



## **Adama's Shareholders Contemplating Combination of Adama with Chinese Sanonda**

*Move will allow combined company to achieve integration as well as public listing in a single step*

**Tel Aviv, Israel, August 16, 2015** – Adama ("the Company") today announced that its shareholders are exploring a potential combination with Hubei Sanonda Ltd. ("Sanonda"), a leading Chinese crop protection manufacturer traded on the Shenzhen Stock Exchange, which, if implemented, will allow the combined company to achieve full integration as well as public listing.

As a result, Adama is expected to be able to achieve two key pillars of its strategy – integration with Chinese agrochemical businesses that are part of the ChemChina group, and flotation on one of the world's largest stock exchanges. The combination will allow Adama to accelerate its China integration, which it has been pursuing in recent years.

The potential transaction is intended to be accomplished through the issuance of new shares by Sanonda to the existing owners of Adama – CNAC, ChemChina's strategic business division the controlling shareholder of Adama, and Koor of Israel's IDB Group – in exchange for their ownership stakes in Adama. Sanonda is currently controlled by CNAC, which owns approximately 20.15% of the shares of Sanonda. Adama also holds an approximately 10.6% stake in Sanonda, which it acquired during 2013.

As part of the contemplated transaction, Adama is considering selling its Sanonda stake, and distributing to its existing shareholders a dividend in a substantial amount.

According to Chinese securities law requirements, trading in Sanonda's shares was suspended as of August 5, 2015.

The process of negotiating and approving the contemplated transaction is expected to take several months, during which all relevant aspects of the transaction are to be considered. There is still uncertainty as to whether the negotiations will result in binding agreements, the exact structure and terms of such agreements and their implications for the Company.

### **About Adama**

ADAMA Agricultural Solutions Ltd. is the leading off-patent crop protection solutions company in the world. The Company's comprehensive range of high-quality, differentiated and effective herbicides, insecticides and fungicides help farmers worldwide to increase yields by preventing or controlling weeds, insects and disease that harm their crops. With one of the world's most extensive and diversified off-patent product portfolios, Adama sells



its products in more than 120 countries, with 2014 revenues of over \$3.2 billion. Adama's purpose is “Creating Simplicity in Agriculture” – striving to provide farmers accessible, easy-to-use solutions that simplify their lives and improve their crop yields. For more information, visit us at [www.adama.com](http://www.adama.com).

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