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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)

PROFIT ALERT FOR THE RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

This announcement is made by China XLX Fertiliser Ltd. (the "**Company**", and its subsidiaries, collectively the "**Group**") pursuant to the requirements under Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform shareholders of the Company and potential investors that the net profit of the Group for the six months ended 30 June 2022 is expected to increase by the range between RMB356 million and RMB445 million to the range between RMB1,245 million and RMB1,334 million as compared to the same period of last year, representing a year-on-year increase ranging from 40% to 50%.

The increase in the net profit of the Group was mainly because: 1. the transformation and upgrade of industry chain has commenced after the Group's muti-functional tower project for compound fertiliser in Xinxiang, noble gas refining project and Tianxin coal mine transformation and expansion project were put into operation, which promoted the development of product diversification and strengthened the Groups' strategy of "flexible adjustment between products", thereby maximised the profitability; 2. leveraging the advantages of our geographical reach, the Group integrated high-quality resources, optimized product portfolio, advertised high-efficiency fertilisers and promoted R&D on new technology, which enhanced our core competitiveness, further expanded our advantages of low cost and product differentiation, resulting in a significant increase in our profit margins; and 3. global energy shortage, limited production capacity, tight balance between supply and demand together with the rising prices of food drove up the sales volume and prices of fertilisers and chemicals, thereby benefiting the main products of the Group, including urea, compound fertiliser and methanol.

Profit alert information contained above is based on a preliminary assessment by the Board with reference to the information currently available (including the management accounts of the Group) to the Company's management, which has not been reviewed or audited by the Company's auditors and is subject to possible adjustments arising from further review. As such, the above data is provided for the shareholders' and potential investors' reference only.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
China XLX Fertiliser Ltd.
Liu Xingxu
Chairman of the Board

Hong Kong, 6 July 2022

As at the date of this announcement, the executive directors of the Company are Mr. Liu Xingxu, Mr. Zhang Qingjin and Ms. Yan Yunhua; the independent non-executive directors of the Company are Mr. Ong Kian Guan, Mr. Li Shengxiao, Mr. Ong Wei Jin and Mr. Li Hongxing.

** For identification purpose only*