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CHINA XLX FERTILISER LTD.

中國心連心化肥有限公司*

(Incorporated in Singapore with limited liability)

(Hong Kong Stock Code: 1866)

(Singapore Stock Code: B9R)

ANNOUNCEMENT

CONTINUING CONNECTED TRANSACTIONS

Utilities Supply Agreement

On 16 November 2012, the Utilities Supply Agreement was entered into between various members of the XLX Chem Group and Henan XLX (a wholly-owned subsidiary of the Company), pursuant to which Henan XLX has agreed to supply water, electricity and steam to such members of the XLX Chem Group. The Utilities Supply Agreement has a term commencing with effect from 16 November 2012 up to and including 31 December 2014.

Equipment Purchase Agreement

On 16 November 2012, the Equipment Purchase Agreement was entered into between XLX Equipment (a subsidiary of XLX Chem) and Henan XLX, pursuant to which XLX Equipment has agreed to supply Equipment which includes pipes, containers and high-pressure containers, to Henan XLX for the Group's production. The Equipment Purchase Agreement has a term commencing with effect from 16 November 2012 up to and including 31 December 2014.

Lifting Services Agreement

On 16 November 2012, the Lifting Services Agreement was entered into between XLX Lifting (a subsidiary of XLX Chem) and Henan XLX, pursuant to which XLX Lifting has agreed to provide machinery and equipment (on an as-needed basis) to be used for providing Lifting Services for the production operations of Henan XLX. The Lifting Services Agreement has a term commencing with effect from 16 November 2012 up to and including 31 December 2014.

General Accommodation and Catering Agreement

On 16 November 2012, the General Accommodation and Catering Agreement was entered into between Henan XLX and XLX Hotel (an associate of XLX Chem), pursuant to which XLX Hotel has agreed to provide accommodation and catering services to Henan XLX for general staff and guests located in Kokichi Town, Xinxiang City of Henan Province. The General Accommodation and Catering Agreement has a term commencing with effect from 16 November 2012 up to and including 31 December 2014.

Training Accommodation and Catering Agreement

On 16 November 2012, the Training Accommodation and Catering Agreement was entered into between Henan XLX and XLX Resort (a subsidiary of XLX Chem), pursuant to which XLX Resort has agreed to provide accommodation and catering services to Henan XLX for its staff undergoing training in Huixian City of Henan Province. The Training Accommodation and Catering Agreement has a term commencing with effect from 16 November 2012 up to and including 31 December 2014.

As at the date of this announcement, Mr. Liu Xingxu, Ms. Yan Yunhua and Mr. Li Buwen (being executive Directors) collectively hold an aggregate of approximately 10.6% interest in XLX Chem, where their respective shareholdings are the largest in XLX Chem. As with the case at time of the Company's listing on the Stock Exchange, XLX Chem, its subsidiaries and associates were and remain to be deemed as the Company's connected persons under Rule 14A.11(4)(a) of the Listing Rules.

Accordingly, the transactions under the Continuing Connected Transaction Agreements constitute continuing connected transactions of the Company under the Listing Rules.

The relevant percentage ratios under the Listing Rules for each of the Utilities Supply Annual Caps, Equipment Purchase Annual Caps, Lifting Services Annual Caps and the Accommodation and Catering Annual Caps are individually, on an annual basis, more than 0.1% but less than 5%. Accordingly, each of the Continuing Connected Transaction Agreements, pursuant to Rule 14A.34 of the Listing Rules, are only subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

A. THE BACKGROUND

Utilities Supply Agreement

On 16 November 2012, the Utilities Supply Agreement was entered into between various members of the XLX Chem Group and Henan XLX (a wholly-owned subsidiary of the Company), pursuant to which Henan XLX has agreed to supply water, electricity and steam to such members of the XLX Chem Group. The Utilities Supply Agreement has a term commencing with effect from 16 November 2012 up to and including 31 December 2014.

Equipment Purchase Agreement

On 16 November 2012, the Equipment Purchase Agreement was entered into between XLX Equipment (a subsidiary of XLX Chem) and Henan XLX, pursuant to which XLX Equipment has agreed to supply Equipment which includes pipes, containers and high-pressure containers, to Henan XLX for the Group's production. The Equipment Purchase Agreement has a term commencing with effect from 16 November 2012 up to and including 31 December 2014.

Lifting Services Agreement

On 16 November 2012, the Lifting Services Agreement was entered into between XLX Lifting (a subsidiary of XLX Chem) and Henan XLX, pursuant to which XLX Lifting has agreed to provide machinery and equipment (on an as-needed basis) to be used for providing Lifting Services for the production operations of Henan XLX. The Lifting Services Agreement has a term commencing with effect from 16 November 2012 up to and including 31 December 2014.

General Accommodation and Catering Agreement

On 16 November 2012, the General Accommodation and Catering Agreement was entered into between Henan XLX and XLX Hotel (an associate of XLX Chem), pursuant to which XLX Hotel has agreed to provide accommodation and catering services to Henan XLX for general staff and guests located in Kokichi Town, Xinxiang City of Henan Province. The General Accommodation and Catering Agreement has a term commencing with effect from 16 November 2012 up to and including 31 December 2014.

Training Accommodation and Catering Agreement

On 16 November 2012, the Training Accommodation and Catering Agreement was entered into between Henan XLX and XLX Resort (a subsidiary of XLX Chem), pursuant to which XLX Resort has agreed to provide accommodation and catering services to Henan XLX for its staff undergoing training in Huixian City of Henan Province. The Training Accommodation and Catering Agreement has a term commencing with effect from 16 November 2012 up to and including 31 December 2014.

The above Continuing Connected Transaction Agreements constitute continuing connected transactions for the Company and further details of these agreements are set out below.

B. THE AGREEMENTS

1. Utilities Supply Agreement

- Date:** 16 November 2012
- Parties:** (i) Henan XLX (as supplier)
- (ii) XLX Shenzhou
- (iii) XLX Yuyuan
- (iv) XLX Equipment
- (v) XLX Lifting
- (vi) XLX Hotel
- (each as purchaser)
- Nature of Transaction:** Henan XLX will supply water, electricity and steam to each of the purchasers at the following rates:
- The supply of water shall be charged at RMB1.356 per ton.
- The supply of electricity shall be charged at RMB0.6513 per kWh.
- The supply of steam shall be charged at the rate of 10% over the cost of supply.
- The quantity of water, electricity and steam to be supplied by Henan XLX to each of the purchasers would depend on the actual consumption of each of the purchasers on an as-needed basis.
- Term of Agreement:** From 16 November 2012 up to and including 31 December 2014. Prior to the end of each calendar year of 2012 and 2013, the parties shall discuss and confirm in writing whether to vary or continue with the existing terms. In the event the parties fail to confirm the terms prior to the end of such calendar year, the agreement shall automatically terminate.
- Payment:** Once Henan XLX accepts an order, Henan XLX will issue an invoice to the relevant purchaser and the fees for the utilities will be paid in cash by the relevant purchaser on the terms agreed in the order.

The price for the supply of electricity was determined on the basis of usage rate as recorded in the relevant metres with reference to the price set out by the PRC government or relevant authorities. The price for supply of water and steam is determined on the basis of usage rate as recorded in the relevant metres with reference to the actual costs plus a profit margin of 10% over the actual costs in order to cover the maintenance and repair costs, labour costs and management fees. The Utilities Supply Agreement was negotiated and determined on an arm's length basis based on normal commercial terms.

2. Equipment Purchase Agreement

Date:	16 November 2012
Parties:	(i) XLX Equipment (as supplier) (ii) Henan XLX (as purchaser)
Nature of Transaction:	XLX Equipment will supply the Equipment, which includes pipes, containers and high-pressure containers, to Henan XLX. Prices for the Equipment will vary depending on the product type, quantity and quality specifications as required by Henan XLX from time to time.
Term of Agreement:	From 16 November 2012 up to and including 31 December 2014. Prior to the end of each calendar year of 2012 and 2013, the parties shall discuss and confirm in writing whether to vary or continue with the existing terms. In the event the parties fail to confirm the terms prior to the end of such calendar year, the agreement shall automatically terminate.
Payment:	Once XLX Equipment accepts an order, XLX Equipment will issue an invoice to Henan XLX and such fees will be paid in cash by Henan XLX (using its internal resources) on the terms agreed in the order.

The prices for such Equipment purchases will be determined by the Group's internal qualification and tendering procedures with potential suppliers of Equipment. A potential supplier of Equipment must pass certain qualification procedures internally formulated by the Group based on qualifications, product quality and price in order to become a qualified supplier. XLX Equipment was the successful supplier and the Equipment Purchase Agreement was entered into. The Directors believe that there is sufficient internal mechanism in place to ensure that the tendering process is conducted in a fair and open manner. The tendering process is supervised and monitored by the Group's general managers in charge and technical personnel. After selecting the successful bidder, the Equipment Purchase Agreement was negotiated and determined on an arm's length basis and in line with normal commercial terms.

3. Lifting Services Agreement

Date:	16 November 2012
Parties:	(i) XLX Lifting (as supplier) (ii) Henan XLX (as purchaser)
Nature of Transaction:	XLX Lifting has agreed to provide Lifting Services for the production operations of Henan XLX.

Term of Agreement: From 16 November 2012 up to and including 31 December 2014. Prior to the end of each calendar year of 2012 and 2013, the parties shall discuss and confirm in writing whether to vary or continue with the existing terms. In the event the parties fail to confirm the terms prior to the end of such calendar year, the agreement shall automatically terminate.

Payment: Once XLX Lifting accepts an order, XLX Lifting will issue an invoice to Henan XLX and such fees will be paid in cash by Henan XLX on the terms agreed in the order.

The fees for the Lifting Services are charged on the basis of usage rate. The Lifting Services Agreement was negotiated and determined on an arm's length basis based on normal commercial terms.

4. General Accommodation and Catering Agreement

Date: 16 November 2012

Parties: (i) XLX Hotel (as vendor)
(ii) Henan XLX (as purchaser)

Nature of Transaction: XLX Hotel has agreed to provide accommodation and catering services to Henan XLX as further described below:–

- (1) General accommodation facilities per person (at a monthly rate of between RMB2,700 to RMB3,000); and
- (2) General catering services per person (at a monthly rate of between RMB1,500 to RMB2,400).

The accommodation and catering services will be used primarily for the general staff located nearby the Company's headquarters in Henan province and for guests who visit the Company from time to time.

Term of Agreement: From 16 November 2012 up to and including 31 December 2014. Prior to the end of each calendar year of 2012 and 2013, the parties shall discuss and confirm in writing whether to vary or continue with the existing terms. In the event the parties fail to confirm the terms prior to the end of such calendar year, the agreement shall automatically terminate.

Payment: Once XLX Hotel accepts an order, XLX Hotel will issue an invoice to Henan XLX and such fees will be paid in cash by Henan XLX on the terms agreed in the order.

5. Training Accommodation and Catering Agreement

- Date:** 16 November 2012
- Parties:** (i) XLX Resort (as vendor)
(ii) Henan XLX (as purchaser)
- Nature of Transaction:** XLX Resort has agreed to provide accommodation and catering services to Henan XLX as further described below:–
- (1) General accommodation facilities per person (at a monthly rate of between RMB3,900 to RMB6,000); and
 - (2) General catering services per person (at a monthly rate of between RMB1,500 to RMB2,400).
- The accommodation and catering services will be used primarily for the Group's staff who are undergoing training at the Group's training base located in Huixian City of Henan Province.
- Term of Agreement:** From 16 November 2012 up to and including 31 December 2014. Prior to the end of each calendar year of 2012 and 2013, the parties shall discuss and confirm in writing whether to vary or continue with the existing terms. In the event the parties fail to confirm the terms prior to the end of such calendar year, the agreement shall automatically terminate.
- Payment:** Once XLX Resort accepts an order, XLX Resort will issue an invoice to Henan XLX and such fees will be paid in cash by Henan XLX on the terms agreed in the order.

The rates for the accommodation and catering services in respect of both the General Accommodation and Catering Agreement and Training Accommodation and Catering Agreement were arrived at on normal commercial terms after arm's length negotiation with reference to prevailing market rates of similar premises and services in the same province.

C. ANNUAL CAPS

The annual caps for each of the Continuing Connected Transaction Agreements for each of the periods ending 31 December 2012, 2013 and 2014, are as follows:–

Type of Transaction	Amount		
	12 months ending 31 December 2012	12 months ending 31 December 2013	12 months ending 31 December 2014
Utilities Supply Annual Caps	RMB18,000,000 (approximately HK\$22,375,080)	RMB19,000,000 (approximately HK\$23,618,140)	RMB20,000,000 (approximately HK\$24,861,200)
Equipment Purchase Annual Caps	RMB15,000,000 (approximately HK\$18,645,900)	RMB15,000,000 (approximately HK\$18,645,900)	RMB15,000,000 (approximately HK\$18,645,900)
Lifting Services Annual Caps	RMB7,000,000 (approximately HK\$8,701,420)	RMB8,000,000 (approximately HK\$9,944,480)	RMB8,000,000 (approximately HK\$9,944,480)
Accommodation and Catering Annual Caps	RMB10,000,000 (approximately HK\$12,430,600)	RMB12,000,000 (approximately HK\$14,916,720)	RMB14,000,000 (approximately HK\$17,402,840)

Utilities Supply Annual Caps

The Utilities Supply Annual Caps have been determined after the relevant parties had discussed the previous transactions, estimated future increase in demand for utilities, taking into account the expected expansion of the operations of the XLX Chem Group, the anticipated consumption requirements of the XLX Chem Group for the periods ending 31 December 2014, as well as the estimated unit price of water, steam and electricity services to be provided by Henan XLX (including the operational costs for running and maintaining the lines, pipes and conduits for the related utilities).

Equipment Purchase Annual Caps

The Equipment Purchase Annual Caps have been determined by taking into account previous transactions, the general inflation and prevailing market prices, expected growth in production and sales of the Group's operations, as well as the expansion and maintenance of the Group's production plants for the periods ending 31 December 2014.

Lifting Services Annual Caps

The Lifting Services Annual Caps have been determined by taking into account the previous transactions, general inflation of prices in the PRC, maintenance and expected growth in production and sales of the Group's operations, as well as the expansion and maintenance of the Group's production plants for the periods ending 31 December 2014.

Accommodation and Catering Annual Caps

The Accommodation and Catering Annual Caps were based on the previous transactions, expected increase in overall work force as a result of the expansion of the Group's production for the periods ending 31 December 2014 and after taking into account the prevailing market rates for similar services.

D. REASONS AND BENEFITS FOR THE TRANSACTIONS

Similar transactions as those described above had been the subject of similar past agreements for the year ended 31 December 2011 as described in the Company's audited financial statements for that year. Based on management's estimates, the amounts for 2012 and financial years ending 31 December 2014 are expected to exceed the de minimis provisions under the Listing Rules. Consequently, Henan XLX has entered into these agreements so as to comply with the continuing connected transaction requirements under Rule 14A.35 of the Listing Rules.

Utilities Supply Agreement

Prior to the listing of the Company on the Stock Exchange, the facilities to supply water, electricity and steam for the Group's production were built and registered under Henan XLX and had additional connecting lines, pipes and conduits installed to deliver water, steam and electricity to the XLX Chem Group along with independent metres to monitor their utilisation rate and actual consumption of utilities. As a result of the installation set-up, Henan XLX had continued to supply utilities to the XLX Chem Group due to the close proximity and convenience of accessing such utilities. This arrangement provided mutual benefits as it also helps the Group to improve the utilisation of its utilities facilities and the additional income received from providing such utilities to the XLX Chem Group could be used to reduce the overall maintenance, labour and management costs to the Group of maintaining such facilities.

Equipment Purchase Agreement

As mentioned above, the prices for Equipment purchases were determined by the Group's internal qualification and tendering procedures with potential suppliers of Equipment. XLX Equipment was selected as the successful supplier after having gone through the selection procedures mentioned above. Given the close geographical location of the respective operations of XLX Equipment and the Group, the Group also enjoys the benefit of reliable and timely delivery of Equipment and cost effectiveness.

Lifting Services Agreement

The Lifting Services Agreement was entered into with XLX Lifting as other lifting service providers in the areas near the Group's production base did not have machinery and equipment capable of providing the services required for the Group's production and operation. In addition to XLX Lifting being capable of providing the required services, the close proximity between the Group's production base and the lifting service centre of XLX Lifting will also enable lifting equipment and machines to reach the Group's production base promptly upon request.

General Accommodation and Catering Agreement

The General Accommodation and Catering Agreement was entered into with a view for the Group to take advantage of the strategic location of the accommodation and catering facilities of XLX Hotel which is located at the Company's staff residential area and is near the Company's headquarters and factory site in Henan province.

Training Accommodation and Catering Agreement

The Training Accommodation and Catering Agreement was entered into with a view for the Group to take advantage of the strategic location of the accommodation and catering facilities of XLX Resort (which is located near the Company's training base in Huixian City of Henan Province) and to enhance and promote the strategic positioning and the business operation efficiency of the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Continuing Connected Transaction Agreements are fair and reasonable and in the interests of the shareholders of the Company as a whole.

E. GENERAL

Information about the Company and Henan XLX

The Group is principally engaged in the manufacturing, sales and trading of urea, compound fertiliser, methanol, liquid ammonia and ammonia solution. The Group is also one of the largest coal-based urea producers in the PRC. Henan XLX is a wholly-owned subsidiary of the Company and is principally engaged in manufacturing, sales and trading of urea, compound fertilisers and other related products.

Information about XLX Chem Group

The XLX Chem Group is engaged in the business of producing and trading of equipment, chemical products, gas and raw materials, and the provision of accommodation and catering services. XLX Lifting is primarily engaged in the provision of lifting services in the Henan Province. XLX Equipment is primarily engaged in the trading of equipment including pipes, containers and high-pressure containers. XLX Hotel and XLX Resort are both primarily engaged in the provision of hotel, accommodation and catering services. XLX Shenzhou is primarily engaged in the production and trading of sealants for heavy machinery and equipment. XLX Yuyuan is primarily engaged in the production and trading of various chemical products.

As at the date of this announcement, Mr. Liu Xingxu, Ms. Yan Yunhua and Mr. Li Buwen (being executive Directors) collectively hold an aggregate of approximately 10.6% interest in XLX Chem, where their respective shareholdings are the largest in XLX Chem. As with the case at time of the Company's listing on the Stock Exchange, XLX Chem, its subsidiaries and associates were and remain to be deemed as the Company's connected persons under Rule 14A.11(4)(a) of the Listing Rules. Accordingly, the transactions under the Continuing Connected Transaction Agreements constitute continuing connected transactions of the Company under the Listing Rules.

Save and except for Mr. Liu Xingxu, Ms. Yan Yunhua and Mr. Li Buwen who had abstained from voting on the board resolutions in relation to the Continuing Connected Transaction Agreements, no other Director has a material interest in the Continuing Connected Transaction Agreements or is required to abstain from voting at the board meeting of the Company.

The relevant percentage ratios under the Listing Rules for each of the Utilities Supply Annual Caps, Equipment Purchase Annual Caps, Lifting Services Annual Caps and the Accommodation and Catering Annual Caps are individually, on an annual basis, more than 0.1% but less than 5%. Accordingly, each of the Continuing Connected Transaction Agreements, pursuant to Rule 14A.34 of the Listing Rules, are only subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

In addition to the above, as the aggregate value of the Utilities Supply Annual Caps, Equipment Purchase Annual Caps, Lifting Services Annual Caps and the Accommodation and Catering Annual Caps for the 12 months period ending 31 December 2012, together with all other transactions entered into between the Group and the XLX Chem Group, as at the date of this announcement is less than 3% of the Group's latest audited net tangible assets, neither an announcement pursuant to Rule 905 of the Singapore Listing Manual nor shareholders' approval pursuant to Rule 906 of the Singapore Listing Manual is required.

F. DEFINITIONS

The following defined terms are used in this announcement:

“Accommodation and Catering Annual Caps”	the aggregate maximum annual consideration to be paid or received for the provision of accommodation and catering services by XLX Hotel and XLX Resort to Henan XLX under the General Accommodation and Catering Agreement and Training Accommodation and Catering Agreement respectively, for each of the 12 month periods ending 31 December 2012, 2013 and 2014, details of which are set out in this announcement;
“associate”	has the meaning ascribed thereto in the Listing Rules;
“Company”	China XLX Fertiliser Ltd., a company incorporated in Singapore with limited liability and listed on both the SGX-ST and the Stock Exchange;
“Continuing Connected Transaction Agreements”	the Utilities Supply Agreement, Equipment Purchase Agreement, Lifting Services Agreement, General Accommodation and Catering Agreement and Training Accommodation and Catering Agreement;
“Directors”	the directors of the Company;
“Equipment”	pipes, containers and high-pressure containers;

“Equipment Purchase Agreement”	the agreement dated 16 November 2012 between XLX Equipment and Henan XLX in relation to the supply of Equipment by XLX Equipment to Henan XLX, details of which are set out in this announcement;
“Equipment Purchase Annual Caps”	the maximum annual consideration to be paid or received for the supply of Equipment by XLX Equipment to Henan XLX under the Equipment Purchase Agreement for each of the 12 month periods ending 31 December 2012, 2013 and 2014, details of which are set out in this announcement;
“General Accommodation and Catering Agreement”	the agreement dated 16 November 2012 between XLX Hotel and Henan XLX, in relation to the provision of accommodation and catering services by XLX Hotel to Henan XLX, details of which are set out in this announcement;
“Group”	the Company and its subsidiaries;
“Henan XLX”	Henan Xinlianxin Fertiliser Co., Ltd. (河南心連心化肥有限公司), a wholly-owned subsidiary of the Company incorporated in the PRC;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“kWh”	unit of electricity, i.e. kilowatt-hour. The standard unit of energy used in the electric power industry. One kilowatt-hour is the amount of energy that would be produced by a generator producing one thousand watts for one hour;
“Lifting Services”	the use of machinery and equipment for providing lifting services under the Lifting Services Agreement;
“Lifting Services Agreement”	the agreement dated 16 November 2012 between XLX Lifting and Henan XLX in relation to the provision of Lifting Services by XLX Lifting to Henan XLX, details of which are set out in this announcement;
“Lifting Services Annual Caps”	the maximum annual consideration to be paid or received for the provision of Lifting Services by XLX Lifting to Henan XLX under the Lifting Services Agreement for each of the 12 month periods ending 31 December 2012, 2013 and 2014, details of which are set out in this announcement;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;

“RMB”	Renminbi, the lawful currency of PRC;
“SGX-ST”	the Singapore Exchange Securities Trading Limited;
“Singapore Listing Manual”	the listing rules of the SGX-ST as amended, supplemented or modified, from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“ton”	a metric ton, a measurement of mass equal to 1,000 kilograms;
“Training Accommodation and Catering Agreement”	the agreement dated 16 November 2012 between XLX Resort and Henan XLX, in relation to the provision of accommodation and catering services by XLX Resort to Henan XLX, details of which are set out in this announcement;
“Utilities Supply Agreement”	the agreement dated 16 November 2012 between various members of XLX Chem Group and Henan XLX in relation to the supply of water, electricity and steam by Henan XLX to members of the XLX Chem Group, details of which are set out in this announcement;
“Utilities Supply Annual Caps”	the maximum annual consideration to be paid or received for the supply of water, electricity and steam by Henan XLX to various members of the XLX Chem Group under the Utilities Supply Agreement for each of the 12 month periods ending 31 December 2012, 2013 and 2014, details of which are set out in this announcement;
“XLX Chem”	Henan Xinlianxin Chemicals Group Co., Ltd. (河南心連心化工集團有限公司), a company incorporated under the laws of the PRC and deemed to be a connected person of the Company under Rule 14A.11(4)(a) of the Listing Rules;
“XLX Chem Group”	XLX Chem together with its subsidiaries and associates;
“XLX Equipment”	Xinxiang Xinlianxin Chemical Equipment Co., Ltd. (新鄉市心連心化工設備有限公司), a company incorporated in the PRC and a subsidiary of XLX Chem;
“XLX Hotel”	Xinxiang Xinlianxin Hotel Co., Ltd. (新鄉市心連心賓館有限責任公司), a company incorporated in the PRC and an associate of XLX Chem;
“XLX Lifting”	Xinxiang Xinlianxin Lifting Equipment Co., Ltd. (新鄉市心連心吊裝有限公司), a company incorporated in the PRC and a subsidiary of XLX Chem;

“XLX Resort”	Xinxiang City Eight Mile Gully Resort Co., Ltd. (新鄉市八里溝度假村有限公司), a company incorporated in the PRC and a subsidiary of XLX Chem;
“XLX Shenzhou”	Henan Shenzhou Heavy Sealing Co., Ltd. (河南神州重型封頭有限公司), a company incorporated in the PRC and a subsidiary of XLX Chem;
“XLX Yuyuan”	Xinxiang Yuyuan Chemical Co., Ltd. (新鄉市玉源化工有限公司), a company incorporated in the PRC and a subsidiary of XLX Chem; and
“%”	per cent.

For illustration purposes only the exchange rate of RMB1 = HK\$1.24306 has been adopted for translating RMB into HK\$ in this announcement. No representation is made that any amounts can be or could have been converted at the relevant dates at the above rate or any other rates at all.

By Order of the Board
China XLX Fertiliser Ltd.
Yan Yunhua
*Executive Director
and Chief Financial Officer*

16 November 2012

As at the date of announcement, the executive Directors are Mr. Liu Xingxu, Ms. Yan Yunhua and Mr. Li Buwen; the independent non-executive Directors are Mr. Ong Kian Guan, Mr. Li Shengxiao and Mr. Ong Wei Jin; and the non-executive Director is Mr. Lian Jie.

* *for identification purpose only*