



Progress toward combination of Adama and Sanonda

- *China's securities commission published a new regulatory framework that facilitates contemplated combination of a global entity with a publicly-traded domestic one*
- *Adama's shareholders agree key terms for the acquisition of Koor's stake in Adama*
- *These developments pave the way for concluding the framework of the Adama-Sanonda combination, and releasing Sanonda's shares to resume trading by August 4, 2016*

TEL AVIV, ISRAEL, July 17, 2016 – Adama Agricultural Solutions today provided an update on recent progress in its contemplated combination with Sanonda, an agrochemical producer publicly-traded on the Shenzhen Stock Exchange. The expected combination by way of a reverse merger with Sanonda is an important step towards the achievement of Adama's dual objectives of integration with selected ChemChina entities, as well as flotation, with the combined company gaining access to Renminbi- and Hong Kong Dollar-denominated capital markets.

Over the past year, Adama has been working with its shareholders to progress this groundbreaking China-global transaction. Two significant recent developments have occurred which are expected to facilitate the conclusion of the transaction framework, and accelerate the process towards its successful consummation. On June 16, 2016, the China Securities Regulatory Commission (CSRC) published a proposed amendment to the Chinese securities regulations, which is designed to allow transactions in which a global entity is combined with one that is publicly-traded in China. Following the CSRC release, Adama's shareholders announced today their agreement on key terms whereby CNAC, Adama's majority shareholder and a ChemChina strategic business division, or a third party designated by it, will acquire Koor's 40% stake in Adama and assume its related non-recourse loan, in a transaction which values Adama's equity at approximately \$3.5 billion. The acquired shares will then be included in the Adama-Sanonda combination, alongside the rest of CNAC's shareholding in Adama. This agreement was reached by Adama's shareholders after having reviewed a number of options to best facilitate Adama's intended combination with Sanonda, while meeting each of their respective business goals.

Sanonda's shares, which have been suspended from trading since the intended combination with Adama was first announced in August 2015, are expected to resume trading on August 4, 2016. Adama and its shareholders are working with Sanonda to conclude the combination framework by that date. Subject to receiving all required regulatory and corporate approvals, Adama's combination with Sanonda is expected to be completed in the first half of 2017, resulting in a publicly-traded, fully integrated entity.



Following the combination with Sanonda, it is expected that the combined company will continue to be run by Adama's global management team, with China becoming a significant geographical business cluster, and that it will retain the Adama name and brand. The combined company will continue to be headquartered in Israel and be committed to its Israeli and global business culture, as well as the continued growth of its Israeli operations. Adama's bonds will continue to be publicly-traded on the Tel Aviv Stock Exchange.

These recent developments enable Adama to move forward with the execution of its combination with Sanonda, which together with its rapidly progressing commercial and operational build-up in China, form a key step towards the realization of its China strategy. Adama, which has delivered market-leading performance over the past few years, is now well poised to cement its unique strengths and create a leading, China-global crop protection company.

About Adama:

ADAMA Agricultural Solutions Ltd. is one of the world's leading crop protection companies. We strive to Create Simplicity in Agriculture – offering farmers effective and efficient products and services that simplify their lives and help them grow. With one of the most comprehensive and diversified portfolios of differentiated, high-quality products, Adama's approximately 4,900 people reach farmers in over 100 countries across the globe, providing them with solutions to control weeds, insects and disease and improve their yields. For more information, visit us at www.adama.com and follow us on Twitter® at [@AdamaAgri](https://twitter.com/AdamaAgri).

Contact

Nina Zoukelman
Corporate PR Manager
e-mail: pr@adama.com