

Business Update

Q3 and 9M 2017

October 31, 2017

Adama Agricultural Solutions Ltd., one of the world's leading crop protection companies, and Hubei Sanonda Ltd. have combined, creating the only integrated, publicly traded Global-China crop protection company.

The Combined Company is to be renamed

ADAMA

Legal notice

This presentation is for marketing and information purposes only. By this presentation, Hubei Sanonda Co., Ltd. (the “Company” or “ListCo”) and Adama Agricultural Solutions Ltd (“Adama Solutions”) (together, “ADAMA” or “the Combined Company”) does not intend to give, and the presentation does not constitute, professional or business advice or an offer or recommendation to perform any transaction in the Combined Company’s securities. The accuracy, completeness and/or adequacy of the content of this presentation, as well as any estimation and/or assessment included in this presentation, if at all, is not warranted or guaranteed and the Combined Company disclaims any intention and/or obligation to comply with such content. The Combined Company may make improvements and/or changes in the features or content presented herein at any time. The Combined Company shall not be liable for any loss, claim, liability or damage of any kind resulting from your reliance on, or reference to, any detail, fact or opinion presented herein.

This presentation contains proprietary information of the Combined Company and may not be reproduced, copied, disclosed or utilized in any way, in whole or in part, without the prior written consent of the Combined Company.

The Combined Company’s assessments may not materialize, inter alia, due to factors out of the Combined Company’s control, including the risk factors listed in the Combined Company’s annual report, changes in the industry or potential operations of the Combined Company’s competitors.

All information included in this presentation relates only to the date which it refers to, and the Combined Company does not undertake to update such information afterwards.

Newly combined ADAMA group reports net income up 70%

First combined record results of listed global crop protection leader

Robust differentiated volume growth drives profit and profitability

Q3 Sales \$844m

+5.4%

9M Sales +3.7% to \$2,702m

Q3 Volumes +7.4%; 9M Volumes +7.1%

Q3 Gross Profit \$299m

+10.6%

Q3 gross margin +1.6 pp

9M gross profit +12.3% to \$962m; margin +2.7 pp

Q3 EBIT \$111m

+28.0%

Q3 EBIT margin +2.3 pp

9M EBIT +25.7% to \$397m; margin +2.6 pp

Q3 Net Income \$57m

+69.4%

Q3 net income margin +2.6 pp

9M net income +33.2% to \$261m; margin +2.2 pp

Q3 EBITDA \$163m

+15.3%

Q3 EBITDA margin +1.7 pp

9M EBITDA +15.7% to \$553m; margin +2.1 pp

9M Operating Cash Flow: \$368m

9M Free Cash Flow: \$244m

Balance Sheet Net Debt: \$762m (-\$192m)

Net Debt / EBITDA: 1.2x vs. 1.7x last year

Financial highlights

<i>Adjusted, (\$ million)</i>	Q3 2017	Q3 2016	% Change	9M 2017	9M 2016	% Change
Sales	844	800	+5.4%	2,702	2,605	+3.7%
Gross Profit	299	270	+10.6%	962	856	+12.3%
<i>As % of Sales</i>	<i>35.4%</i>	<i>33.8%</i>		<i>35.6%</i>	<i>32.9%</i>	
Operating Expenses	188	184		565	540	
Operating Income (EBIT)	111	86	+28.0%	397	316	+25.7%
<i>As % of Sales</i>	<i>13.1%</i>	<i>10.8%</i>		<i>14.7%</i>	<i>12.1%</i>	
Net Income	57	34	+69.4%	261	196	+33.2%
<i>As % of Sales</i>	<i>6.8%</i>	<i>4.2%</i>		<i>9.7%</i>	<i>7.5%</i>	
EBITDA	163	142	+15.3%	553	478	+15.7%
<i>As % of Sales</i>	<i>19.4%</i>	<i>17.7%</i>		<i>20.4%</i>	<i>18.3%</i>	
Earnings per Share – USD	0.0244	0.0126		0.1114	0.0723	
– RMB	0.1630	0.0842		0.7611	0.4734	

Revenues grew in constant currency terms in the quarter by 3.9% and by 3.6% in the nine-month period.

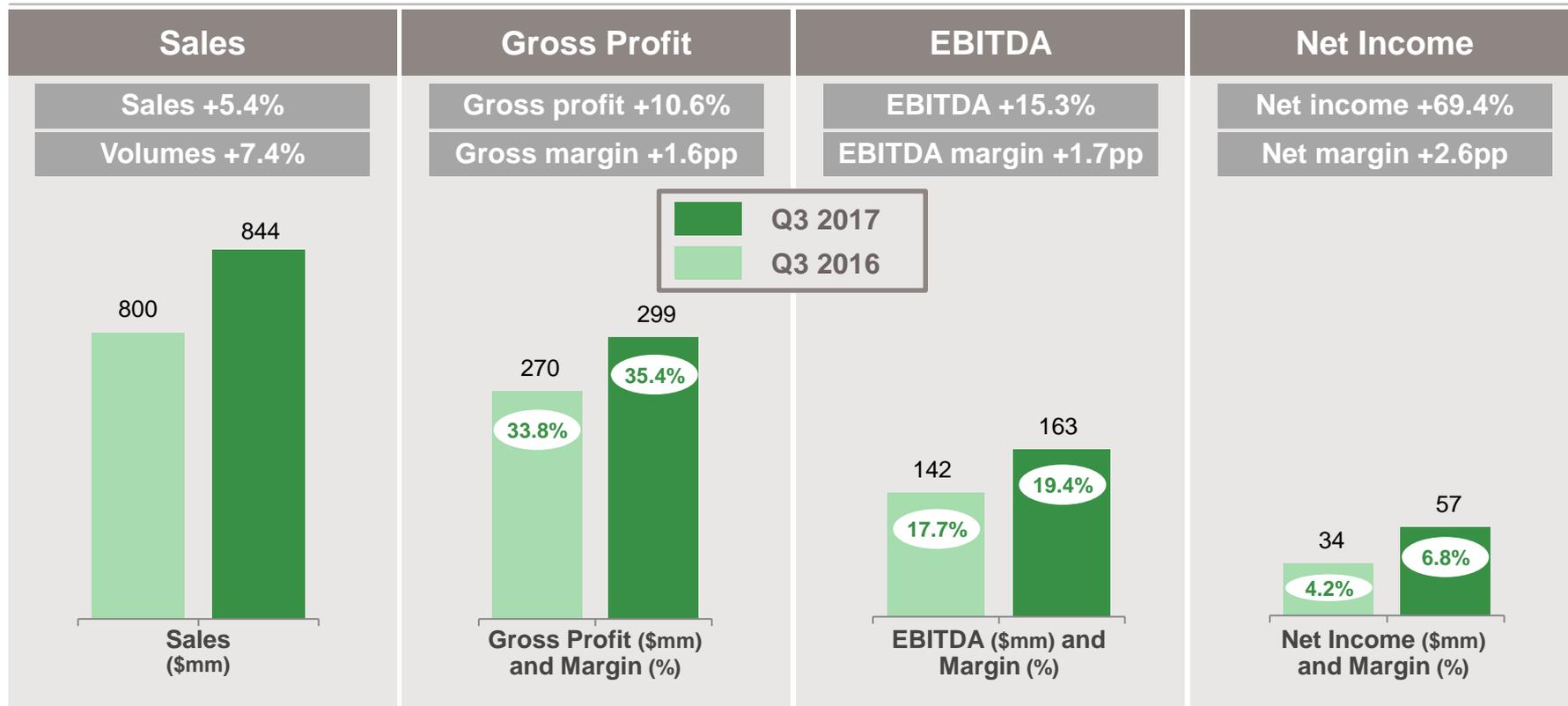
The Income Statement items for the 2017 periods include adjustments for: non-cash legacy amortization of an intangible asset created through the 2011 acquisition of Solutions; a capital gain in the second quarter as well as the reinstatement of an expense (mainly in the third quarter) due to the classification of registrations as assets held for sale, both as a result of the transfer/sale process related to certain products in connection with ChemChina's acquisition of Syngenta; an expense in connection with other corporate development activity in conjunction with a company within the ChemChina group; a one-time award to employees in connection with the Adama-Sanonda combination transaction; a tax expense in the second quarter in respect of a tax claim from 1985 against cancellation of a tax asset.

The Income Statement items for the corresponding period last year include adjustments for: the abovementioned non-cash legacy amortization of an intangible asset; income from the value redeployment in the first quarter of employee options granted in 2014.

2016 Net income items are shown before allocation to non-controlling interests. Earnings per share are the same for basic and diluted. The number of shares used to calculate earnings per share in 2017 is 2,341.9 million shares, reflecting the issuance of shares as part of the combination transaction. The number of shares used to calculate earnings per share in 2016 is 1,617.5 million shares, reflecting the issuance of shares as part of the combination transaction in 2017, yet excluding the portion of the 2016 non-controlling interest.

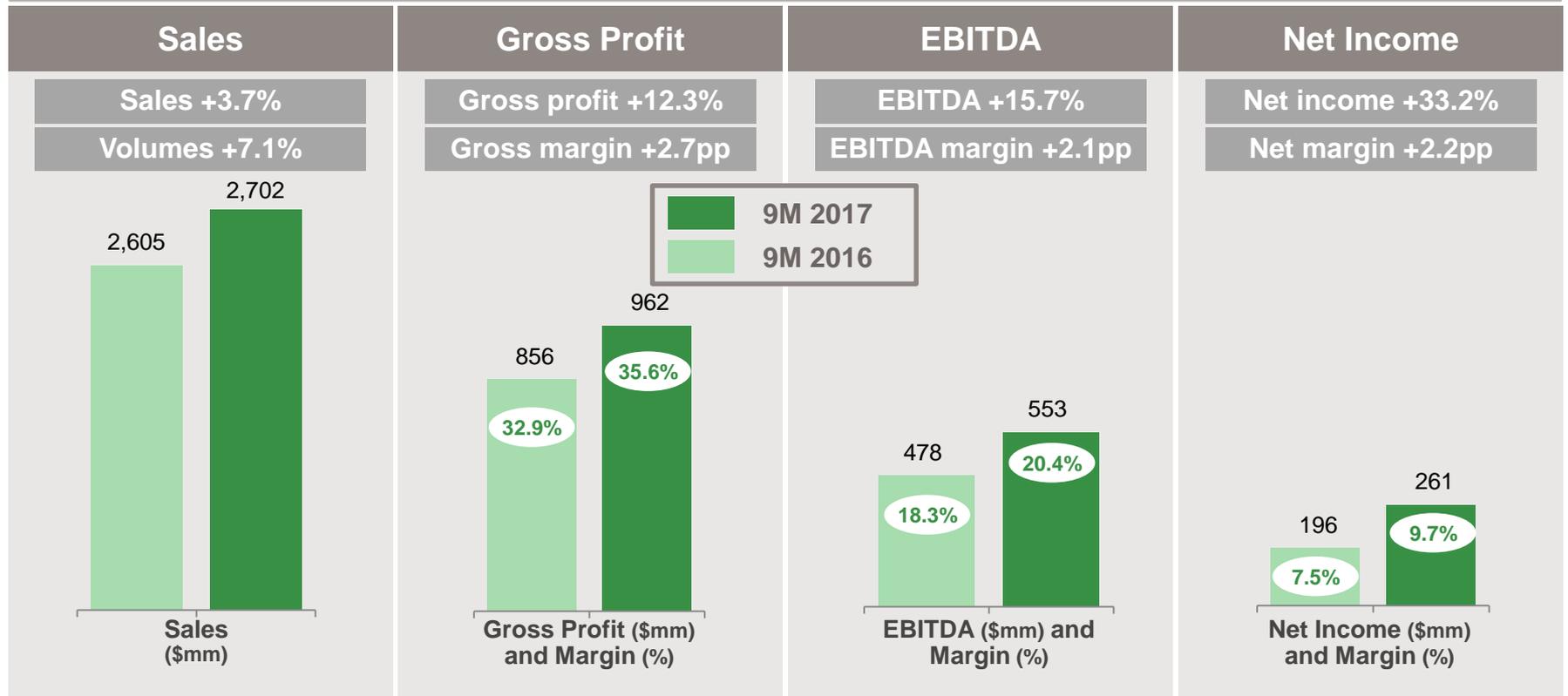
Strong contribution of each entity results in record first quarter for the Combined Company

Q3 2017

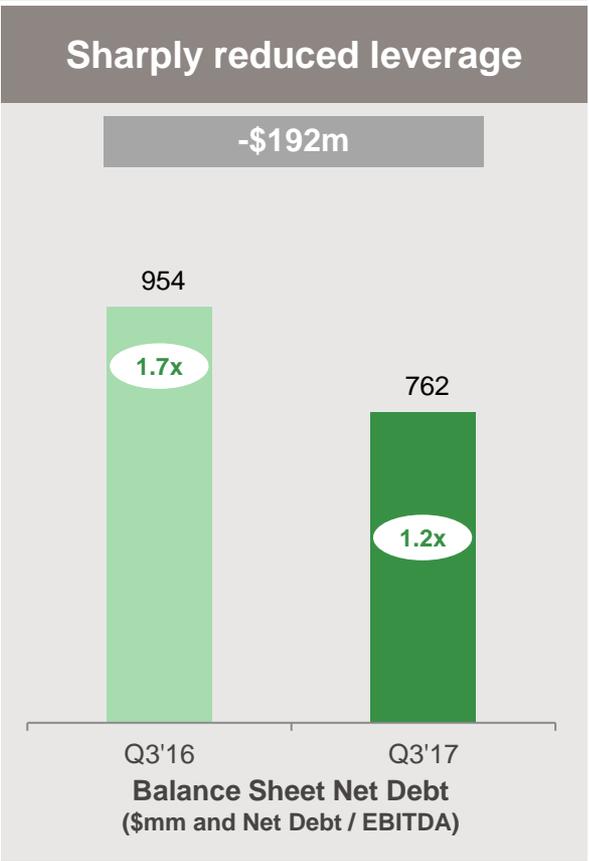
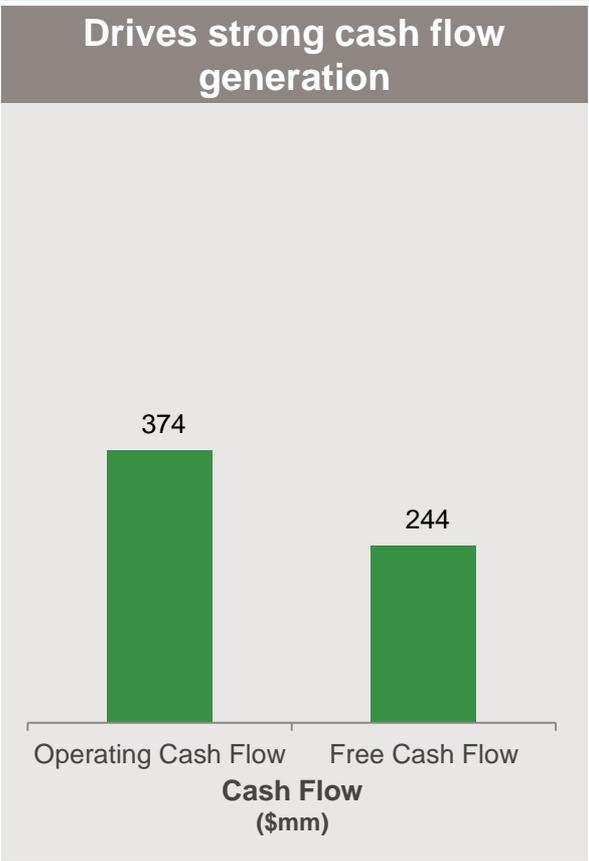
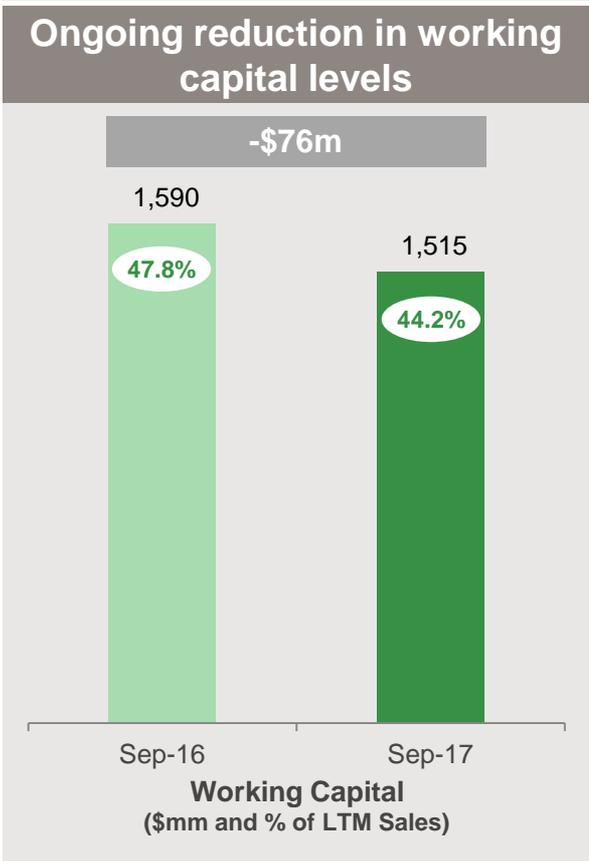


Strong contribution of each entity results in record results for the Combined Company

9M 2017



Further significant improvement of working capital, robust cash flow, reduced leverage



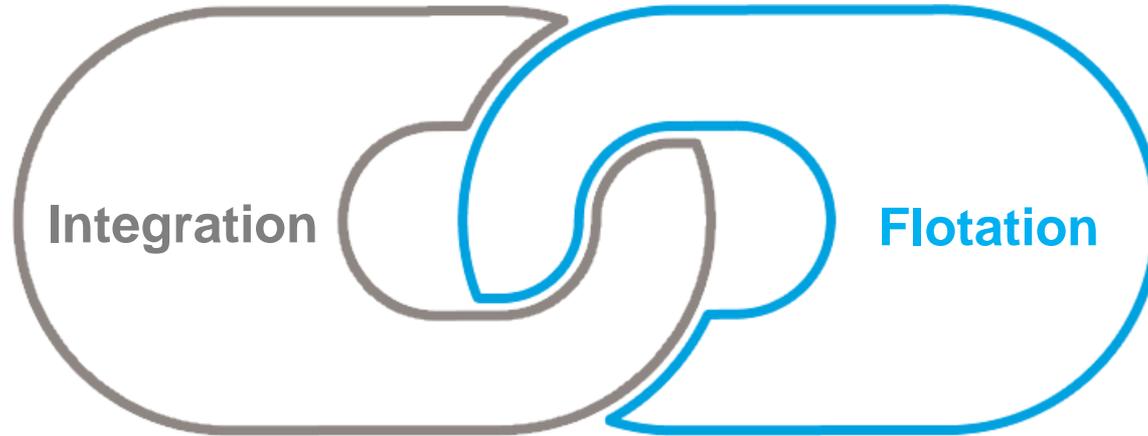


Adama-Sanonda Combination

ADAMA

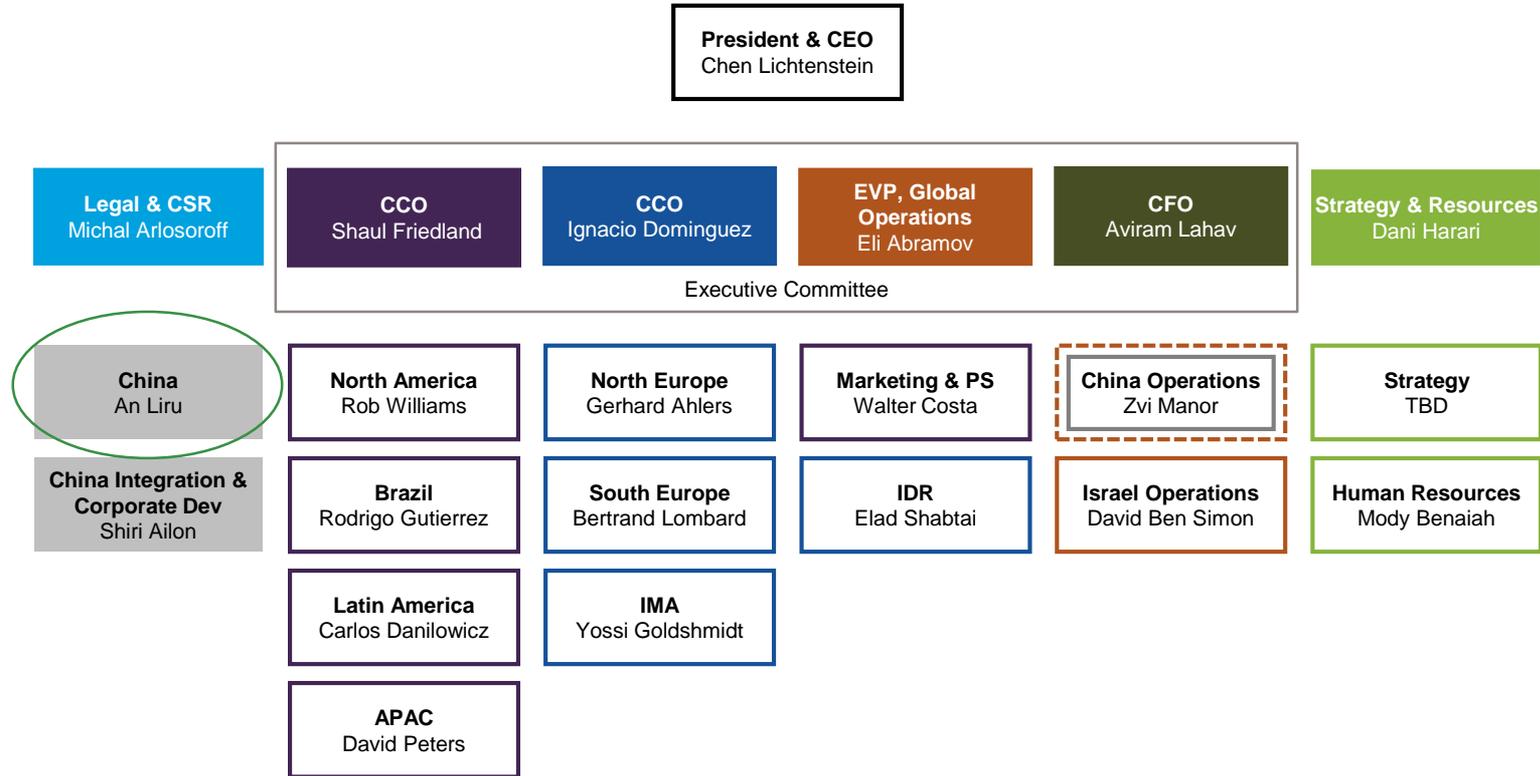
Combination between Adama and Sanonda successfully completed Creating the only integrated Global-China player

Accomplishing our two key strategic objectives in one coordinated step



- Appointment of Combined Company Board of Directors
- Adama's management team leads the Combined Company
- Name of Combined Company to change to ADAMA

Forming our eighth geographical commercial cluster, our China Cluster



Full boxes report directly to CEO; others report according to their color codes
 Zvi Manor reports to the head of Adama China and functionally to EVP Global Operations



Regional Update

ADAMA

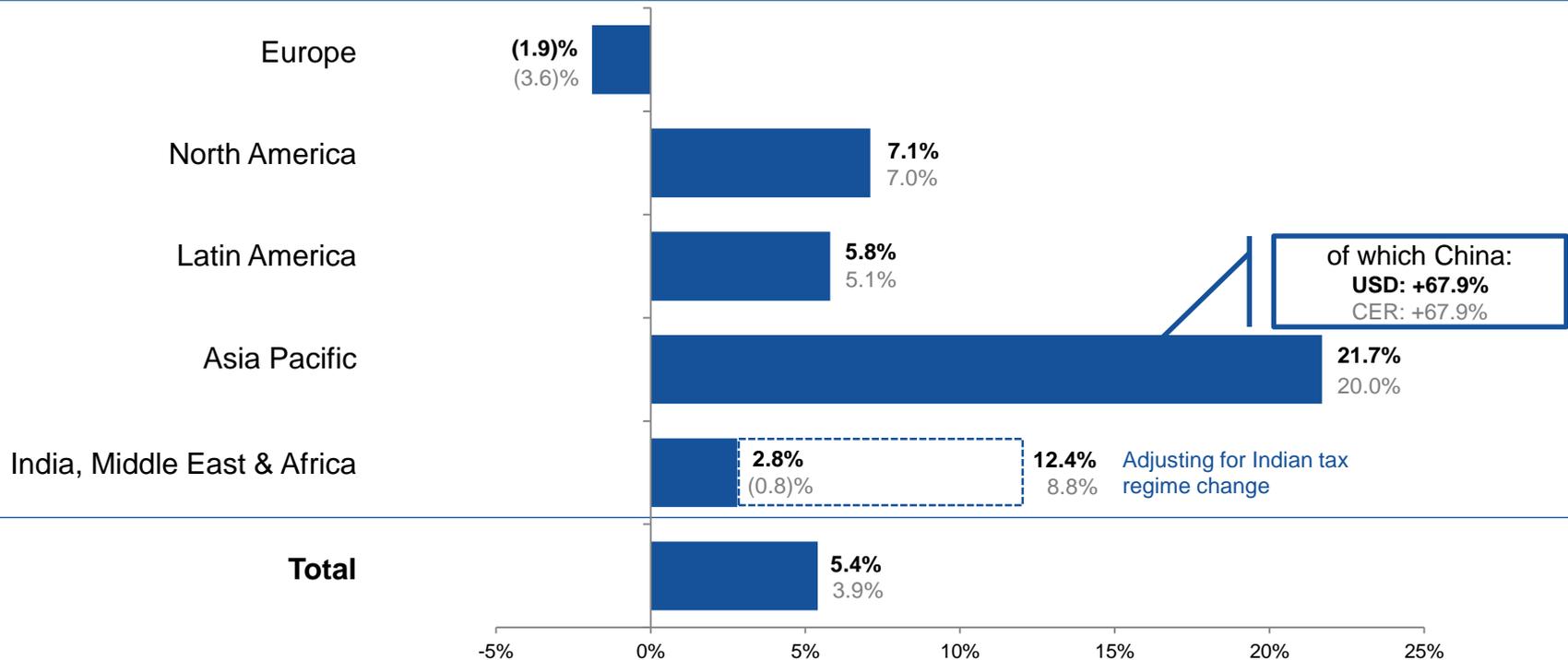
Regional sales performance Q3 2017 vs. Q3 2016

Sales change by region

USD terms

Constant currency terms

Region



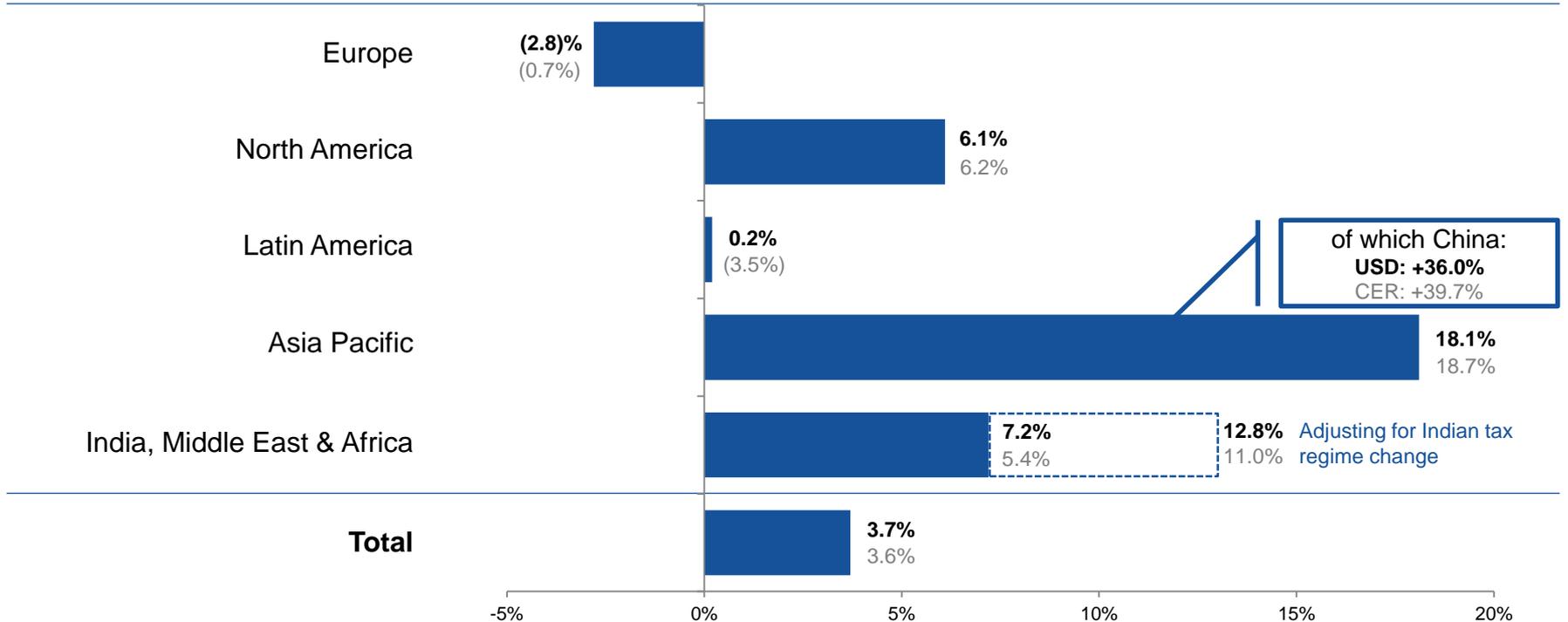
Regional sales performance 9M 2017 vs. 9M 2016

Sales change by region

USD terms

Constant currency terms

Region



Regional highlights

Europe

- Sales volumes in Europe increased over the nine-month period, despite generally challenging conditions
- In the quarter, unfavorable weather conditions, combined with continuing high levels of inventory in the distribution channels, impacted demand across Europe, keeping pressure on prices and volumes
- **Northern Europe:**
 - The harvest was slightly delayed due to extensive rainfall, impacting the planting of oilseed rape and cereals in this region
- **Southern Europe:**
 - Dry start to the quarter reduced demand for fungicides and insecticides, with channel inventories remaining high, most notably in Italy and Spain
 - Wetter second half of the quarter saw a stronger performance in oilseed rape herbicides, particularly in France, but reduced cereal herbicide usage in Eastern Europe



Increased demand for Raiser[®], one of the only ragweed herbicides for sunflower in Ukraine

Regional highlights

North America

- Volume growth drove increased sales in the quarter and the nine-months, despite the violent hurricanes in southern US which impacted farmers and the Consumer and Professionals Solutions business
- Strong performance of the cotton portfolio capitalizing on increased cotton acreage:
 - ACEPHATE 97: insecticide, benefiting from the Combined Company's end-to-end integrated value chain
 - SETUP® 6SL (containing Ethephon) plant growth regulator, sourced from an affiliate within the ChemChina group
 - CORMORAN™, a differentiated dual-action larvicide delivering strong results as it expands into new crops and regions
- Successful integration and relaunch of the products acquired earlier in the year from Syngenta:
 - Bravo family of fungicides (containing Chlorothalonil), including Bravo Weather Stik®, Bravo Ultrex® and Bravo® ZN
 - Insecticides Fulfill® (containing Pymetrozine), Trigard® and Armor® (both containing Cyromazine)



Growers reviewing trials of Nimitz®, our innovative nematocide, on almonds at a large distributors research farm in Madera, California



Training for product Fulfill® at Texas A&M University attended by numerous university professors, consultants & customers

Regional highlights

Latin America

- Sales increase driven by significant volume growth, despite extreme weather conditions across the region (hurricanes in Central America, excessive rainfall in Argentina, drought in Brazil) and earthquakes in Mexico
- **Brazil:**
 - Strong Q3 performance from soybean portfolio, including GALIL® insecticide and POQUER® herbicide, effective in combating increasing glyphosate-resistant weeds, as well as ARREIO®, a herbicide launched last year and performing well in pastures
 - Farmer profitability continues to be impacted by generally low agricultural commodity prices, continuing tight credit conditions and channel de-stocking
- **Chile:** BREVIS®, our proprietary fruit thinner, performing well
- **Colombia:** New marketing initiatives fostering increased farmer engagement and demand creation



“Adama Allies” annual event in Colombia:
More than 380 growers attending the launch of
fungicide Mastercop®

Regional highlights

Asia Pacific

- Strong 22% increase in Q3 sales, and 18% in the 9-month period, driven by significant volume growth, primarily in the Pacific, China and parts of south-east Asia, supported by:
 - New product launches, improvement of the portfolio mix, increased farmer engagement
 - Generally favorable weather conditions (other than in Australia)
- Registrations obtained for a number of differentiated products:
 - CUSTODIA[®], fruits and vegetables fungicide in the Philippines
 - MAYORAL[®], sugarcane herbicide in Thailand
 - TRIVOR[®], citrus herbicide and ZULU[®] XT cereals herbicide in Australia
 - NARKIS[®], rice herbicide in Indonesia
- **China:**
 - Continued expansion of our product portfolio, with new registrations for CORMORAN[®] in apples and RIMON FAST[™] in cabbage
 - High insect pressure in rice drove increased sales of Dichlorvos



Australia collaboration with Pessi Instruments - a hardware solution combined with advanced disease modelling software to better predict the viability of the crop and assist farm advisers with input decisions

Regional highlights

India, Middle East & Africa

- Robust increase in volumes driving 12% growth in the quarter and 13% growth in the nine-month period, adjusting for the negative impact of the tax regime change in India
- **India:**
 - The insecticide TAPUZ[®], a unique combination of two active ingredients (one benefiting from the Combined Company's end-to-end value chain, and the other sourced from an affiliate within the ChemChina group, performed well in rice, cotton and other crops)
 - ACEMAIN[®], a broad spectrum systemic insecticide, delivered a strong performance in cotton
- **South Africa:** Continued drought conditions in the Cape region impacting wheat and vine products
- **Turkey:** Continued growth, capitalizing on our leading sugar beet portfolio



150 large sugar beet growers attending field day for Goltix Plus[®] and Belvedere Forte[®] in Konya, largest sugar beet region in Turkey



Bridge Analysis

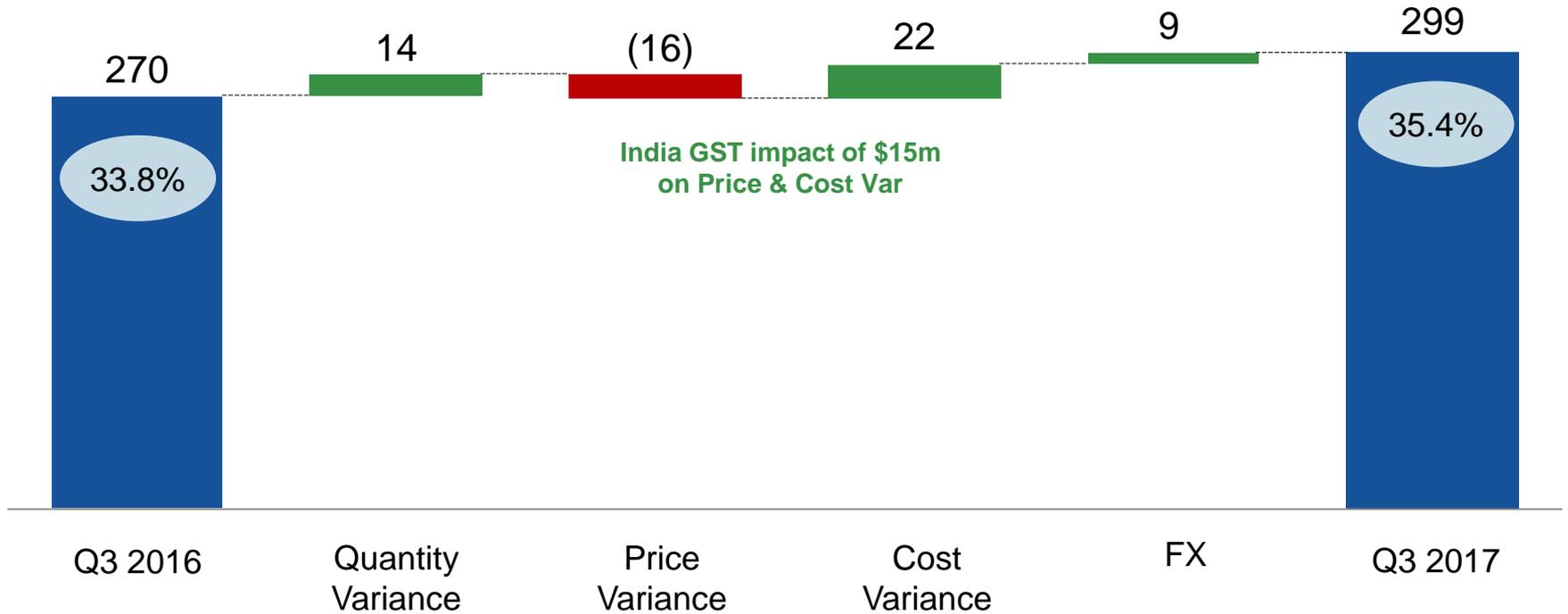
ADAMA

Q3 sales bridge analysis



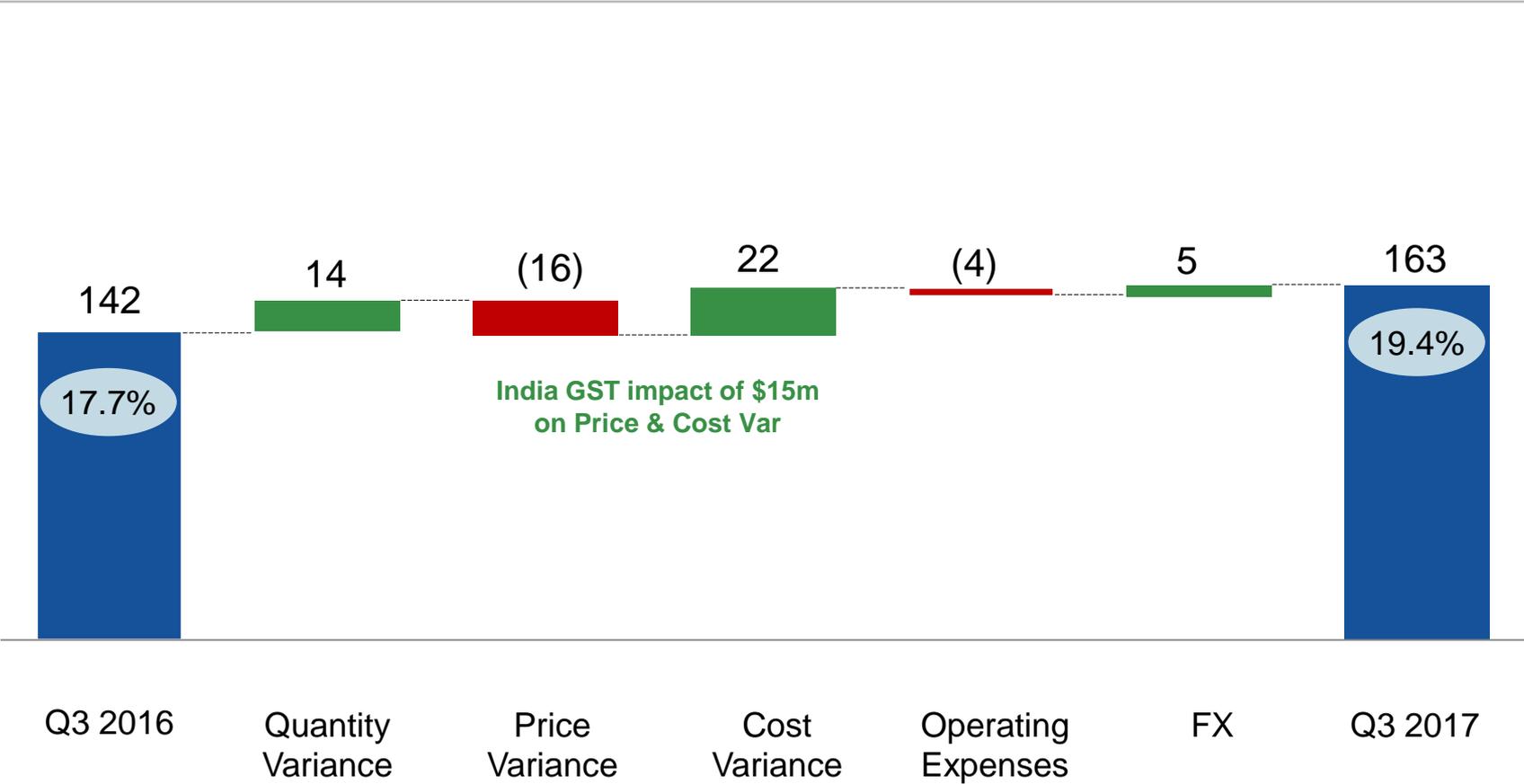
NOTE: Price variance inflated due to India GST change

Q3 gross profit bridge analysis



NOTE: Price variance inflated due to India GST change

Q3 EBITDA bridge analysis



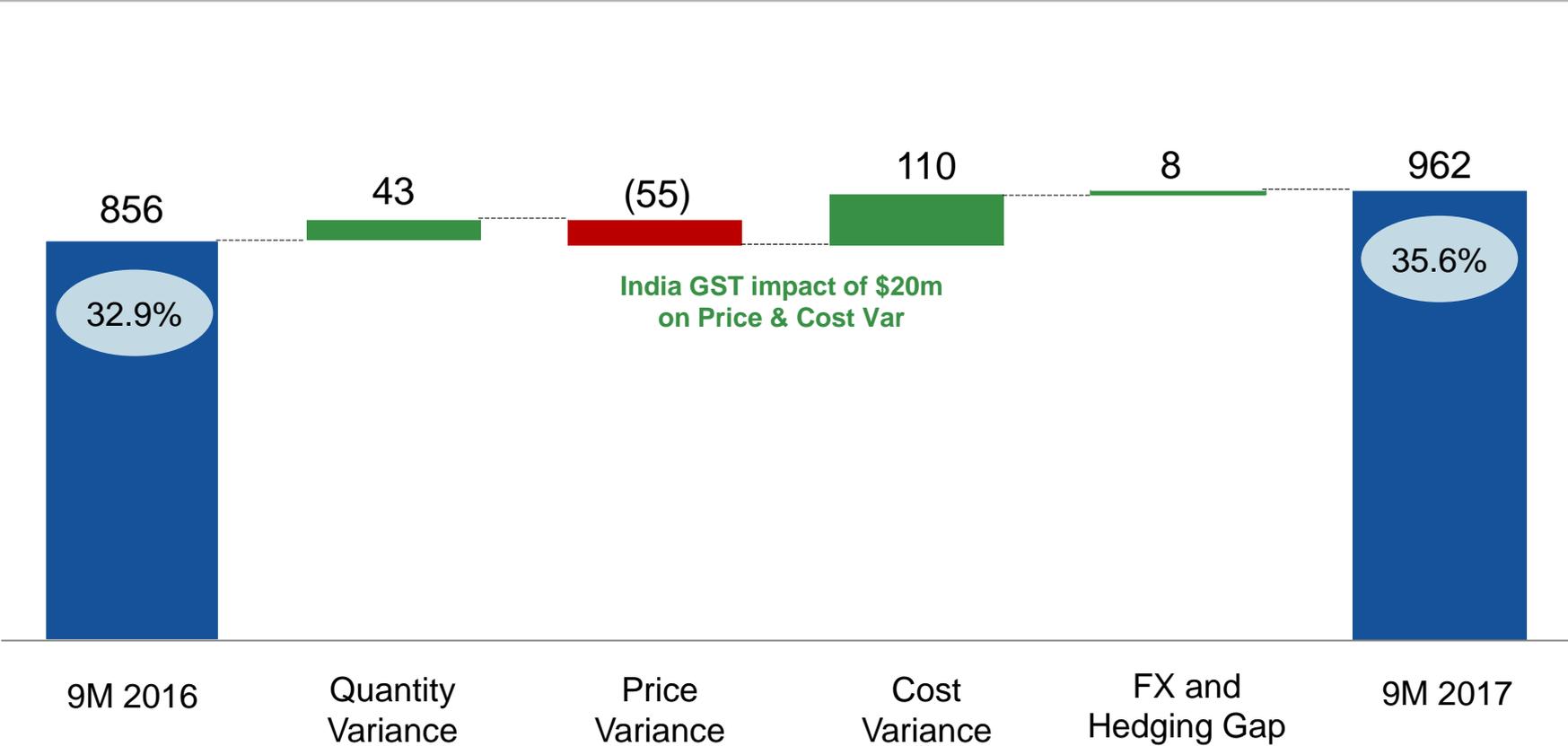
NOTE: Price variance inflated due to India GST change

9M sales bridge analysis



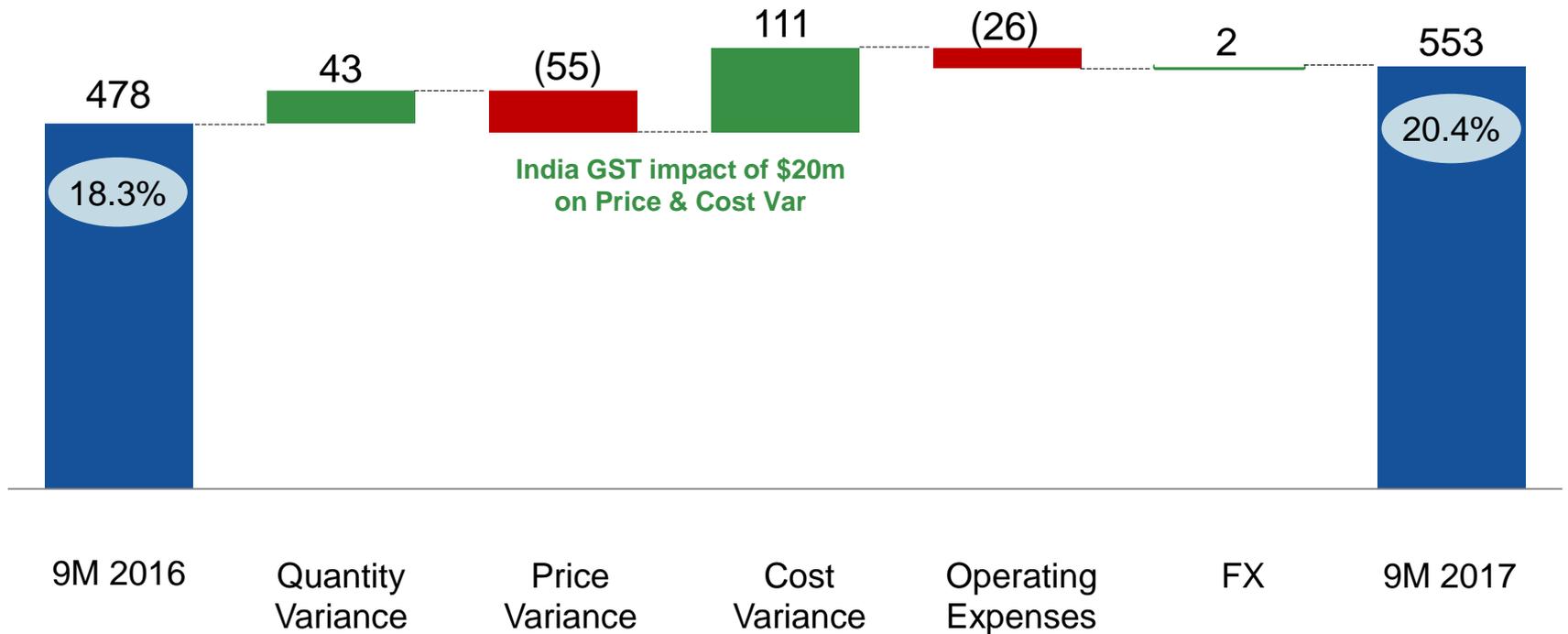
NOTE: Price variance inflated due to India GST change

9M gross profit bridge analysis



NOTE: Price variance inflated due to India GST change

9M EBITDA bridge analysis



NOTE: Price variance inflated due to India GST change

