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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 SINOCEM FERTILIZER FOR THE SIX MONTHS ENDED 30 JUNE 2020**

This announcement is made by Sinofert 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 10 March, 11 March, 17 April, 20 April, 20 May and 21 May 2020 in relation to the issue of the super & short-term commercial paper for the year of 2020 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](http://www.shclearing.com) and the website of China Money at [www.chinamoney.com.cn](http://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 2020, 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 2020 published by the Company on 20 August 2020.

**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, 31 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*

## Sinochem Fertilizer Company Limited

## Balance Sheet

30 June 2020

RMB Yuan

Item	30 June 2020	31 December 2019
<b>Current Assets</b>		
Cash at bank and on hand	968,499,687.68	1,425,678,720.00
Financial assets held for trading	1,950,000,000.00	400,000,000.00
Accounts receivable	104,283,680.32	107,819,236.07
Receivables under financing	316,108,762.04	307,232,591.32
Prepayments	1,485,613,511.50	1,650,319,151.04
Other receivables	246,096,291.36	228,095,885.21
Inventories	3,065,297,090.65	4,219,807,375.58
Other current assets	2,093,527,195.27	2,801,759,395.19
<b>Total Current Assets</b>	<b>10,229,426,218.82</b>	<b>11,140,712,354.41</b>
<b>Non-Current Assets</b>		
Long-term equity investments	6,424,203,686.48	5,881,869,345.71
Investments in other equity instruments	203,295,954.93	279,289,198.53
Fixed assets	187,665,932.43	177,342,454.47
Construction in progress	2,776,553.41	2,388,073.31
Right-of-use assets	10,564,532.43	21,129,064.81
Intangible assets	12,659,597.88	13,439,655.54
Development costs	18,491,326.73	17,897,094.35
Long-term deferred expenses	1,329,627.93	1,477,545.09
Deferred tax assets	67,829,036.02	49,163,800.12
Other non-current assets	315,000,000.00	315,000,000.00
<b>Total non-current assets</b>	<b>7,243,816,248.24</b>	<b>6,758,996,231.93</b>
<b>TOTAL ASSETS</b>	<b>17,473,242,467.06</b>	<b>17,899,708,586.34</b>

## Sinochem Fertilizer Company Limited

## Balance Sheet (continued)

30 June 2020

RMB Yuan

Item	30 June 2020	31 December 2019
<b>Current Liabilities</b>		
Short-term loans	870,707,356.36	1,101,638,371.96
Bills payable	1,803,042,965.42	1,868,544,630.31
Accounts payable	2,153,921,933.86	1,851,017,836.53
Contract liabilities	1,379,225,026.42	2,107,018,515.07
Employee benefits payable	6,650,290.91	6,807,120.36
Taxes payable	78,332,735.50	34,313,389.36
Other payables	204,819,343.76	332,628,439.58
Non-current liabilities due within one year	5,430,301.62	21,601,735.66
Other current liabilities	2,600,000,000.00	2,400,000,000.00
<b>Total current liabilities</b>	<b>9,102,129,953.85</b>	<b>9,723,570,038.83</b>
<b>Non-Current Liabilities</b>		
Deferred income	2,358,500.00	2,433,500.00
<b>Total non-current liabilities</b>	<b>2,358,500.00</b>	<b>2,433,500.00</b>
<b>TOTAL LIABILITIES</b>	<b>9,104,488,453.85</b>	<b>9,726,003,538.83</b>
<b>Owners' Equity</b>		
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	(162,146,967.38)	(108,130,959.68)
Surplus reserve	498,894,604.32	498,894,604.32
Accumulated loss	(3,312,739,377.14)	(3,561,804,350.54)
<b>TOTAL OWNERS' EQUITY</b>	<b>8,368,754,013.21</b>	<b>8,173,705,047.51</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>17,473,242,467.06</b>	<b>17,899,708,586.34</b>

Sinochem Fertilizer Company Limited

Income Statement

The first Half of 2020

RMB Yuan

Item	H1 2020	H1 2019
Operating income	11,669,079,407.24	13,410,053,741.85
Less: Operating costs	11,079,814,304.72	12,853,533,937.16
Taxes and surcharges	4,871,583.55	4,229,089.59
Selling expenses	274,250,325.47	289,007,141.36
Administrative expenses	107,499,558.17	113,993,373.17
Research and development	9,311,016.98	9,786,965.35
Financial expenses	10,331,328.09	52,343,276.58
Credit losses	2,097,166.47	3,382,392.00
Add: Other income	75,000.00	-
Investment income	65,835,643.24	135,611,299.62
Gain on disposal	-	7,707.08
<b>Operating profit</b>	<b>246,814,767.03</b>	<b>219,396,573.34</b>
Add: Non-operating income	3,569,744.49	1,033,039.06
Less: Non-operating expenses	1,319,538.12	88,578.84
<b>Total amount of profit</b>	<b>249,064,973.40</b>	<b>220,341,033.56</b>
Less: Income tax expenses	-	-
<b>Net profit</b>	<b>249,064,973.40</b>	<b>220,341,033.56</b>
Other comprehensive income, net of tax	(54,016,007.70)	-
<b>Total comprehensive income</b>	<b>195,048,965.70</b>	<b>220,341,033.56</b>

## Sinochem Fertilizer Company Limited

## Cash Flow Statement

The first Half of 2020

RMB Yuan

Item	H1 2020	H1 2019
<b>1. Cash flows from operating activities</b>		
Cash receipts from the sales of goods and the rendering of services	12,721,757,619.32	13,981,604,778.98
Refund of tax and fee received	14,860,478.28	-
Proceeds from other operating activities	51,112,529.84	66,922,085.98
<b>Sub-total of cash inflows</b>	<b>12,787,730,627.44</b>	<b>14,048,526,864.96</b>
Payment for goods and services	11,067,131,982.35	13,301,505,286.22
Payment to and for employees	206,371,107.23	202,952,420.94
Payment of various taxes	28,172,436.15	20,674,310.05
Payment for other operating activities	315,055,872.23	255,292,888.99
<b>Sub-total of cash outflows</b>	<b>11,616,731,397.96</b>	<b>13,780,424,906.20</b>
<b>Net cash flows from operating activities</b>	<b>1,170,999,229.48</b>	<b>268,101,958.76</b>
<b>2. Cash flows from investing activities</b>		
Proceeds from disposal of investments	6,032,644,840.20	3,273,127,561.12
Investment returns received	61,978,481.12	97,686,704.68
Net proceeds from disposal of fixed assets, and intangible assets	4,463,926.73	5,931,339.41
<b>Sub-total of cash inflows</b>	<b>6,099,087,248.05</b>	<b>3,376,745,605.21</b>
Payment for acquisition of fixed assets, intangible assets and other long-term assets	19,460,438.48	8,704,553.25
Payment for acquisition of investments	7,591,170,700.00	3,062,642,919.95
<b>Sub-total of cash outflows</b>	<b>7,610,631,138.48</b>	<b>3,071,347,473.20</b>
<b>Net cash flows from investing activities</b>	<b>(1,511,543,890.43)</b>	<b>305,398,132.01</b>
<b>3. Cash flows from financing activities</b>		
Proceeds from borrowings	4,174,895,690.55	4,211,394,000.00
<b>Sub-total of cash inflows</b>	<b>4,174,895,690.55</b>	<b>4,211,394,000.00</b>
Repayments of borrowings	4,205,826,706.15	3,520,442,200.00
Payment for dividends, profit distributions or interest	69,531,921.73	15,484,584.46
Other cash paid relating to financing activities	16,171,434.04	-
<b>Sub-total of cash outflows</b>	<b>4,291,530,061.92</b>	<b>3,535,926,784.46</b>
<b>Net cash flows from financing activities</b>	<b>(116,634,371.37)</b>	<b>675,467,215.54</b>
<b>4. Effect of foreign exchange rate changes on cash and cash equivalents</b>	-	737.53
<b>5. Net increase / (decrease) in cash and cash equivalents</b>	<b>(457,179,032.32)</b>	<b>1,248,968,043.84</b>
Plus: Cash and bank balances at 1 January	1,425,678,720.00	921,062,434.18
<b>6. Cash and bank balances at 30 June</b>	<b>968,499,687.68</b>	<b>2,170,030,478.02</b>

## Sinochem Fertilizer Company Limited

## Consolidated Balance Sheet

30 June 2020

RMB Yuan

Item	30 June 2020	31 December 2019
<b>Current Assets</b>		
Cash at bank and on hand	1,130,311,316.93	1,584,588,380.48
Financial assets held for trading	1,950,000,000.00	400,000,000.00
Accounts receivable	157,723,430.01	41,450,318.02
Receivables under financing	381,567,546.45	369,084,673.33
Prepayments	1,251,258,042.24	1,391,491,694.21
Other receivables	169,967,134.57	130,710,744.47
Inventories	3,707,846,012.95	5,022,640,619.14
Other current assets	1,069,817,985.28	1,279,830,908.20
<b>Total Current Assets</b>	<b>9,818,491,468.43</b>	<b>10,219,797,337.85</b>
<b>Non-Current Assets</b>		
Long-term equity investments	914,691,086.59	887,708,731.49
Investments in other equity instruments	207,295,954.93	283,289,198.53
Fixed assets	1,636,154,928.08	1,538,157,023.62
Construction in progress	847,117,148.62	854,762,452.63
Right-of-use assets	10,564,532.43	21,129,064.81
Intangible assets	954,663,079.16	963,324,469.85
Development costs	18,578,550.99	17,897,094.35
Goodwill	531,073,744.64	531,073,744.64
Long-term deferred expenses	24,889,627.27	23,627,662.07
Deferred tax assets	85,989,506.12	68,515,008.25
Other non-current assets	662,020,444.58	591,487,997.89
<b>Total non-current assets</b>	<b>5,893,038,603.41</b>	<b>5,780,972,448.13</b>
<b>TOTAL ASSETS</b>	<b>15,711,530,071.84</b>	<b>16,000,769,785.98</b>

Sinochem Fertilizer Company Limited  
Consolidated Balance Sheet (continued)  
30 June 2020  
RMB Yuan

Item	30 June 2020	31 December 2019
<b>Current Liabilities</b>		
Short-term loans	60,000,000.00	527,815,500.00
Bills payable	2,258,945,959.44	2,018,712,682.75
Accounts payable	2,361,861,588.79	2,114,571,788.20
Contract liabilities	1,449,808,857.63	2,267,403,401.16
Employee benefits payable	40,069,869.09	42,006,475.66
Taxes payable	101,669,200.17	59,671,177.02
Other payables	395,796,221.19	586,081,943.68
Non-current liabilities due within one year	5,430,301.62	21,601,735.66
Other current liabilities	2,600,000,000.00	2,400,000,000.00
<b>Total current liabilities</b>	<b>9,273,581,997.93</b>	<b>10,037,864,704.13</b>
<b>Non-Current Liabilities</b>		
Long-term employee benefits payable	43,868,013.78	43,868,013.78
Provisions	48,460,718.38	48,460,718.38
Deferred tax liabilities	177,606,165.58	183,590,653.74
Deferred income	115,270,938.45	86,917,826.31
<b>Total non-current liabilities</b>	<b>385,205,836.19</b>	<b>362,837,212.21</b>
<b>TOTAL LIABILITIES</b>	<b>9,658,787,834.12</b>	<b>10,400,701,916.34</b>
<b>Owners' Equity</b>		
Paid-in capital	10,600,000,000.00	10,600,000,000.00
Capital reserves	579,077,422.15	637,750,108.76
Other comprehensive income	(162,146,967.38)	(108,130,959.68)
Specific reserve	20,092,286.22	19,772,029.81
Surplus reserve	487,741,563.04	487,741,563.04
Accumulated loss	(5,637,865,183.93)	(5,989,069,761.17)
<b>Total equity attributable to owners of the Company</b>	<b>5,886,899,120.10</b>	<b>5,648,062,980.76</b>
Non-controlling interests	165,843,117.62	(47,995,111.12)
<b>TOTAL OWNERS' EQUITY</b>	<b>6,052,742,237.72</b>	<b>5,600,067,869.64</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>15,711,530,071.84</b>	<b>16,000,769,785.98</b>



## Sinochem Fertilizer Company Limited

## Consolidated Income Statement

The first Half of 2020

RMB Yuan

Item	H1 2020	H1 2019
Operating income	12,463,148,916.18	14,075,841,703.72
Less: Operating costs	11,506,656,545.75	13,055,812,635.26
Taxes and surcharges	16,545,026.21	17,970,276.79
Selling expenses	385,959,686.23	427,808,945.19
Administrative expenses	213,518,883.47	244,081,519.27
Research and development expenses	13,809,471.32	12,309,631.01
Financial expenses	(27,744,618.41)	39,418,337.89
Credit losses	3,097,166.47	2,382,392.00
Impairment losses	-	615,295.02
Add: Other income	3,867,512.41	4,752,495.79
Investment income	7,232,727.97	78,469,881.98
Gain/(Loss) on disposal	1,461,273.26	(170,438.13)
<b>Operating profit</b>	<b>363,868,268.78</b>	<b>358,494,610.93</b>
Add: Non-operating income	8,537,248.57	5,215,445.67
Less: Non-operating expenses	3,794,058.90	802,192.71
<b>The total amount of profit</b>	<b>368,611,458.45</b>	<b>362,907,863.89</b>
Less: Income tax expenses	11,921,082.67	7,435,838.49
<b>Net profit</b>	<b>356,690,375.78</b>	<b>355,472,025.40</b>
Attributable to:		
Owners of the Company	351,524,833.65	340,829,615.22
Non-controlling interests	5,165,542.13	14,642,410.18
<b>Other comprehensive income, net of tax</b>	<b>(54,016,007.70)</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>302,674,368.08</b>	<b>355,472,025.40</b>
Attributable to:		
Owners of the Company	297,508,825.95	340,829,615.22
Non-controlling interests	5,165,542.13	14,642,410.18

Sinochem Fertilizer Company Limited  
Consolidated Cash Flow Statement  
The first Half of 2020  
RMB Yuan

Item	H1 2020	H1 2019
<b>1. Cash flows from operating activities</b>		
Cash receipts from the sales of goods and the rendering of services	13,502,152,479.27	14,755,426,586.27
Refund of tax and fee received	21,981,607.85	-
Proceeds from other operating activities	88,957,252.36	119,391,257.45
<b>Sub-total of cash inflows</b>	<b>13,613,091,339.48</b>	<b>14,874,817,843.72</b>
Payment for goods and services	11,114,182,604.50	13,677,198,466.12
Payment to and for employees	388,980,581.09	386,234,297.48
Payment of various taxes	74,476,513.65	53,228,422.58
Payment for other operating activities	534,030,599.62	470,786,903.95
<b>Sub-total of cash outflows</b>	<b>12,111,670,298.86</b>	<b>14,587,448,090.13</b>
<b>Net cash flows from operating activities</b>	<b>1,501,421,040.62</b>	<b>287,369,753.59</b>
<b>2. Cash flows from investing activities</b>		
Proceeds from disposal of investments	5,465,000,000.00	2,390,000,000.00
Investment returns received	20,561,169.21	46,723,516.93
Net proceeds from disposal of fixed assets, and intangible assets	5,917,273.26	5,766,167.73
<b>Sub-total of cash inflows</b>	<b>5,491,478,442.47</b>	<b>2,442,489,684.66</b>
Payment for acquisition of fixed assets, intangible assets and other long-term assets	190,281,630.90	247,775,050.88
Payment for acquisition of investments	7,059,950,700.00	1,976,694,836.26
<b>Sub-total of cash outflows</b>	<b>7,250,232,330.90</b>	<b>2,224,469,887.14</b>
<b>Net cash flows from investing activities</b>	<b>(1,758,753,888.43)</b>	<b>218,019,797.52</b>
<b>3. Cash flows from financing activities</b>		
Proceeds from investors	150,000,000.00	-
Proceeds from borrowings	3,194,399,400.00	4,114,894,000.00
<b>Sub-total of cash inflows</b>	<b>3,344,399,400.00</b>	<b>4,114,894,000.00</b>
Repayments of borrowings	3,462,214,900.00	3,405,442,200.00
Payment for dividends, profit distributions or interest	62,612,850.89	17,934,787.13
Other cash paid relating to financing activities	16,171,434.04	-
<b>Sub-total of cash outflows</b>	<b>3,540,999,184.93</b>	<b>3,423,376,987.13</b>
<b>Net cash flows from financing activities</b>	<b>(196,599,784.93)</b>	<b>691,517,012.87</b>
<b>4. Effect of foreign exchange rate changes on cash and cash equivalents</b>	<b>(344,430.81)</b>	<b>792,578.17</b>
<b>5. Net increase / (decrease) in cash and cash equivalents</b>	<b>(454,277,063.55)</b>	<b>1,197,699,142.15</b>
Plus: Cash and bank balances at 1 January	1,584,588,380.48	1,039,375,220.02
<b>6. Cash and bank balances at 30 June</b>	<b>1,130,311,316.93</b>	<b>2,237,074,362.17</b>