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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 NINE MONTHS ENDED 30 SEPTEMBER 2020

This announcement is made by Sinofert Holdings Limited (the “**Company**”) 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 17 April, 20 April, 20 May, 21 May, 23 September, 25 September, 20 October and 22 October 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 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 nine months ended 30 September 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.

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, 29 October 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 September 2020

RMB Yuan

Item	30 September 2020	31 December 2019
Current Assets		
Cash at bank and on hand	773,771,992.72	1,425,678,720.00
Financial assets held for trading	900,000,000.00	400,000,000.00
Accounts receivable	198,519,113.49	107,819,236.07
Receivables under financing	424,571,526.64	307,232,591.32
Prepayments	1,542,255,660.54	1,650,319,151.04
Other receivables	273,631,329.84	228,095,885.21
Inventories	3,683,039,597.01	4,219,807,375.58
Other current assets	1,880,592,375.25	2,801,759,395.19
Total Current Assets	9,676,381,595.49	11,140,712,354.41
Non-Current Assets		
Long-term equity investments	6,444,400,610.93	5,881,869,345.71
Investments in other equity instruments	203,295,954.93	279,289,198.53
Fixed assets	188,465,094.09	177,342,454.47
Construction in progress	2,787,525.81	2,388,073.31
Right-of-use assets	5,282,266.21	21,129,064.81
Intangible assets	12,254,599.34	13,439,655.54
Development costs	20,480,949.37	17,897,094.35
Long-term deferred expenses	1,708,552.60	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
Total non-current assets	7,261,504,589.30	6,758,996,231.93
TOTAL ASSETS	16,937,886,184.79	17,899,708,586.34

Sinochem Fertilizer Company Limited

Balance Sheet (continued)

30 September 2020

RMB Yuan

Item	30 September 2020	31 December 2019
Current Liabilities		
Short-term loans	1,852,559,989.03	1,101,638,371.96
Bills payable	1,160,644,908.28	1,868,544,630.31
Accounts payable	1,208,890,018.41	1,851,017,836.53
Contract liabilities	1,943,749,887.56	2,107,018,515.07
Employee benefits payable	5,153,676.82	6,807,120.36
Taxes payable	58,313,727.74	34,313,389.36
Other payables	171,131,323.29	332,628,439.58
Non-current liabilities due within one year	5,430,301.64	21,601,735.66
Other current liabilities	2,100,000,000.00	2,400,000,000.00
Total current liabilities	8,505,873,832.77	9,723,570,038.83
Non-Current Liabilities		
Deferred income	2,358,500.00	2,433,500.00
Total non-current liabilities	2,358,500.00	2,433,500.00
TOTAL LIABILITIES	8,508,232,332.77	9,726,003,538.83
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	(162,146,967.38)	(108,130,959.68)
Surplus reserve	498,894,604.32	498,894,604.32
Accumulated loss	(3,251,839,538.33)	(3,561,804,350.54)
TOTAL OWNERS' EQUITY	8,429,653,852.02	8,173,705,047.51
TOTAL LIABILITIES AND OWNERS' EQUITY	16,937,886,184.79	17,899,708,586.34

Sinochem Fertilizer Company Limited

Income Statement

The Third Quarter of 2020

RMB Yuan

Item	Q3 2020	Q3 2019
Operating income	16,008,999,110.45	17,494,984,348.77
Less: Operating costs	15,199,203,873.31	16,683,145,977.94
Taxes and surcharges	7,903,739.63	6,749,585.42
Selling expenses	422,637,068.52	395,379,200.40
Administrative expenses	153,014,750.52	165,593,139.10
Research and development expenses	17,158,624.51	16,803,647.05
Financial expenses	15,324,035.55	137,782,723.53
Credit losses	2,097,166.47	3,382,392.00
Add: Other income	80,893.01	-
Investment income	113,648,817.29	175,543,339.61
Profit and loss arising from fair value changes	213,800.00	-
Gain on disposal	17,411.12	7,707.08
Operating profit	305,620,773.36	261,698,730.02
Add: Non-operating income	6,767,962.78	1,520,049.26
Less: Non-operating expenses	2,423,923.93	973,079.34
Total amount of profit	309,964,812.21	262,245,699.94
Less: Income tax expenses	-	-
Net profit	309,964,812.21	262,245,699.94
Other comprehensive income, net of tax	(54,016,007.70)	-
Total comprehensive income	255,948,804.51	262,245,699.94

Sinochem Fertilizer Company Limited

Cash Flow Statement

The Third Quarter of 2020

RMB Yuan

Item	Q3 2020	Q3 2019
1. Cash flows from operating activities		
Cash receipts from the sales of goods and the rendering of services	18,112,206,583.49	18,632,518,815.93
Refund of tax and fee received	14,860,478.28	-
Proceeds from other operating activities	68,290,117.14	90,300,539.41
Sub-total of cash inflows	18,195,357,178.91	18,722,819,355.34
Payment for goods and services	18,051,771,678.36	18,210,179,978.99
Payment to and for employees	273,790,580.96	285,142,420.94
Payment of various taxes	34,837,405.38	35,999,939.56
Payment for other operating activities	458,451,640.78	472,516,121.78
Sub-total of cash outflows	18,818,851,305.48	19,003,838,461.27
Net cash flows from operating activities	(623,494,126.57)	(281,019,105.93)
2. Cash flows from investing activities		
Proceeds from disposal of investments	8,306,412,760.00	6,494,101,045.32
Investment returns received	89,919,742.10	134,792,784.57
Net proceeds from disposal of fixed assets, and intangible assets	5,134,819.70	6,286,687.32
Sub-total of cash inflows	8,401,467,321.80	6,635,180,517.21
Payment for acquisition of fixed assets, intangible assets and other long-term assets	47,491,828.63	37,499,725.47
Payment for acquisition of investments	8,720,170,700.00	6,046,320,145.47
Sub-total of cash outflows	8,767,662,528.63	6,083,819,870.94
Net cash flows from investing activities	(366,195,206.83)	551,360,646.27
3. Cash flows from financing activities		
Proceeds from borrowings	7,016,422,752.77	7,442,584,000.00
Sub-total of cash inflows	7,016,422,752.77	7,442,584,000.00
Repayments of borrowings	6,565,501,135.70	5,464,387,700.00
Payment for dividends, profit distributions or interest	96,967,576.93	55,977,613.66
Other cash paid relating to financing activities	16,171,434.02	-
Sub-total of cash outflows	6,678,640,146.65	5,520,365,313.66
Net cash flows from financing activities	337,782,606.12	1,922,218,686.34
4. Effect of foreign exchange rate changes on cash and cash equivalents	-	(61,871.52)
5. Net increase / (decrease) in cash and cash equivalents	(651,906,727.28)	2,192,498,355.16
Plus: Cash and bank balances at 1 January	1,425,678,720.00	921,062,434.18
6. Cash and bank balances at 30 September	773,771,992.72	3,113,560,789.34

Sinochem Fertilizer Company Limited

Consolidated Balance Sheet

30 September 2020

RMB Yuan

Item	30 September 2020	31 December 2019
Current Assets		
Cash at bank and on hand	999,727,760.68	1,584,588,380.48
Financial assets held for trading	900,000,000.00	400,000,000.00
Accounts receivable	306,903,682.51	41,450,318.02
Receivables under financing	468,109,649.46	369,084,673.33
Prepayments	1,348,191,542.62	1,391,491,694.21
Other receivables	230,131,117.18	130,710,744.47
Inventories	4,256,276,863.14	5,022,640,619.14
Other current assets	949,220,559.76	1,279,830,908.20
Total Current Assets	9,458,561,175.35	10,219,797,337.85
Non-Current Assets		
Long-term equity investments	950,240,967.70	887,708,731.49
Investments in other equity instruments	207,295,954.93	283,289,198.53
Fixed assets	1,634,201,790.06	1,538,157,023.62
Construction in progress	981,497,388.12	854,762,452.63
Right-of-use assets	5,282,266.21	21,129,064.81
Intangible assets	948,943,177.58	963,324,469.85
Development costs	20,480,949.37	17,897,094.35
Goodwill	531,073,744.64	531,073,744.64
Long-term deferred expenses	24,934,727.18	23,627,662.07
Deferred tax assets	85,967,226.82	68,515,008.25
Other non-current assets	687,041,086.15	591,487,997.89
Total non-current assets	6,076,959,278.76	5,780,972,448.13
TOTAL ASSETS	15,535,520,454.11	16,000,769,785.98

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

Item	30 September 2020	31 December 2019
Current Liabilities		
Short-term loans	1,151,284,000.00	527,815,500.00
Bills payable	1,661,218,670.94	2,018,712,682.75
Accounts payable	1,597,344,567.05	2,114,571,788.20
Contract liabilities	1,950,503,483.10	2,267,403,401.16
Employee benefits payable	35,330,808.66	42,006,475.66
Taxes payable	93,432,730.52	59,671,177.02
Other payables	385,035,916.75	586,081,943.68
Non-current liabilities due within one year	5,430,301.64	21,601,735.66
Other current liabilities	2,100,000,000.00	2,400,000,000.00
Total current liabilities	8,979,580,478.66	10,037,864,704.13
Non-Current Liabilities		
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	174,613,921.72	183,590,653.74
Deferred income	114,559,994.52	86,917,826.31
Total non-current liabilities	381,502,648.40	362,837,212.21
TOTAL LIABILITIES	9,361,083,127.06	10,400,701,916.34
Owners' Equity		
Paid-in capital	10,600,000,000.00	10,600,000,000.00
Capital reserves	583,435,711.69	637,750,108.76
Other comprehensive income	(162,146,967.38)	(108,130,959.68)
Specific reserve	20,405,151.28	19,772,029.81
Surplus reserve	487,741,563.06	487,741,563.04
Accumulated loss	(5,517,371,454.25)	(5,989,069,761.17)
Total equity attributable to owners of the Company	6,012,064,004.40	5,648,062,980.76
Non-controlling interests	162,373,322.65	(47,995,111.12)
TOTAL OWNERS' EQUITY	6,174,437,327.05	5,600,067,869.64
TOTAL LIABILITIES AND OWNERS' EQUITY	15,535,520,454.11	16,000,769,785.98

Sinochem Fertilizer Company Limited

Consolidated Income Statement

The Third Quarter of 2020

RMB Yuan

Item	Q3 2020	Q3 2019
Operating income	17,164,811,484.48	18,719,859,220.90
Less: Operating costs	15,828,929,111.47	17,275,227,209.38
Taxes and surcharges	24,788,458.58	28,754,707.25
Selling expenses	578,453,878.84	602,288,220.10
Administrative expenses	311,320,208.13	363,033,972.52
Research and development expenses	20,495,190.94	18,480,513.98
Financial expenses	(33,033,752.60)	41,215,005.71
Credit losses	3,654,613.79	1,841,791.66
Impairment losses	-	3,432,566.86
Add: Other income	4,699,132.46	8,363,896.64
Investment income	56,106,115.07	87,594,879.80
The profit and losses on the changes in fair value	213,800.00	-
Gain/(Loss) on disposal	1,830,126.49	(181,103.17)
Operating profit	493,052,949.35	481,362,906.71
Add: Non-operating income	15,442,822.24	11,117,582.03
Less: Non-operating expenses	6,773,244.61	9,349,583.55
The total amount of profit	501,722,526.98	483,130,905.19
Less: Income tax expenses	17,991,690.11	12,477,714.81
Net profit	483,730,836.87	470,653,190.38
Attributable to:		
Owners of the Company	472,331,428.39	448,355,687.55
Non-controlling interests	11,399,408.48	22,297,502.83
Other comprehensive income, net of tax	(54,016,007.70)	-
Total comprehensive income	429,714,829.17	470,653,190.38
Attributable to:		
Owners of the Company	418,315,420.69	448,355,687.55
Non-controlling interests	11,399,408.48	22,297,502.83

Sinochem Fertilizer Company Limited

Consolidated Cash Flow Statement

The Third Quarter of 2020

RMB Yuan

Item	Q3 2020	Q3 2019
1. Cash flows from operating activities		
Cash receipts from the sales of goods and the rendering of services	19,220,434,065.69	19,710,585,658.81
Refund of tax and fee received	23,389,237.15	-
Proceeds from other operating activities	110,235,612.72	191,860,865.86
Sub-total of cash inflows	19,354,058,915.56	19,902,446,524.67
Payment for goods and services	18,176,043,091.63	18,458,282,262.56
Payment to and for employees	551,840,000.00	558,816,046.52
Payment of various taxes	104,072,111.34	86,144,155.53
Payment for other operating activities	736,710,588.55	790,300,903.85
Sub-total of cash outflows	19,568,665,791.52	19,893,543,368.46
Net cash flows from operating activities	(214,606,875.96)	8,903,156.21
2. Cash flows from investing activities		
Proceeds from disposal of investments	8,118,191,789.01	4,674,420,000.00
Investment returns received	33,893,407.66	52,499,029.15
Net proceeds from disposal of fixed assets, and intangible assets	11,552,174.15	73,314,543.85
Sub-total of cash inflows	8,163,637,370.82	4,800,233,573.00
Payment for acquisition of fixed assets, intangible assets and other long-term assets	368,720,592.61	390,920,069.53
Payment for acquisition of investments	8,529,950,700.00	4,044,694,836.26
Sub-total of cash outflows	8,898,671,292.61	4,435,614,905.79
Net cash flows from investing activities	(735,033,921.79)	364,618,667.21
3. Cash flows from financing activities		
Proceeds from investors	150,000,000.00	-
Proceeds from borrowings	5,192,601,441.78	7,235,084,000.00
Sub-total of cash inflows	5,342,601,441.78	7,235,084,000.00
Repayments of borrowings	4,869,132,941.78	5,297,887,700.00
Payment for dividends, profit distributions or interest	92,344,140.04	50,942,283.68
Other cash paid relating to financing activities	16,171,434.02	-
Sub-total of cash outflows	4,977,648,515.84	5,348,829,983.68
Net cash flows from financing activities	364,952,925.94	1,886,254,016.32
4. Effect of foreign exchange rate changes on cash and cash equivalents	(172,747.99)	830,447.71
5. Net increase / (decrease) in cash and cash equivalents	(584,860,619.80)	2,260,606,287.45
Plus: Cash and bank balances at 1 January	1,584,588,380.48	1,039,375,220.02
6. Cash and bank balances at 30 September	999,727,760.68	3,299,981,507.47