ADAMA Ltd.

Announcement on Guarantees to be Provided by the Company in Favor of Certain Subsidiary's Loans

The Company and all members of its board of directors hereby 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 Jiangsu Anpon Electrochemical Co., Ltd. (hereinafter referred to as "Anpon"), a wholly-owned subsidiary of the Company, the Company intends to provide guarantees in favor of certain financing banks currently providing loans to Anpon, under which it will guarantee Anpon's repayment of such loans, in a total amount not exceeding RMB 630 million.

According to the Listing Rules of the Shenzhen Stock Exchange, the 16th meeting of the 8th session of the Board of Directors of the Company approved a Proposal on Providing Guarantees in Favor of Certain Subsidiary's Loans which do not require to be further approved by the Company's shareholders.

II. Basic Information of the Warrantee

Name of the Warrantee: Jiangsu Anpon Electrochemical Co., Ltd.

Established Date: November 25, 1998

Registered Address: No. 30, Huagong Road, Huai'an City

Legal Representative: Jiang Yutian

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Registered Capital: RMB 251,380,000

Business Scope: Manufacture and sale of chemical products

Relationship with the Company: The Company's wholly owned subsidiary.

Credit status: After searching on the website of disclosure of enforcement information of China, Anpon is not a judgement debtor subject to enforcement.

Recent financial situation of the Warrantee is as follows:

Unit: '0000

Period	Total Assets	Total Debts	Net Assets	Revenue	Assets Liability Ratio
At June 30, 2019 (unaudited)	143,709.71	91,187.78	52,521.93	85,956.40	63.45%
At Dec 31, 2018 (audited)	139,556.19	91,143.56	48,412.63	150,747.42	65.31%

III. Main Contents of the Guarantees

The Company intends to provide joint liability guarantees for the loans for working capital needs detailed below.

(1) Huai'an West City Branch of Industrial and Commercial Bank of China

On March 1, 2019, Anpon borrowed RMB 20 million, maturing on February 20, 2020, on June 28, 2019, Anpon borrowed an additional RMB 20 million, maturing on June 18, 2020, and on August 1, 2019, Anpon borrowed an additional RMB 30 million, maturing on July 30, 2020. Other than the above loans, Anpon intends to borrow additional RMB 60 million in the second half year of 2019. The guarantee period is subject to the provisions of the loan contracts.

(2) Qinghe Branch of Huai'an Rural Commercial Bank

On June 1, 2019, Anpon borrowed RMB 50 million, maturing on May 29, 2020,

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on June 28, 2019, Anpon borrowed an additional RMB 50 million, maturing on June 27, 2020, and on October 30, 2018, Anpon borrowed an additional RMB 50 million, maturing on October 29, 2019. other than the above loans, Anpon intends to borrow additional RMB 100 million in the second half year of 2019. The guarantee period is subject to the provisions of the loan contracts.

(3) Huai'an Branch of Bank of Communications

Anpon intends to borrow RMB 60 million from Huai'an Branch of Bank of Communications in the second half year of 2019. The guarantee period is subject to the provisions of the loan contracts.

(4) Huai'an Qing JiangpuBranch of Agricultural Bank

Anpon intends to borrow RMB 100 million from Huai'an Qing Jiangpu Branch of Agricultural Bank in the second half year of 2019. The guarantee period is subject to the provisions of the loan contracts.

(5) ChemChina Finance Co., Ltd.

Anpon intends to borrow RMB 70 million from ChemChina Finance Co., Ltd. in the second half year of 2019. The guarantee period is subject to the provisions of the loan contracts.

IV. Accumulated Quantity of External Guarantees and Overdue Guarantees

Currently the balance of the guarantees that have been provided by the Company and/or its subsidiaries is USD 241.5544 million (RMB1,658.6816 million). After providing the above guarantee, the balance of the guarantees provided by the Company and/or its subsidiaries is USD 331.5544million (RMB2,288.6816 million) million. This amount accounts for approximately 10.27% of the latest audited net assets of the Company.

No guarantee is provided by the Company and/or its subsidiaries for the favor of

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entities not consolidated in the Company's financial statements.

The Company and its controlled subsidiaries do not have overdue guarantees.

V. Opinions of the Board of Directors

The Board of Directors is of the opinion that: (i) the guaranteed funds are used for the daily operation needs of the guaranteed party which is a wholly owned subsidiary of the Company; (ii) the financial risk of the guarantees is under the Company's control; and (iii) the guarantees neither significantly impact the normal operation of the Company, nor violate the relevant provisions of the CSRC and the Articles of Association of the Company.

VI. List of Reference Documents

1. Resolution of the 16th Meeting of the 8th session of the Board of Directors of the Company.

It is hereby announced.

Board of Directors of ADAMA, Ltd.

August 22, 2019

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