SINOFERT HOLDINGS LIMITED
中化化肥控股有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 297)

ANNOUNCEMENT

PROFIT WARNING

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 Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company and potential investors that based on a preliminary review of the unaudited consolidated management accounts of the Group, the Group is expected to record a loss for its interim results for the six months ended 30 June 2016, representing a decline as compared to the interim results of the Group for the six months ended 30 June 2015. The expected loss for the period is mainly attributable to (a) the decline in the price of agricultural products, which resulted in the decrease in demand for fertilizer products and intensified the supply and demand imbalances in the fertilizer market in China, leading to the continuous decline in sales price of fertilizer products of the Group; and (b) China's resumption of the levy of value-added tax on fertilizer products, which reduced the overall profit margin of the fertilizer industry.

The information contained in this announcement is only a preliminary assessment made by the Board based on the consolidated management accounts of the Group and the information currently available to the Board, and such consolidated management accounts have not been reviewed by the Company's auditors. Shareholders of the Company and potential investors are advised to read carefully the details on the financial information of the Group to be disclosed in the interim results announcement of the Company, which is expected to be published in August 2016.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 12 July 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*