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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

**DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION
PROVISION OF FINANCIAL ASSISTANCE**

Reference is made to the announcement of the Company dated 8 November 2019 in relation to the Agreement for the Use of Fund entered into between Sinochem Fertilizer, an indirect wholly-owned subsidiary of the Company (as the lender), and Sinochem Agriculture (as the borrower). Pursuant to the Agreement for the Use of Fund, Sinochem Fertilizer agreed to provide the fund in an amount of not more than RMB250 million to Sinochem Agriculture. The Agreement for the Use of Fund will expire on 7 November 2020.

On 17 August 2020, Sinochem Fertilizer and Sinochem Agriculture entered into the Supplemental Agreement to increase the maximum amount of the fund under the Agreement for the Use of Fund, revise the interest rate of the fund, and change the expiry date of the Agreement for the Use of Fund.

Implications of the Listing Rules

Sinochem Fertilizer is an indirect wholly-owned subsidiary of the Company. Syngenta Group is the indirect controlling shareholder of the Company, indirectly holding approximately 52.65% of the total issued shares of the Company, and is therefore a connected person of the Company. Sinochem Agriculture, a wholly-owned subsidiary of Syngenta Group, is also a connected person of the Company. Pursuant to Chapter 14A of the Listing Rules, the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement) constitutes a connected transaction of the Company. Given that the applicable percentage ratios in respect of the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement) are more than 5%, such transaction is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Given that the applicable percentage ratios in respect of the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement) are more than 5% but less than 25%, such transaction also constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements thereunder.

The Company will convene a SGM to seek approval from the Independent Shareholders in respect of the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement). An Independent Board Committee of the Company has been formed to advise the Independent Shareholders in respect of the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement). Somerley Capital Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among others, the details of the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement), a letter from the Independent Board Committee, a letter from the Independent Financial Adviser and a notice to convene the SGM, will be dispatched by the Company to its shareholders on or about 4 September 2020.

BACKGROUND

Reference is made to the announcement of the Company dated 8 November 2019 in relation to the Agreement for the Use of Fund entered into between Sinochem Fertilizer, an indirect wholly-owned subsidiary of the Company (as the lender), and Sinochem Agriculture (as the borrower). Pursuant to the Agreement for the Use of Fund, Sinochem Fertilizer agreed to provide the fund in an amount of not more than RMB250 million to Sinochem Agriculture. The Agreement for the Use of Fund will expire on 7 November 2020.

On 17 August 2020, Sinochem Fertilizer and Sinochem Agriculture entered into the Supplemental Agreement, pursuant to which the parties agreed to increase the maximum amount of the fund under the Agreement for the Use of Fund from RMB250 million to RMB1,000 million, revise the interest rate of the fund from 4.2% per annum to 3.85% for the first year (which will be adjusted for the second year), and change the expiry date of the Agreement for the Use of Fund from 7 November 2020 to the date that falls on the second anniversary of the date of approval of the Supplemental Agreement by the Independent Shareholders.

PRINCIPAL TERMS OF THE AGREEMENT FOR THE USE OF FUND (AS REVISED BY THE SUPPLEMENTAL AGREEMENT)

- Parties** : (a) Sinochem Fertilizer (as the lender); and
(b) Sinochem Agriculture (as the borrower)
- Total amount of the Fund** : Not more than RMB1,000 million of a revolving nature. Sinochem Agriculture may re-borrow any portion of the total amount of the Fund that has been repaid or prepaid.
- When determining the amount of the Fund, the Group has taken into account its cash and cash equivalents on hand, the interest income available to the Group for placing deposits with banks, the assessment of the Group on the financial and business conditions of Sinochem Agriculture, as well as the financial needs of Sinochem Agriculture and its use of proceeds.
- Interest rate** : Within one year from the date of approval of the Supplemental Agreement by the Independent Shareholders (the “**First Year Period**”), the interest rate of the Fund shall be 3.85%, which is equal to the latest loan prime rate quotation for one-year loan as published by the People’s Bank of China (the “**Loan Prime Rate**”). In the event of any change in the Loan Prime Rate during the First Year Period, Sinochem Fertilizer and Sinochem Agriculture will, on the date that falls on the first anniversary of the date of approval of the Supplemental Agreement by the Independent Shareholders, change the interest rate of the Fund for the period from such date to the expiry date of the Supplemental Agreement to the Loan Prime Rate then in force.
- Term** : The Supplemental Agreement shall become effective on the date of approval by the Independent Shareholders at the SGM and expire on the date that falls on the second anniversary of such date of approval. Sinochem Agriculture shall make withdrawal applications to Sinochem Fertilizer in writing within the total amount of the Fund and during the term of the Agreement for the Use of Fund (as revised by the Supplemental Agreement). Sinochem Fertilizer shall issue a written confirmation for the release of each fund at the time of its release, setting out the amount of each fund, date of release and maturity date. The maturity date of each fund shall not exceed the term of the Agreement for the Use of Fund (as revised by the Supplemental Agreement).

- Repayment** : Sinochem Agriculture shall repay each fund to Sinochem Fertilizer on the maturity date of such fund, and shall pay any interest accrued on such fund to Sinochem Fertilizer on a quarterly basis. Sinochem Agriculture may, by serving a prior written notice of two business days to Sinochem Fertilizer and upon obtaining the written consent from Sinochem Fertilizer, repay the Fund and any interest accrued thereon, in whole or in part, prior to the maturity date. In addition, Sinochem Fertilizer may, by serving a prior written notice of five business days to Sinochem Agriculture, require Sinochem Agriculture to repay the Fund and any interest accrued thereon, in whole or in part, prior to the maturity date.
- Use of proceeds** : Sinochem Agriculture shall use the Fund for its daily working capital and acquisition of fixed assets.
- Other provisions** : Sinochem Agriculture shall provide detailed information concerning the use of each fund to Sinochem Fertilizer at the time of applying for such fund. Sinochem Fertilizer shall have the right to decide whether to release the fund to Sinochem Agriculture based on the information provided by it. If, during the term of the Agreement for the Use of Fund (as revised by the Supplemental Agreement), Sinochem Agriculture intends to invest any fixed asset project, its investment amount in which will exceed 25% of its total assets value, Sinochem Agriculture shall obtain a prior written consent from Sinochem Fertilizer for its investment in such project.
- Liabilities for breach of contract** : If Sinochem Agriculture fails to perform its obligations under the Agreement for the Use of Fund (as revised by the Supplemental Agreement), Sinochem Fertilizer shall have the right to cease the release of the Fund to Sinochem Agriculture and to require Sinochem Agriculture to repay the Fund that has been released and any interest accrued thereon prior to the maturity date. In addition, if Sinochem Agriculture is unable to repay the Fund and any interest accrued thereon as scheduled or fails to use the Fund in accordance with the use specified in the Agreement for the Use of Fund (as revised by the Supplemental Agreement), Sinochem Fertilizer shall also have the right to impose on Sinochem Agriculture an additional interest of 50% on the overdue amount or the amount used in breach of the Agreement for the Use of Fund (as revised by the Supplemental Agreement).

PROVISION OF GUARANTEE

Sinochem Group issued the Original Letter of Undertaking to Sinochem Fertilizer on 8 November 2019, pursuant to which Sinochem Group has undertaken to provide a guarantee in favour of Sinochem Fertilizer for the joint and several liabilities in connection with all the contractual obligations of Sinochem Agriculture under the Agreement for the Use of Fund.

In light of the amendments to the Agreement for the Use of Fund as stipulated in the Supplemental Agreement, Sinochem Group issued the New Letter of Undertaking to Sinochem Fertilizer on 13 August 2020 to expand the scope of its guarantee under the Original Letter of Undertaking to cover all the contractual obligations of Sinochem Agriculture under the Supplemental Agreement. Under the New Letter of Undertaking, if Sinochem Agriculture fails to repay the Fund and any interest accrued thereon pursuant to the Agreement for the Use of Fund (as revised by the Supplemental Agreement), Sinochem Fertilizer shall have the right to require Sinochem Group to make repayments for Sinochem Agriculture by serving a prior written notice of ten business days to Sinochem Group.

The liabilities of Sinochem Group under the guarantee shall be limited to the amount actually released by Sinochem Fertilizer to Sinochem Agriculture and any interest accrued thereon pursuant to the Agreement for the Use of Fund (as revised by the Supplemental Agreement). Sinochem Group shall provide a guarantee in respect of each fund provided by Sinochem Fertilizer to Sinochem Agriculture in accordance with the New Letter of Undertaking.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The objectives of the Group's cash management policies are to generate appropriate investment returns from its surplus funds not currently required by its principal businesses, and to maintain flexibility for the Group to recover such funds should it have any funding needs or any investment opportunity arise. As at 31 March 2020, Sinochem Fertilizer had bank balances and cash of approximately RMB4,334 million, representing a substantial increase of approximately 119% from approximately RMB1,983 million as at 31 December 2019. In addition, Sinochem Agriculture is at a stage of rapid business expansion. After becoming a subsidiary of Syngenta Group, Sinochem Agriculture is expected to have more business opportunities with greater growth potentials, and meanwhile it will have higher capital requirement. Given that Sinochem Fertilizer has sufficient bank balances and cash, but has not identified any proper project for investment, and taking into account the business development and capital requirement of Sinochem Agriculture, the Group intends to increase the amount of the Fund to be provided by Sinochem Fertilizer to Sinochem Agriculture under the Agreement for the Use of Fund.

After taking into account the following factors, the Company believes that the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement) will enable the Group to make use of its surplus funds in a better way at an acceptable level of risk:

- (i) Sinochem Agriculture has expanded its businesses to 28 provinces, cities and autonomous regions in the PRC and has invested in the establishment of a number of technical service centers in areas such as Chaohu and Lujiang in Anhui Province, Zhijiang in Hubei Province and Baixiang in Hebei Province. The regions in which its customers locate can serve as an effective replenishment to the existing markets of Sinochem Fertilizer. Sinochem Agriculture can promote Sinochem Fertilizer's products in an effective manner during its provision of agricultural services to its customers. Sinochem Agriculture intends to use the Fund for its daily operations (such as grain purchasing and storage) and acquisition of fixed assets, which will promote its business development, and will in turn facilitate Sinochem Fertilizer to further extend sales channels through Sinochem Agriculture and increase the operating revenue and profitability of Sinochem Fertilizer.
- (ii) The interest rate of the Fund is higher than the interest rate available to the Group for placing cash deposits with commercial banks in the PRC. The Group may obtain a higher interest income through the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement) to increase its rate of return on cash and cash equivalents, thereby improving its investment income;
- (iii) All of the Fund will be financed by the Group from its surplus funds. Therefore, the Company is of the view that the provision of the Fund will not affect the working capital or daily operations of the Group during the term of the Agreement for the Use of Fund (as revised by the Supplemental Agreement), and the external loan balance of Sinochem Fertilizer during such period is expected to remain at a similar level as its external loan balance of approximately RMB3,122 million as at 31 March 2020. Moreover, pursuant to the Agreement for the Use of Fund (as revised by the Supplemental Agreement), Sinochem Fertilizer may, by serving a prior written notice of five business days to Sinochem Agriculture, require Sinochem Agriculture to repay the Fund and any interest accrued thereon, in whole or in part, prior to the maturity date, which increases the flexibility of fund management by Sinochem Fertilizer. Sinochem Fertilizer can recover the Fund within a short period of time when there is any funding requirement to conduct its daily operations and to repay its existing debts. Such arrangement is not normally available to lenders in usual loan agreements with independent third parties, and is more favourable to the Group as compared to the terms with independent third parties; and
- (iv) The Group has also considered the possibility of increasing its rate of return by investing in industry-related projects. However, given that the domestic fertilizer industry is currently suffering from excess capacity, the Group will be exposed to rather high risks if it invests in industry-related projects in the market, and therefore, it has not identified any proper project for investment. In addition, the Group has also considered revenue management such as placing deposits, but principal-guaranteed products such as deposits usually have an interest rate which is lower than that for the Fund, and have a fixed term which restricts the Group's ability to withdraw its funds before the maturity date. In particular, due to the impact of COVID-19 pandemic, global economic growth

is expected to decline and may require a long time for recovery. All major central banks around the world have adopted aggressive monetary policies, with a view to creating a positive momentum to the economic recovery. In the context of global loose monetary policy, the yield of deposit products has generally decreased. The investment returns of the Group from principal-guaranteed products such as deposits have been lower than before and it is expected that such investment returns may further decrease.

INTERNAL CONTROL MEASURES

In order to properly mitigate investment risks while generating investment returns, the Group will take the following risk control measures:

- (i) Sinochem Fertilizer shall have the right to decide whether to release the Fund to Sinochem Agriculture based on the information provided by Sinochem Agriculture at the time of its application for the Fund, so as to ensure the safe use of the Fund and to mitigate the recovery risks during the process of determining the release of the Fund. Sinochem Fertilizer shall be under no obligation to provide the Fund, in whole or in part, to Sinochem Agriculture under the Agreement for the Use of Fund (as revised by the Supplemental Agreement). Before releasing the Fund, the manager of the Treasury Division of the Company will review the details of the application and analyze the Group's position of bank balances and cash. The manager will then report to the general manager of the Finance Department and the chief financial officer of the Company for approval. The chief financial officer will seek approval from the chief executive officer of the Company should he have any concern about the business or financial position of Sinochem Agriculture;
- (ii) Sinochem Agriculture shall use the Fund strictly in accordance with the use specified in the Agreement for the Use of Fund (as revised by the Supplemental Agreement), and Sinochem Agriculture shall provide its business operation reports or financial reports to Sinochem Fertilizer on a monthly basis. The Company will monitor the use by Sinochem Agriculture of the Fund to ensure that the Fund will be used for specified purposes;
- (iii) The Group has conducted due diligence and assessment on the repayment capability of Sinochem Agriculture. Although Sinochem Agriculture is still in a loss making situation, its revenue for the year ended 31 December 2019 increased substantially to approximately RMB1,664 million, representing an increase of approximately RMB783 million or 89% as compared to the year ended 31 December 2018. As at 31 December 2019, Sinochem Agriculture had total assets, total liabilities and net assets of approximately RMB3,025 million, RMB2,615 million and RMB411 million, respectively. In addition, since Sinochem Fertilizer provided the fund to Sinochem Agriculture for the first time in December 2018, Sinochem Agriculture has not violated any agreement for the use of fund entered into with Sinochem Fertilizer, or failed to repay any fund to Sinochem Fertilizer on a timely basis. Based on the above due diligence results, and taking into account the guarantee provided by Sinochem Group pursuant to the New Letter of Undertaking and the bank facilities available to Sinochem Agriculture as further described in the paragraphs (iv) and (v) below, the Company is optimistic about the repayment capability of Sinochem Agriculture.

- (iv) Sinochem Agriculture has obtained the facilities in a total amount of RMB3,460 million from various financial institutions. As at the date of this announcement, the available credit under such facilities amounted to RMB1,083 million. Sinochem Agriculture may utilize such facilities to make repayment (or even early repayment) of the Fund to Sinochem Fertilizer when necessary; and
- (v) Sinochem Group has agreed to provide a guarantee in favour of Sinochem Fertilizer for the joint and several liabilities in connection with all the contractual obligations of Sinochem Agriculture under the Agreement for the Use of Fund (as revised by the Supplemental Agreement), thus further mitigating the risks of the Group in the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement). Sinochem Group is a state-owned enterprise with solid financial track records. Based on its latest annual report, Sinochem Group recorded a total revenue of approximately RMB555,300 million and profit attributable to the owners of approximately RMB3,300 million for the year ended 31 December 2019. Sinochem Group had a registered capital of RMB43,700 million and consolidated net assets attributable to the owners of approximately RMB53,100 million as at 31 December 2019. Furthermore, Sinochem Group is one of China's earliest qualifiers of Fortune Global 500, ranking the 88th in 2019, and has been named by Fortune as the "World's Most Admired Companies" for two consecutive years.

As such, the Directors, other than the independent non-executive Directors who will express their opinion in a separate letter to be included in the circular, are of the view that the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement) is entered into by the Group in its ordinary and usual course of business, on normal commercial terms, is fair and reasonable and in the interests of the Company and its shareholders as a whole.

Mr. Qin Hengde and Mr. Feng Mingwei, being Directors of the Company and management members of Syngenta Group, and Mr. Yang Lin, being a Director of the Company and a management member of Sinochem Group (the guarantor of the Fund), have abstained from voting on the relevant Board resolution to approve the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement).

IMPLICATIONS OF THE LISTING RULES

Sinochem Fertilizer is an indirect wholly-owned subsidiary of the Company. Syngenta Group is the indirect controlling shareholder of the Company, indirectly holding approximately 52.65% of the total issued shares of the Company, and is therefore a connected person of the Company. Sinochem Agriculture, a wholly-owned subsidiary of Syngenta Group, is also a connected person of the Company. Pursuant to Chapter 14A of the Listing Rules, the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement) constitutes a connected transaction of the Company. Given that the applicable percentage ratios in respect of the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement) are more than 5%, such transaction is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Given that the applicable percentage ratios in respect of the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement) are more than 5% but less than 25%, such transaction also constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements thereunder.

The Company will convene a SGM to seek approval from the Independent Shareholders in respect of the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement). An Independent Board Committee of the Company has been formed to advise the Independent Shareholders in respect of the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement). Somerley Capital Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among others, the details of the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement), a letter from the Independent Board Committee, a letter from the Independent Financial Adviser and a notice to convene the SGM, will be dispatched by the Company to its shareholders on or about 4 September 2020.

GENERAL INFORMATION

The Company is principally engaged in the production, procurement and sale of fertilizers and related products in the PRC. The main business comprises research and development, production, procurement, distribution and agricultural services of fertilizers and forms a vertically integrated business model combining upstream and downstream businesses.

Sinochem Fertilizer is engaged in the production, import, export, distribution, wholesale and retail of fertilizer raw materials and products, as well as research and development and services in the field of fertilizer-related business and products.

Sinochem Agriculture's core businesses include the promotion of integrated planting solutions, land trust, design of agricultural input packages, auxiliary facilities for agricultural mechanization, technology tracking, as well as the services in relation to the sale of agricultural products, food banks and agricultural informatization, and the businesses such as agricultural and production credit, agricultural and financial leasing, and agricultural insurance. Sinochem Agriculture also carries out projects on the renovation of low-and medium-yield farmlands, improvement of soil, demonstration of precision agriculture and utilization of agricultural waste as resources.

Sinochem Agriculture is a wholly-owned subsidiary of Syngenta Group, which is in turn an indirect wholly-owned subsidiary of ChemChina. ChemChina is primarily engaged in the production and sale of chemical raw materials, chemical products, chemical minerals, fertilizers, agrichemicals (excluding hazardous chemicals), plastics, tyres, rubber products, membrane equipment and chemical equipment; the production and sale of mechanical products, electronic products, instruments and apparatus, construction materials, textiles, light industrial products, forest products and forest chemical products;

and the research, development, design and construction of chemical equipment, chemical cleaning, anticorrosion, petrochemicals and water technology. The sole shareholder of ChemChina is the State-owned Assets Supervision and Administration Commission of the State Council of the PRC.

Sinochem Group, the guarantor of the Fund, is a key state-owned enterprise established in 1950. Sinochem Group's core businesses include: the businesses of energy, chemical, agriculture, real estate and finance, etc. The sole shareholder of Sinochem Group is the State-owned Assets Supervision and Administration Commission of the State Council of the PRC.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“Agreement for the Use of Fund”	the agreement for the use of fund dated 8 November 2019 entered into between Sinochem Fertilizer, as the lender, and Sinochem Agriculture, as the borrower
“associates”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“ChemChina”	中國化工集團有限公司 (China National Chemical Corporation Limited), a limited liability company incorporated in the PRC and the ultimate controlling shareholder of the Company
“Company”	Sinofert Holdings Limited, a company incorporated on 26 May 1994 in Bermuda with limited liability, the ordinary shares of which are listed on the Stock Exchange
“connected person”	has the same meaning ascribed to it under the Listing Rules
“connected transaction”	has the same meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Fund”	the fund in an amount of not more than RMB1,000 million to be provided by Sinochem Fertilizer to Sinochem Agriculture pursuant to the Agreement for the Use of Fund (as revised by the Supplemental Agreement)
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company formed to consider the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement)
“Independent Financial Adviser”	Somerley Capital Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), which has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement)
“Independent Shareholders”	shareholders other than Syngenta Group and its associates
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“New Letter of Undertaking”	the letter of undertaking issued by Sinochem Group to Sinochem Fertilizer on 13 August 2020
“Original Letter of Undertaking”	the letter of undertaking issued by Sinochem Group to Sinochem Fertilizer on 8 November 2019
“PRC”	the People’s Republic of China, which for the purposes of this announcement only, excludes Hong Kong, Macao Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SGM”	a special general meeting of the Company to be convened to consider and approve the transaction under the Agreement for the Use of Fund (as revised by the Supplemental Agreement)
“shareholder(s)”	registered holder(s) of ordinary share(s) of HK\$0.10 each in the capital of the Company
“Sinochem Agriculture”	中化現代農業有限公司 (Sinochem Agriculture Holdings Limited), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of Syngenta Group

“Sinochem Fertilizer”	中化化肥有限公司 (Sinochem Fertilizer Company Limited), a limited liability company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company
“Sinochem Group”	中國中化集團有限公司 (Sinochem Group Co., Ltd.), a state-owned enterprise incorporated in the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning ascribed to it under the Listing Rules
“Supplemental Agreement”	the supplemental agreement to the Agreement for the Use of Fund entered into between Sinochem Fertilizer and Sinochem Agriculture on 17 August 2020
“Syngenta Group”	先正達集團股份有限公司 (Syngenta Group Co., Ltd.), a limited liability company incorporated in the PRC and the indirect controlling shareholder of the Company
“%”	percent

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

Hong Kong, 17 August 2020

As at the date of this announcement, the executive directors of the Company are Mr. Qin Hengde (Chief Executive Officer), Mr. Feng Mingwei 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*