acquisition of investments	1,976,694,836.26	7,258,883,123.89
Sub-total of cash outflows	2,224,469,887.14	7,389,423,823.82
Net cash flows from investing activities	218,019,797.52	4,892,404,327.66
3. Cash flows from financing activities		
Proceeds from borrowings	4,114,894,000.00	2,020,500,000.00
Sub-total of cash inflows	4,114,894,000.00	2,020,500,000.00
Repayments of borrowings	3,405,442,200.00	3,994,148,500.00
Payment for dividends, profit distributions or interest	17,934,787.13	33,730,600.80
Sub-total of cash outflows	3,423,376,987.13	4,027,879,100.80
Net cash flows from financing activities	691,517,012.87	(2,007,379,100.80)
4. Effect of foreign exchange rate changes on cash and cash equivalents	792,578.17	(4,687,076.62)
5. Net increase in cash and cash equivalents	1,197,699,142.15	900,176,175.48
Plus: Cash and bank balances at 1 January	1,039,375,220.02	261,724,627.21
6. Cash and bank balances at 30 June	2,237,074,362.17	1,161,900,802.69