
DEFINITIONS

In this document, unless the context otherwise requires, the following terms and expressions shall have the following meanings. Certain other terms are explained in the section headed "Glossary of technical terms" in this document.

"affiliate"	any person, directly or indirectly, controlling or controlled by or under direct or indirect common control with a specified person
"Articles" or "Articles of Association"	the articles of association of the Company, adopted on 11 May 2007 and as amended from time to time, a summary of which is set out in Appendix IV to this document
"Board" or "Board of Directors"	the board of Directors of our Company
"business day"	any day (other than a Saturday, Sunday or public holiday) on which banks are generally open for business in Hong Kong
"BVI"	the British Virgin Islands
"CAGR"	compound annual growth rate, a method of assessing the average growth of a value over time
"Camco Advisory"	Camco Advisory Services, China, an international institution in identifying and implementing solutions that help business addressing their climate change risks and opportunities, and they also provide strategic, technical and financial solutions for carbon related issues
"Cazenove Asia Limited" or "Sponsor"	Cazenove Asia Limited (to be renamed Standard Chartered Securities (Hong Kong) Limited on or around 14 December 2009), an entity incorporated in Hong Kong and licensed under the SFO for type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities. Cazenove Asia Limited is a Standard Chartered group company. The mark "Cazenove" and marks containing "Cazenove" are trade marks of Cazenove IP Limited and are used under limited licence. Cazenove Asia Limited and its subsidiaries and associates are now subsidiaries or associates of Standard Chartered Bank (Hong Kong) Limited, and are not affiliated with J.P. Morgan Cazenove Limited, Cazenove Inc., or their subsidiaries
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CCASS Clearing Participant"	a person admitted to participate in CCASS as a direct clearing participant or general clearing participant
"CCASS Custodian Participant"	a person admitted to participate in CCASS as a custodian participant

DEFINITIONS

“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant
“CCASS Rules”	General Rules of CCASS and CCASS Operational Procedures in effect from time to time
“CDP”	The Central Depository (Pte) Limited
“chief executive”	the chief executive (as defined in the SFO) of the Company
“China” or “PRC”	the People’s Republic of China excluding, for the purpose of this document, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“CNCIC”	China National Chemical Information Centre (中國化工信息中心), an independent third party, which was set up in October 1992, is a comprehensive information collection, information research, information service and computer application technology development centre for China’s chemical industry
“CNCIC Report”	an industry report titled “China’s Fertiliser and Methanol Industry Report” prepared and issued by CNCIC on 20 November 2009
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Company” or “our Company”	China XLX Fertiliser Ltd., a limited liability company incorporated in Singapore on 17 July 2006
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and, in the case of our Company, means Pioneer Top, Go Power, Mr. Liu and Ms. Yan
“Director(s)”	the director(s) of our Company
“Go Power”	Go Power Investments Limited, a company incorporated in the BVI on 18 May 2006, the entire issued share capital of which is directly held by Ms. Yan. As at the Latest Practicable Date, Ms. Yan beneficially owned approximately 12.74% of the equity interest in Go Power and held approximately 87.26% of the equity interest in Go Power on trust for a total of 1,463 beneficiaries under the Trust Agreement 2, comprising current and past employees, as well as past and present customers and suppliers of our Group

DEFINITIONS

“Go Power Trust Confirmation”	a confirmation dated 16 June 2009 entered into between the 1,464 beneficiaries under the Trust Agreement 2 and Ms. Yan, by which the parties thereto confirmed that as at 16 June 2009, Ms. Yan owned approximately 12.73% of the equity interest in Go Power and held approximately 87.27% equity interest in Go Power on trust for 1,464 beneficiaries under the Trust Agreement 2
“Group”, “our Group”, “we”, “our” or “us”	the Company and its subsidiary or, where the context so requires in respect of period before the Company became the holding company of its present subsidiaries, the present subsidiaries of the Company and the businesses carried on by such subsidiaries or (as the case may be) their predecessors
“Henan XLX Fertiliser”	Henan Xinlianxin Fertiliser Co., Ltd.* (河南心連心化肥有限公司), a wholly-owned subsidiary of our Company established in the PRC on 24 July 2006
“HK\$” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“Hong Kong”, “HKSAR” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Branch Share Register”	our Company’s branch register of members in Hong Kong operated by the Hong Kong Branch Share Registrar
“Hong Kong Branch Share Registrar”	Tricor Investor Services Limited
“IFA”	International Fertilizer Industry Association, which is a non-profit making organisation representing the global fertiliser industry on issues related to the promotion of plant nutrients, improvement of the operating environment of the fertiliser industry and the collection and compilation of industry information
“IFRS”	International Financial Reporting Standards promulgated by the International Accounting Standards Board, including the International Accounting Standards and their interpretations
“independent third party”	an individual or a company who or which is not connected with (within the meaning of the Listing Rules) any Directors, chief executives or substantial Shareholders (within the meaning of the Listing Rules) of our Company, its subsidiary or any of their respective associates

DEFINITIONS

“Introduction”	the listing of the entire issued share capital of our Company on the Main Board of the Stock Exchange by way of an introduction pursuant to the Listing Rules
“Latest Practicable Date”	23 November 2009, being the latest practicable date for the purpose of ascertaining certain information contained in this document prior to its publication
“LIBOR”	the London Interbank Offered Rate, the rate charged by one bank to another for lending money
“Listing”	listing of the Shares on the Main Board
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Date”	the date, expected to be on or about 8 December 2009, on which the Shares are listed and from which dealings in the Shares first commence on the Stock Exchange
“Listing Manual”	listing rules of the SGX-ST which set out the requirements applicable to issuers relating to, <i>inter alia</i> ; (i) the manner in which securities are to be offered and (ii) the continuing obligations of issuers
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time)
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with Growth Enterprise Market operated by the Stock Exchange
“Memorandum”	the memorandum of association of our Company, adopted on 17 July 2006 and as amended from time to time, a summary of which is set out in Appendix IV to this document
“Mr. Liu”	Mr. Liu Xingxu, our chairman, chief executive officer and an executive Director
“Ms. Yan”	Ms. Yan Yunhua, our chief financial officer and an executive Director
“NDRC”	the National Development and Reform Commission of the People’s Republic of China (中華人民共和國國家發展和改革委員會)
“PBOC”	the People’s Bank of China, the central bank of the PRC

DEFINITIONS

“Pioneer Top”	Pioneer Top Holdings Limited, a company incorporated in the BVI on 23 May 2006, the entire share capital of which is directly held by Mr. Liu. Pursuant to the Trust Agreement 1, Mr. Liu beneficially owns approximately 42% of the equity interest in Pioneer Top, and holds approximately 58% of the equity interest in Pioneer Top on trust for 7 beneficiaries, including approximately 16% for Mr. Li Buwen, our executive Director; approximately, 7% for Mr. Li Yushun, 7% for Mr. Ru Zhengtao, 7% for Mr. Wang Nairen and 7% for Mr. Zhang Qingjin, our senior management; and approximately, 7% for Mr. Zhu Xingye and 7% for Mr. Shang Dewei, our employees
“PRC Companies Law”	the Companies Law of China as enacted by the Standing Committee of the Eighth National People’s Congress on 29 December 1993, which became effective on 1 July 1994, as amended, supplemented or otherwise modified from time to time
“PRC government”	the central government of China, including all governmental subdivisions (including provincial, municipal and other regional or local government entities)
“Production Plant I”	the first production base of Henan XLX Fertiliser which owns a production project with the designed annual production capacity of approximately 323,000 tons of urea, 300,000 tons of compound fertiliser and 40,800 tons of methanol located at Xinxiang Economic and Technology Development Zone, Xiaoji Town, Henan Province, PRC
“Production Plant II”	the second production base of Henan XLX Fertiliser which owns the second production project with the designed annual production capacity of approximately 408,000 tons of urea, 300,000 tons of compound fertiliser and 64,600 tons of methanol located at Xinxiang Economic and Technology Development Zone, Qing Long Road East Section, Henan Province, PRC
“Production Plant III”	an extension of Production Plant II, which owns a production project with the designed annual capacity of approximately 527,000 tons of urea and 95,200 tons of methanol located at Xinxiang Economic and Technology Development Zone, Qing Long Road East Section, Henan Province, PRC
“R&D”	research and development
“RMB” or “Renminbi”	the lawful currency of China
“S\$” or “SGD”	Singapore dollars, the lawful currency of Singapore
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局), the PRC governmental agency responsible for matters relating to foreign exchange administration

DEFINITIONS

“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“SFRS”	Singapore Financial Reporting Standards prescribed by the Council on Corporate Disclosure and Governance in Singapore
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Singapore Code”	Singapore Code on Takeovers and Mergers
“Singapore Companies Act”	the Companies Act (Chapter 50) of Singapore, as amended, supplemented or otherwise modified from time to time
“Singapore Principal Registrar”	KCK Corpserve Pte. Ltd.
“Singapore Principal Share Register”	the Company’s principal register of members in Singapore operated by the Singapore Principal Registrar
“State Council”	the State Council of the PRC (中華人民共和國國務院)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Track Record Period”	the three years ended 31 December 2008 and the seven months ended 31 July 2009
“Trust Agreement 1”	the trust agreement dated 26 July 2006 entered into between Mr. Liu and 7 beneficiaries, by which Mr. Liu holds approximately 58% of the equity interest in Pioneer Top on trust for those 7 beneficiaries, including approximately 16% for Li Buwen, our executive Director; approximately, 7% for Li Yushun, 7% for Ru Zhengtao, 7% of Wang Nairen and 7% for Zhang Qingjin, our senior management; and approximately, 7% for Zhu Xingye and 7% for Shang Dewei, our employees
“Trust Agreement 2”	the trust agreement dated 26 July 2006 entered into between Ms. Yan and 1,464 beneficiaries, by which Ms. Yan held approximately 87.08% of the equity interest in Go Power at that time on trust for a total of 1,464 beneficiaries, comprising current and past employees, as well as past and present customers and suppliers of the Group

DEFINITIONS

“U.S.” or “United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US\$” or “US dollars” or “USD”	United States dollars, the lawful currency of the United States
“VAT”	value added tax
“Xinxiang Factory”	Henan Xinxiang Chemical Factory* (河南新鄉化肥總廠), which was established in or about 1970 as a state-owned enterprise in Xinxiang County, Henan Province, the PRC
“XLX Chem”	Henan Xinlianxin Chemicals Group Co., Ltd.* (河南心連心化工集團有限公司) (formerly known as Henan Xinlianxin Chemicals Co., Ltd.* (河南心連心化工有限公司)), a limited company incorporated in the PRC, the entire issued share capital of which is owned by 1,473 beneficiaries
“XLX Chem Group”	XLX Chem, its subsidiaries and associates

In this document, the terms “associate(s)”, “connected person(s)”, “connected transaction(s)”, “subsidiary(ies)” and “substantial shareholder(s)” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

Unless otherwise stated, the following exchange rates which are used in this document are for information only:

US\$1.00 = HK\$7.7501

RMB1.00 = HK\$1.1351

S\$1.00 = HK\$5.5901

No representation is made that any amount in US\$, RMB, HK\$ or S\$ could have been or could be converted at the above rates or at any other rates or at all.

Certain amounts and percentage figures included in this document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

In this document, if there is any inconsistency between the Chinese names of the entities or enterprises established in China and their English translations, the Chinese names shall prevail. English translation of company names in Chinese or another language which are marked with “” and Chinese translation of company names in English which are marked with “**” are for identification purpose only.*

Unless otherwise indicated, all financial data, whether presented on a consolidated basis or by segment, is presented net of inter-segment transactions. (i.e., inter-segment and other inter-company transactions have been eliminated.)