



Adama's Combination with Sanonda Approved

CSRC Panel unconditionally approves the combination, which is now expected to close in the coming weeks

TEL AVIV, ISRAEL and BEIJING, CHINA, June 4, 2017 –

Adama Agricultural Solutions today reported that the M&A Panel of the China Securities Regulatory Commission (CSRC) has unconditionally approved its combination with Sanonda, paving the way for the consummation of the transaction, which is now expected in the coming weeks. Upon completion, the combined company will be floated on the Shenzhen Stock Exchange. The trading of Sanonda's shares, which had recently been suspended during the CSRC's final review process, resumed on June 2.

Adama's combination with Sanonda is expected to create, in one coordinated move, the only integrated Global-China crop protection company, with combined 2016 sales of \$3.35 billion. At its outset, it will be the sixth largest global crop protection company and the largest in China, as well as the first global one to be publicly traded on the flagship A-share market. In the context of the transaction, the combined company intends to raise around \$250 million in new equity, which will be used to accelerate its growth. At current market prices, the combined company's pro-forma equity is valued at approximately \$4.6 billion, placing its pro-forma enterprise value at approximately \$5.7 billion.

Upon receipt of the relevant corporate approvals, the combined company will operate under the ADAMA name and brand and will be led by Adama's global management team, to be joined by colleagues from China engaged with the combined China operation. The central functions of the combined company will continue to be run from Israel, including global R&D, registration and operations.

The combination is still subject to certain additional regulatory approvals, which are expected to be obtained in the coming weeks.

About the Transaction:

Hubei Sanonda Co. Ltd. will be contributing around \$300 million in sales, as well as significant commercial and operational capabilities, including competitive product positions which Adama has already started distributing globally and in China, such as key insecticide ACEMAIN[®], which contains the active ingredient acephate, and herbicide SPRAYTOP[®], which contains the active ingredient paraquat. The transaction will be accomplished through the issuance by Sanonda of approximately 1.82 billion new shares at a value of RMB 10.20 (approximately \$1.54) per share, to Adama's shareholder CNAC, in exchange for all the shares in Adama, which are valued for the purposes of the transaction at approximately \$2.8 billion. The combined company's shares will be listed on the Shenzhen Stock Exchange, providing access to RMB- and Hong Kong Dollar-denominated capital.

Goldman Sachs Gao Hua Securities and Guotai Junan Securities are serving as financial advisors for the transaction, with Global Law Office acting as legal advisor.

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 products and services that simplify their lives and help them grow. With one of the most comprehensive and diversified portfolios of differentiated, quality products, our 5,000-strong team reaches farmers in over 100 countries, 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).

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