

ADAMA Ltd.

Announcement on Providing Guarantees by a Wholly-owned Subsidiary to its 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 Turkey Tarım Sanayi ve Ticaret Limited Şirketi (hereinafter referred to as "ADAMA Turkey"), an indirect wholly-owned subsidiary of Adama Agricultural Solutions Ltd. (hereinafter referred to as "Solutions"), a wholly-owned subsidiary of ADAMA Ltd. (hereinafter referred to as "the Company"), Solutions agrees to provide a joint and several liability guarantee in the amount not exceeding USD 30 million in favor of a local bank, Akbank T.A.S. Ege Kurumsal Branch, that will provide Adama Turkey with financial accommodation.

In addition, in order to meet the daily operation and business development needs of Adama Ukraine LLC (hereinafter referred to as "Adama Ukraine"), an indirect wholly-owned subsidiary of Solutions, Solutions agrees to provide a joint and several liability guarantee in the amount not exceeding EUR 7 million in favor of a local bank, Raiffeisen Bank JSC, that will provide Adama Ukraine with financial accommodation.

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 the wholly-owned subsidiary of the Company for the legal entity 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 Warrantees

1. Basic Information of ADAMA Turkey

Name of the Warrantee: ADAMA Turkey Tarım Sanayi ve Ticaret Limited Şirketi

Established Date: 16 June 2014

Registered Address: Kazımdirik Mah. 296 Sokak No:8 İç Kapı No: 515, Bornova, İzmir, Turkey.

Legal Representative: Josef Goldshmidt

Business Scope: Purchase, sale and distribution of agricultural chemicals.

Relationship with the Company: Solutions is the Company's wholly-owned subsidiary, and ADAMA Turkey is an indirectly wholly-owned subsidiary (100%) of Solutions.

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

The most recent financial situation of ADAMA Turkey is as follows:

Unit: '000 USD

	At Jun 30 2023 (unaudited)	At Dec 31,2022 (audited)
Total Assets	67,215	69,577
Total Liabilities	58,581	60,440
Bank Loans	7,956	12,111
Other Current Liabilities	20,510	24,911
Contingency	-	-
Net Assets	8,634	9,137
	January to June 2023 (unaudited)	2022 (audited)
Revenue	52,958	53,163
Gross Profit	10,696	17,173
Net Profit / (Loss)	(503)	126

2. Basic Information of Adama Ukraine

Name of the Warrantee: Adama Ukraine LLC

Established Date: 25 June 2008

Registered Address: 13, Mykoly Pymonenka Street, Office 4A/41, Shevchenkivskyi District, 04050 Kyiv, Ukraine

Legal Representative: Dmytro Kashpor

Business Scope: Purchase, sale and distribution of agricultural chemicals

Relationship with the Company: Solutions is the Company's wholly-owned subsidiary, and

Adama Ukraine is an indirectly wholly-owned subsidiary (100%) of Solutions.

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

The most recent financial situation of Adama Ukraine is as follows:

Unit: '000 USD

	At Jun 30 2023 (unaudited)	At Dec 31,2022 (audited)
Total Assets	73,320	87,546
Total Liabilities	74,120	93,073
Bank Loans	518	10,660
Other Current Liabilities	72,935	81,750
Contingency	-	-
Net Assets	(800)	(5,527)
	January to June 2023 (unaudited)	2022 (audited)
Revenue	42,065	30,163
Gross Profit	10,422	10,953
Net Profit/ (Loss)	4,727	(17,197)

III. Main Contents of the Guarantees

In order to support the activities in ADAMA Turkey, ADAMA Turkey intends to enter a bank loan with Akbank T.A.S. Ege Kurumsal Branch, Solutions approves providing a joint liability guarantee not exceeding USD 30 million (approximately RMB 218 million) in connection to the abovementioned bank loan of ADAMA Turkey. The guarantee shall continue until written notice of revocation of the limited guaranty letter signed by Solutions.

In order to support the activities in Adama Ukraine, Adama Ukraine intends to enter into a bank loan with Raiffeisen Bank JSC, Solutions approves providing a joint liability guarantee not exceeding EUR 7 million (approximately RMB 54 million) in connection to the abovementioned bank loan of Adama Ukraine. The guarantee shall continue until written notice of revocation of the limited guaranty letter signed by Solutions.

IV. Accumulated Quantity of External Guarantees and Overdue Guarantees

As of June 30, 2023, the balance of the guarantees that have been provided by the Company and/or its subsidiaries is RMB 7,001,430,100. After providing the above guarantees, the balance of the guarantees provided by the Company and its subsidiaries will be RMB 7,273,430,100, accounting for approximately 31.45% 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.

V. List of Reference Documents

Two copies of Guarantee Letters issued by Solutions.

The Announcement is hereby made.

The Board of Directors of ADAMA Ltd.

October 10, 2023