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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)

**SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL
REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

Reference is made to the annual report (the “**Annual Report**”) of China XLX Fertiliser Ltd. (the “**Company**”) for the year ended 31 December 2022 issued on 26 April 2023 and the announcements (the “**Announcements**”) of the Company dated 19 April 2022 and 28 April 2022. Unless otherwise stated, capitalised terms herein shall bear the meanings as defined in the Annual Report and the Announcements.

On 19 April 2022, the Company, Go Power Investments Limited and placing agents entered into a placing and subscription agreement, pursuant to which, Go Power Investments Limited (being a substantial shareholder of the Company) agreed to place, through the placing agents, on a several (and not joint nor joint and several) and best-effort basis up to 56,500,000 Top-Up Sale Shares and 22,000,000 Sell-down Sale Shares, at the Purchase Price of HK\$6.50 per Sale Share; and (ii) Go Power Investments Limited agreed to subscribe for 56,500,000 Subscription Shares at the Purchase Price of HK\$6.50 per Subscription Share. On 28 April 2022, the Company announced the completion of the placing and subscription of shares and raised net proceeds of approximately HK\$359.11 million (the “**Net Proceeds**”).

USE OF NET PROCEEDS

The board of directors of the Company (the “**Board**”) would like to provide additional information in relation to use of Net Proceeds pursuant to paragraph 11 of Appendix 16 of the Listing Rules as follows.

Intended use of the Net Proceeds as per the Announcements	Approximate amount of the allocated Net Proceeds as per the Announcements	Intended timetable for use of the Net Proceeds as per the Announcements	Approximate amount of utilized Net Proceeds	Actual timetable for use of the utilized Net Proceeds
Repaying bank loans of the Group to strengthen the Financial positions of the Group by deleveraging and modifying the debt structure of the Group	Approximately HK\$144 million (equivalent to approximately RMB118 million)	By the end of the first half of 2022	Approximately HK\$144 million (equivalent to approximately RMB118 million)	All had been utilized before the end of the first half of 2022
Supporting the Group's development strategy in the long run, including:				
– construction of the Group's production base in Jinchang of Gansu Province, the PRC	Approximately HK\$98 million (equivalent to approximately RMB80 million)	By the end of 2022	Approximately HK\$98 million (equivalent to approximately RMB80 million)	All had been utilized before the end of 2022
– construction of the Group's production base in Jiujiang of Jiangxi Province, the PRC	Approximately HK\$117 million (equivalent to approximately RMB96 million)	By the end of 2022	Approximately HK\$117 million (equivalent to approximately RMB96 million)	All had been utilized before the end of 2022

As shown on the above table, the Company had fully applied the net proceeds in accordance with the intended use as stated in the announcement of the Company dated 28 April 2022 without material changes or delays. For other details of the placing and subscription of shares, please refer to the Announcements.

The Board confirmed that the supplementary information provided in this announcement does not affect any other information contained in the Annual Report and, save as disclosed above, the content of the Annual Report remains unchanged.

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

Hong Kong, 29 June 2023

As at the date of this announcement, the executive directors of the Company are Mr. Liu Xingxu, Mr. Zhang Qingjin and Ms. Yan Yunhua; and 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*