

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SINOFERT HOLDINGS LIMITED

中化化肥控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 297)

ANNOUNCEMENT

PROPOSED DISPOSAL OF 25% EQUITY INTEREST IN THREE CIRCLES-SINOCEM-MOSAIC

The board of directors (the “**Board**”) of Sinofer Holdings Limited (the “**Company**”) wishes to announce that Sinochem Fertilizer Company Limited (中化化肥有限公司)(“**Sinochem Fertilizer**”), an indirect wholly-owned subsidiary of the Company, proposes to sell its 25% equity interest in Yunnan Three Circles-Sinochem-Mosaic Fertilizers Co., Ltd. (雲南三環中化美盛化肥有限公司)(“**Three Circles-Sinochem-Mosaic**”) (the “**Proposed Disposal**”).

Three Circles-Sinochem-Mosaic was established in May 2001 with a registered capital of US\$29.8 million. It is primarily engaged in the production and sale of diammonium phosphate. As at the date of this announcement, Three Circles-Sinochem-Mosaic is held as to 25% by Sinochem Fertilizer, as to 35% by Yunnan Yuntianhua International Chemical Co., Ltd. (雲南雲天化國際化工有限公司)(“**Yuntianhua International**”), an independent third party, and as to an aggregate of 40% by two other independent third parties, respectively. The joint venture term of Three Circles-Sinochem-Mosaic expired in May 2016, and has been renewed for one year. Sinochem Fertilizer proposes to sell its equity interest in Three Circles-Sinochem-Mosaic and Yunnan Yuntianhua Co., Ltd. (雲南雲天化股份有限公司)(“**Yuntianhua**”), the parent company of Yuntianhua International, is willing to acquire such equity interest. Sinochem Fertilizer and Yuntianhua propose to determine the consideration of the Proposed Disposal with reference to the valuation made by an independent valuer in respect of the 25% equity interest of Three Circles-Sinochem-Mosaic as at 30 June 2015, taking into account any adjustment that may be made to the consideration of the Proposed Disposal based on an audit of Three Circles-Sinochem-Mosaic for the period from 30 June 2015 to the date of completion of the Proposed Disposal. Sinochem Fertilizer and Yuntianhua have reached a preliminary consensus in respect of the Proposed Disposal, however, no binding agreement has been entered into by the parties.

As the Proposed Disposal involves a transfer of state-owned assets, it is required to be conducted through a listing-for-sale organized by China Beijing Equity Exchange. The final purchaser and the final consideration of the Proposed Disposal will be determined through the listing-for-sale procedure.

As at the date of this announcement, Sinochem Fertilizer has not entered into any binding agreement in respect of the Proposed Disposal. If the Proposed Disposal proceeds, it may constitute a notifiable transaction of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), and the Company will comply with the relevant requirements of the Listing Rules in due course.

For and on behalf of the Board
SINOFERT HOLDINGS LIMITED
Wang Hong Jun
Executive Director and Chief Executive Officer

Hong Kong, 23 June 2016

As at the date of this announcement, the executive directors of the Company are Mr. Wang Hong Jun (Chief Executive Officer) and Mr. Harry Yang; the non-executive directors of the Company are Mr. Ning Gao Ning (Chairman), Mr. Yang Lin, Dr. Stephen Francis Dowdle and Ms. Xiang Dandan; 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*