

ADAMA Ltd.

Announcement on Providing Guarantees in favor of the Company's Subsidiaries

The Company and all members of the Company's Board of Directors confirm that all information disclosed herein is true, accurate and complete, with no false or misleading statement or material omission.

I. Overview

In order to meet the daily operation and business development needs of ADAMA Anpon (Jiangsu) Ltd. (hereinafter referred to as "Anpon"), a wholly-owned subsidiary of ADAMA Ltd. (hereinafter referred to as "the Company"), the Company intends to provide guarantees in favor of certain financing banks in order for such banks to extend certain loans to Anpon, in a total amount not exceeding RMB 1,140 million.

According to the Listing Rules of the Shenzhen Stock Exchange, the 22nd meeting of the 9th session of the Board of Directors of the Company approved the *Proposal on Providing Guarantees in favor of the Company's Wholly-owned Subsidiary*. The decision to provide such guarantees is within the rights of the Board of Directors. No additional approval for the aforesaid guarantees is required from the shareholders of the Company.

Additionally, in order to support the working capital of Adama Makhteshim Ltd. ("Makhteshim"), a wholly-owned subsidiary of Adama Agricultural Solutions Ltd. ("Solutions"), a wholly-owned subsidiary of the Company, Makhteshim intends to enter into bank loans' agreements with CA Indosuez (Switzerland) S.A., which requires Solutions' joint liability guarantees.

According to the Guidelines of Shenzhen Stock Exchange on Self-discipline Supervision of Listed Companies No.1: Standardized Operation of Main Board Listed Companies, the above guarantees are provided by Solutions, the wholly-owned subsidiary of the Company, for the legal entities consolidated in the financial statements of the Company, and have fulfilled the

internal decision-making procedures of Solutions, therefore, it does not need to be submitted to the Company's board of directors or shareholders' meeting for approval.

II. Basic Information of the Warrantee

1. Basic Information of Anpon

Name of the Warrantee: ADAMA Anpon (Jiangsu) Ltd.

Established Date: November 25, 1998

Registered Address: No. 30, Huagong Road, Huai'an City

Legal Representative: Jiang Yutian

Registered Capital: RMB 251,380,000

Business Scope: Manufacture and sale of chemical products

Relationship with the Company: The Company's wholly owned subsidiary.

Credit status: After searching on the website of disclosure of enforcement information of China, Anpon is not a debtor subject to judicial enforcement.

The most recent financial situation of the Warrantee is as follows:

Unit: '0000 RMB

	At Mar 31 2023	At Dec 31,2022
Total Assets	203,720	210,083
Total Liabilities	112,457	117,500
Bank Loans	38,400	39,400
Other Current Liabilities	-	-
Contingency	2,100	2,100
Net Assets	91,263	92,583
	January to March 2023	2022
Revenue	37,503	240,460
Total Profit	(1,680)	27,977
Net Profit	(1,693)	23,892

Note: the above financial data was unaudited.

2. Basic Information of Makhteshim

Name of the Warrantee: Adama Makhteshim Ltd.

Established Date: July 17, 1952

Registered Address: Saadia Malal St., P.O.B 60, Be'er Sheva 8410001, Israel

Legal Representative: Hadran Olami

Registered Capital: ILS 212,000,000

Business Scope: Manufacture and sale of chemical products

Relationship with the Company: Solutions is the Company's wholly-owned subsidiary, and Makhteshim is directly wholly owned (100%) by Solutions.

Credit status: After searching on the website of disclosure of enforcement information of China, Makhteshim is not a debtor subject to judicial enforcement.

The financial situation of the Warrantee is as follows:

Unit: '000 USD

	At Dec 31,2022 (audited)	At Dec 31 2021 (audited)
Total Assets	2,349,402	2,224,552
Total Liabilities	1,862,352	1,710,176
Bank Loans	736,973	462,321
Other Current Liabilities	573,225	677,518
Contingency	-	-
Net Assets	2,349,402	2,224,552
	2022 (audited)	2021 (audited)
Revenue	1,089,519	875,001
Total Profit	20,649	(15,405)
Net Profit	4,768	(14,920)

III. Main Contents of the Guarantees

A. Guarantees provided by the Company in favor of its subsidiary Anpon

1. The Company intends to provide joint liability guarantees for the below loans of Anpon which will not exceed a period of one year.

(1) Loan which will not exceed RMB 70 million in 2023 to be provided by Huai'an South City Branch of Industrial and Commercial Bank of China.

(2) Loan for working capital, L/C and trade finance which will not exceed RMB 90 million in 2023 to be provided by Huai'an Qing Jiangpu Branch of Agricultural Bank of China.

(3) Loan which will not exceed RMB 80 million in 2023 to be provided by Huai'an Branch of Bank of Communications.

(4) Loan which will not exceed RMB 100 million in 2023 to be provided by Huai'an Branch of Industrial Bank.

(5) Loan which will not exceed RMB 100 million in 2023 to be provided by Huai'an

Qingjiangpu Branch of China Construction Bank.

(6)Loan which will not exceed RMB 100 million in 2023 to be provided by Huai'an Huahuai Branch of Bank of Jiangsu.

2. The Company intends to provide joint liability guarantees for the project loans of Anpon detailed below.

(1) Project loan which will not exceed RMB 600 million for the relocation of the Chlorine-alkali project.

B. Guarantees provided by Solutions in favor of its subsidiary

In order to support the working capital of Makhteshim, Makhteshim intends to enter into bank loans' agreements with CA Indosuez (Switzerland) S.A., which requires Solutions joint liability guarantees not exceeding USD 78.75 million (approximately RMB 541.1464 million) in connection to the bank loans entered by Makhteshim with the aforementioned bank. The guarantee shall continue to be in effect until the guaranteed obligation have been repaid in full.

IV. Opinions of the Board of Directors

With regard to the guarantees to be provided by the Company in favor of the Company's wholly-owned subsidiary, Anpon, the Board of Directors is of the opinion that: (i) the guaranteed funds are used for the daily operation needs of the Company's wholly owned subsidiary; (ii) the financial risk of the guarantees is under the Company's control; and (iii) the guarantees neither significantly impact the normal operation of the Company, nor violate the relevant provisions of the CSRC and the Articles of Association of the Company.

V. Accumulated Quantity of External Guarantees and Overdue Guarantees

Currently, the balance of the guarantees that have been provided by the Company and/or its subsidiaries is RMB 9,205.0975 million. After providing the above guarantees, the balance of the guarantees provided by the Company and its subsidiaries will be RMB 10,886.2439 million, accounting for approximately 47.08% of the latest audited net assets of the Company.

No guarantee is provided by the Company and/or its subsidiaries for the favor of entities not consolidated in the Company's financial statements.

The Company and its controlled subsidiaries do not have overdue guarantees.

VI. List of Reference Documents

1. Resolutions of the 22nd Meeting of the 9th Session of the Board of Directors of the Company.
2. *Letter of Limited Guarantee and Indemnity* issued by Solutions.

The Announcement is hereby made.

The Board of Directors of ADAMA Ltd.

April 25, 2023